

HF
3221
.A1
C3
no.8-85

Canadian Market Opportunities— Import Profile



Government
of Canada

Regional Industrial
Expansion

Gouvernement
du Canada

Expansion industrielle
régionale

Canada

COMPUTER DISK DRIVES, MAGNETIC

Pub. No: 8-85

March 1985

Think  Pensons
Canadian canadien



COMPUTER DISK DRIVES, MAGNETIC

Pub. No: 8-85

March 1985

Published by
Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion

REFERENCE SOURCES

Department of Regional Industrial Expansion

Statistics Canada

Revenue Canada

Supply and Services Canada

For more information please contact:

Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 992-4446

OR

The nearest DRIE Regional Office
These offices are listed on page 8
of this publication.

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.

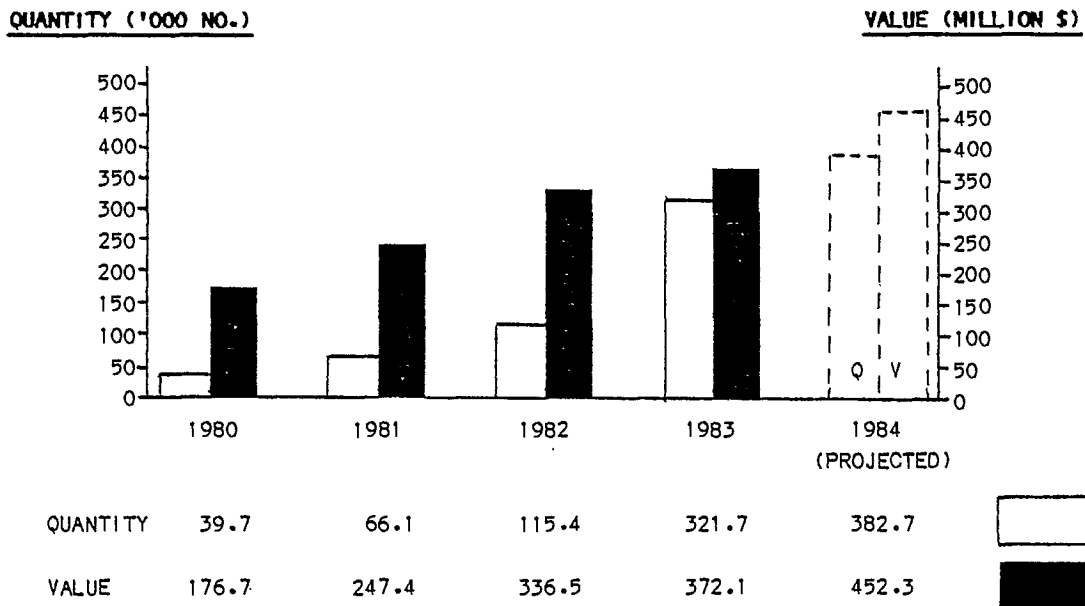
CANADIAN MARKET OPPORTUNITIES - IMPORT PROFILE

COMPUTER DISK DRIVES, MAGNETIC

INTRODUCTION

This report is one of a continuing series designed to increase business awareness of the enormous 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
COMPUTER DISK DRIVES, MAGNETIC



From 1980 to 1983 imports of disk drives increased at an average annual rate of 101 per cent in terms of quantity and 28 per cent in terms of value.

B - IMPORTS BY MAJOR FOREIGN COUNTRY OF EXPORT
(BASED ON 1983 FIGURES)

