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Canadian Market Opportunities— Import Profile



Government
of Canada

Regional Industrial
Expansion

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Expansion industrielle
régionale

Canada

FUSES FOR ELECTRONIC EQUIPMENT AND VEHICLES

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These offices are listed on page 8
of this publication.

REFERENCE SOURCES

Department of Regional Industrial Expansion

Statistics Canada

Revenue Canada

Supply and Services Canada

EXPLANATORY NOTES

Valuation

Imports are generally recorded at the values established for customs duty purposes according to the provisions of the Customs Act. Customs values are identical to selling prices for most transactions between non-affiliated firms, but customs values exceed selling prices for many transactions between affiliated firms. All values are reported in Canadian dollars and do not include duty.

Average Growth Rate

Growth rates are calculated on the basis of annual compounding.

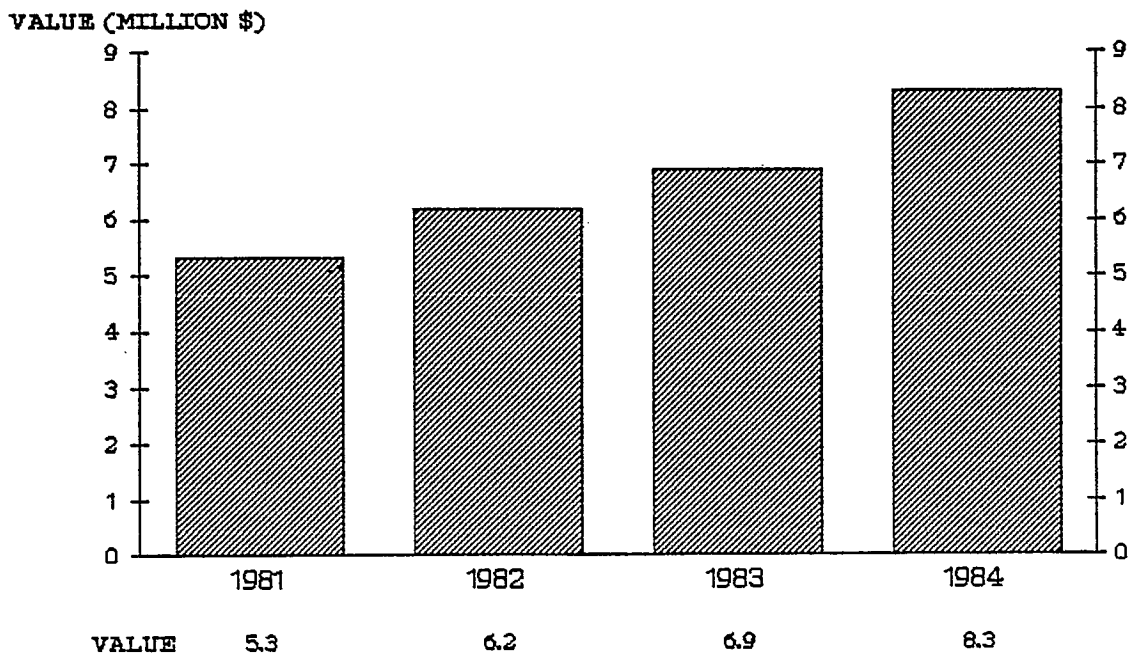
CANADIAN MARKET OPPORTUNITIES - IMPORT PROFILE

FUSES FOR ELECTRONIC EQUIPMENT AND VEHICLES

INTRODUCTION

This report is one of a continuing series designed to increase business awareness of the potential existing in the Canadian marketplace for domestic production and to stimulate Canadian business to explore further potential market opportunities in Canada. It is important to emphasize that this report does not attempt any assessment as to the feasibility of manufacturing or competing in a particular market and should be treated as an indicator or starting point for the manufacturer or entrepreneur.

A - IMPORT TRENDS
OF
FUSES FOR ELECTRONIC EQUIPMENT AND VEHICLES



During the years 1981 to 1984 imports of fuses for electronic equipment and vehicles increased steadily in value from \$5.3 million to \$8.3 million. This is an average annual rate of increase of 16 per cent.

**B - IMPORTS BY MAJOR FOREIGN COUNTRY OF EXPORT
(BASED ON 1984 FIGURES)**

<u>FOREIGN COUNTRY OF EXPORT</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>AVERAGE ANNUAL GROWTH RATE 1981-1984 %</u>	<u>PER CENT CHANGE 1983-1984 %</u>
UNITED STATES VALUE (\$000)	4 941	5 932	6 400	8 154	18	27
TAIWAN VALUE (\$000)	119	114	114	120	0	5
OTHER VALUE (\$000)	230	134	412	46	-42	-89
TOTAL VALUE (\$000)	5 290	6 180	6 926	8 320	16	20

During 1984 imports were valued at \$8.3 million, which was an increase of 20 per cent from 1983.