FOREIGN COUNTRY OF EXPORT	1980	1981	1982	1983	UNIT PRICE 1983 \$	AVERAGE	PER CENT CHANGE 1982-83 %	10-MONTH IMPORTS JAN. TO OCT.	
						ANNUAL GROWTH RATE 1980-83 %		1983	1984
UNITED STATES									
QUANTITY (NO.)	38 111	63 851	102 012	215 964		78	112	166 387	212 588
VALUE (\$000)	173 107	241 587	330 896	345 808	1 601	26	5	278 497	349 304
JAPAN									
QUANTITY (NO.)	81	949	5 116	71 253		858	1 293	51 178	74 935
VALUE (\$000)	320	1 944	1 918	18 752	263	288	878	14 910	18 538
WEST GERMANY									
QUANTITY (NO.)	29	808	6 075	25 042		852	312	20 133	15 169
VALUE (\$000)	87	439	1 575	4 537	181	273	188	3 703	2 701
TAIWAN									
QUANTITY (NO.)	-	-	42	6 240		N.A.	14 757	4 088	7 774
VALUE (\$000)	-	-	10	1 154	185	N.A.	11 440	796	1 208
ITALY									
QUANTITY (NO.)	12	56	1 194	1 666		417	40	918	2 533
VALUE (\$000)	49	45	615	606	364	131	-1	335	1 214
OTHER									
QUANTITY (NO.)	1 437	444	981	1 497		1	53	1 174	5 930
VALUE (\$000)	3 110	3 411	1 511	1 282	856	-26	-15	1 004	3 949
TOTAL									
QUANTITY (NO.)	39 670	66 108	115 420	321 662		101	179	243 878	318 929
VALUE (\$000)	176 673	247 426	336 525	372 139	1 157	28	11	299 245	376 914

N.A. - NOT APPLICABLE

From 1980 to 1983 imports of disk drives increased in value from \$176.7 million to \$372.1 million, and the number of units (consisting of varying proportions of high-priced and low-priced units) ranged from 39 670 to 321 662. The value of imports increased by approximately 26 per cent for the first 10 months of 1984 compared to the first 10 months of 1983.

The United States has consistently been the major exporter, accounting for 67 per cent of the volume and 93 per cent of the value in 1983. It should also be noted that imports from Japan have increased rapidly from 81 units in 1980 to 71 253 units in 1983.

**C - IMPORT MARKET CONCENTRATION
(BY % OF TOTAL 1983 VALUE)**

<u>TOP 5 IMPORTERS</u>	<u>TOP 10 IMPORTERS</u>	<u>TOP 25 IMPORTERS</u>	<u>TOP 60 IMPORTERS</u>
53	65	78	86

The five major Importers accounted for 53 per cent of the total Imports for 1983. Of these, three were identified as manufacturers. All five companies are located in Ontario.

D - TYPE AND LOCATION OF MAJOR IMPORTERS - 1983

	<u>MANUFACTURERS</u>		<u>WHOLESALEERS</u>		<u>RETAILERS</u>		<u>OTHER</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>	<u>NO. OF IMPORTERS</u>	<u>VALUE (\$000)</u>
Ontario	18	211 456	20	59 835	3	3 817	6	21 121	47	296 229
Quebec	3	14 589	3	4 147	-	-	-	-	6	18 736
Western Provinces	-	-	5	4 071	-	-	2	1 232	7	5 303
Atlantic Provinces	-	-	-	-	-	-	-	-	-	-
TOTAL	21	226 045	28	68 053	3	3 817	8	22 353	60	320 268
Value by % of 1983 Total		61%		18%		1%		6%		86%

There were approximately 1 152 Importers of disk drives during 1983. The top 60 Importers accounted for 86 per cent or \$320 million of the total Imports. Of these Importers, 21 were identified as manufacturers, representing 61 per cent of the Import total. The majority of these firms are manufacturers of computer related equipment.

E - CANADIAN PRODUCTION

There is at least one manufacturer of magnetic computer disk drives in Canada.

Statistics Canada reports that shipments of digital peripherals and auxiliary equipment, including memory modules, disk and tape drives, input-output devices and terminals, amounted to \$390 million in 1982, the latest year for which information is available. Production of disk drives is not reported separately.

F - EXPORTS

Exports of disk drives appear to be very limited. Statistics Canada reports that exports of all types of electronic computers and equipment for 1983 amounted to \$990.7 million. Separate export data for disk drives are not available.

G - CANADIAN TARIFFS, 1984

TARIFF ITEM	DESCRIPTION	BY % OF TOTAL VALUE (1983)	TARIFF TREATMENT					
			BRITISH(1) PREFER- ENTIAL TARIFF %	MOST FAVOUR- ED NATION TARIFF %	GENERAL TARIFF %	GENERAL PREFER- ENTIAL TARIFF %	U.K. AND IRELAND %	
	Electronic data processing machines and apparatus; peripheral equipment for use therewith including data entry, data preparation and data handling machines and apparatus; accessories and attachments for use therewith; parts of all the foregoing; none of the foregoing to include telephone and telegraph apparatus and parts thereof:							
41417-01	Other than the following	10	Free	3.9	25	Free	3.9	
41417-02	Drum storage memories; disc packs; disc drives; disc files; disc cartridge cleaners; card readers; card punches; card readers/punches; paper tape readers and punches; badge readers and punches; document transport mechanisms; tape to card punches; reproducing punches; line printers and page writers; card printers; matrix printers including buffered printers; card or paper tape verifiers; collators; card sorters; process control apparatus which converts analog signals from or to digital signals, the foregoing not to include sensors; card conditioning equipment; parts of the foregoing	90	Free	Free	35	Free	Free	

(1) Excludes U.K. and Ireland

Tariff Arrangements and Foreign Countries of Export:

MOST FAVOUR-ED NATION: UNITED STATES, JAPAN, WEST GERMANY, TAIWAN, ITALY

ENQUIRIES CONCERNING TARIFFS SHOULD BE DIRECTED TO THE NEAREST CUSTOMS AND EXCISE OFFICE OR TO:
 TARIFF PROGRAMS
 REVENUE CANADA
 CUSTOMS AND EXCISE
 OTTAWA, ONTARIO K1A 0L5
 TEL.: (613) 992-2623

H - FEDERAL GOVERNMENT PROCUREMENTS

The Department of Supply and Services report federal government purchases during 1983 as follows:

	<u>Value (\$000)</u>
Storage devices, disc-hard, mini, cartridge, pack, etc., EDP	1 956
Storage devices, disc-floppy, EDP	122
Storage devices, magnetic tape-drives all sizes, EDP	<u>1 475</u>
	3 553

I - MARKET SUMMARY

The disk drive market is segmented sharply in two parts. The traditional market of hard disk drives or Winchester accounts for approximately 5 per cent by quantity or 20 per cent by value of the market. The remainder of the market is accounted for by 5¼" floppy disk drives incorporated in word processors and microcomputers and by small numbers of 8" and 3½" drives.

There are no manufacturers of 5¼" and 3½" drives in Canada. There is one manufacturer of high capacity Winchester drives.

For more information please contact nearest DRIE Regional Office

Newfoundland

P.O. Box 8950
Parsons Building
90 O'Leary Avenue
St. John's, Newfoundland
A1B 3R9
Tel: (709) 772-4884

Prince Edward Island

P.O. Box 1115
Confederation Court Mall
134 Kent Street, Suite 400
Charlottetown, Prince Edward Island
C1A 7M8
Tel: (902) 566-7400

Nova Scotia

P.O. Box 940, Station M
1496 Lower Water Street
Halifax, Nova Scotia
B3J 2V9
Tel: (902) 426-2018

New Brunswick

P.O. Box 1210
Assumption Place
770 Main Street
Moncton, New Brunswick
E1C 8P9
Tel: (506) 388-6400

Québec

C.P. 247
Tour de la Bourse
800, Place Victoria, Bureau 4328
Montréal (Québec)
H4Z 1E8
Tel: (514) 283-8185

Ontario

P.O. Box 98
1 First Canadian Place, Suite 4840
Toronto, Ontario
M5X 1B1
Tel: (416) 365-3737

Manitoba

P.O. Box 981
400-3 Lakeview Square
185 Carlton Street
Winnipeg, Manitoba
R3C 2V2
Tel: (204) 949-4090

Saskatchewan

814 Bessborough Tower
601 Spadina Crescent East
Saskatoon, Saskatchewan
S7K 3G8
Tel: (306) 665-4400

Alberta

Cornerpoint Building
10179 - 105th Street, Suite 505
Edmonton, Alberta
T5J 3S3
Tel: (403) 420-2944

British Columbia

P.O. Box 49178
Bentall Postal Station
Bentall Tower IV
1101 - 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1K8
Tel: (604) 666-0434

Yukon

Suite 301
108 Lambert Street
Whitehorse, Yukon
Y1A 1Z2
Tel: (403) 668-4655

Northwest Territories

P.O. Bag 6100
Precambrian Building
Yellowknife, Northwest Territories
X1A 1C0
Tel: (403) 920-8568 or 8571