The United States has consistently been the major exporter to Canada, accounting for 98 per cent of the total value in 1984.

**C - IMPORT MARKET CONCENTRATION
(BY % OF TOTAL 1984 VALUE)**

<u>TOP 3 IMPORTERS</u>	<u>TOP 5 IMPORTERS</u>	<u>TOP 10 IMPORTERS</u>	<u>TOP 20 IMPORTERS</u>
80	89	94	97

The five major importers accounted for 89 per cent of the total imports for 1984. Of these, four were identified as wholesalers. All five companies are located in Ontario.

D - TYPE AND LOCATION OF THE 30 MAJOR IMPORTERS - 1984

	<u>MANUFACTURERS</u>		<u>WHOLESALEERS</u>		<u>OTHER(1)</u>		<u>TOTAL</u>	
	<u>NO. OF IMPORTERS</u>	<u>VALUE (\$000)</u>	<u>NO. OF IMPORTERS</u>	<u>VALUE (\$000)</u>	<u>NO. OF IMPORTERS</u>	<u>VALUE (\$000)</u>	<u>NO. OF IMPORTERS</u>	<u>VALUE (\$000)</u>
Ontario	10	333	11	7 211	3	343	24	7 887
Quebec	3 ^(X)	27 ^(X)	3 ^(X)	188 ^(X)	-	-	6 ^(X)	215 ^(X)
Atlantic Provinces								
Western Provinces	-	-	-	-	-	-	-	-
TOTAL	13	360	14	7 399	3	343	30	8 102
Per Cent of 1984 Total Value		4%		89%		4%		97%

(X) Quebec and Atlantic Provinces aggregated to preserve confidentiality
 (1) Includes retailers

There were approximately 116 importers of fuses for electronic equipment and vehicles in 1984. The major 30 importers accounted for 97 per cent or \$8.1 million of the total imports. Of the major 30 importers 14 were identified as wholesalers, representing 89 per cent of the import total. Seven of these firms were identified as wholesalers of electrical and electronic equipment, and accounted for 82 per cent of the total imports.

E - CANADIAN PRODUCTION

There is currently no Canadian manufacturer of this type of fuse.

F - EXPORTS

Since there is no Canadian production, there are no exports of Canadian products.

G - CANADIAN TARIFFS, 1985

TARIFF ITEM	DESCRIPTION	BY % OF TOTAL VALUE (1984)	TARIFF TREATMENT				
			BRITISH(1) PREFER- ENTIAL TARIFF %	MOST FAVOURED NATION TARIFF %	GENERAL TARIFF %	GENERAL PREFER- ENTIAL TARIFF %	U.K. AND IRELAND %
44524-01	Electric apparatus and complete parts thereof, n.o.p.	74	12.2	12.2	30	8	12.2
43829-01	Parts, n.o.p., electro-plated or not, whether finished or not, for automobiles, motor vehicles, electric trackless trolley buses, fire fighting vehicles, ambulances and hearses, or chassis enumerated in tariff items 42400-01 and 43803-01, including engines, but not including ball or roller bearings, wireless receiving sets, die castings of zinc, electric storage batteries, parts of wood, tires and tubes or parts of which the component material of chief value is rubber	13	Free	10.7	35	Free	9.2
	01/01/86			9.9			
	01/01/87			9.2			

(1) Excludes U.K. and Ireland
N.O.P. - Not otherwise provided for

Tariff Arrangements and Foreign Countries of Export:

MOST FAVOURED NATION: UNITED STATES, TAIWAN

ENQUIRIES CONCERNING TARIFFS SHOULD BE DIRECTED TO THE NEAREST CUSTOMS AND EXCISE OFFICE OR TO:
TARIFF PROGRAMS
REVENUE CANADA
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OTTAWA, ONTARIO K1A 0L5
TEL: (613) 996-9474

H - FEDERAL GOVERNMENT PROCUREMENTS

The Department of Supply and Services reports that federal government purchases of all type of fuses during the period April 1984 to March 1985 amounted to \$23.5 million. No separate data are available for purchases of fuses for electronic equipment and vehicles.

I - MARKET SUMMARY

Since there are no Canadian manufacturers of automotive or electronic equipment fuses, the import statistics represent the total Canadian market.

The production of these fuses would require a relatively heavy capital investment. Production equipment and techniques would have to be state of the art, or better, to permit a Canadian producer to be competitive against the highly automated Americans and the low-wage Mexican, Taiwanese and Hong Kong suppliers.

Because of the wide variety of sizes and ratings involved, a new enterprise could not expect to compete across the entire range. Attention should also be paid to rapidly changing automotive electric technology and a potential manufacturer should be confident that the type of fuse to be produced would continue in use in new vehicles for some years to come.

Whether or not a Canadian manufacturer would be competitive in international markets would depend on the level of sophistication of his product since competition is known to be fierce.

This report was prepared by:

The Department of Regional Industrial Expansion
In collaboration with the Department's
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