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# Canadian Market Opportunities— Import Profile

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Government  
of Canada

Regional Industrial  
Expansion

Gouvernement  
du Canada

Expansion industrielle  
régionale

Canada

COMPUTER DISK FILES

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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

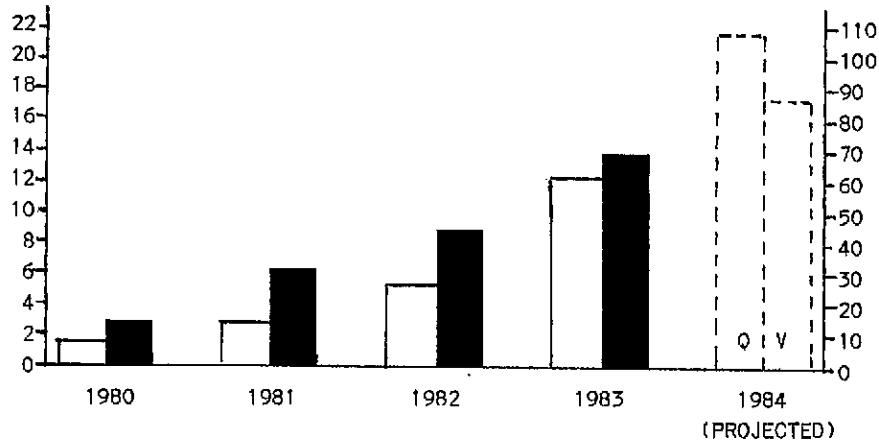
COMPUTER DISK FILES



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 FILES

QUANTITY (MILLIONS NO.) VALUE (MILLION \$)



QUANTITY	1.7	2.7	5.1	12.1	21.8	
VALUE	15.1	30.5	45.1	70.0	86.8	

From 1980 to 1983 imports of computer disk files increased at an average annual rate of 92 per cent in terms of quantity and 67 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
<b>UNITED STATES</b>									
QUANTITY (NO.)	1 662 199 2 641 858 4 985 657 11 585 982					91	132	9 114 714 16 165 481	
VALUE (\$000)	15 028	29 701	42 008	62 765	5	61	49	50 578	64 814
<b>JAPAN</b>									
QUANTITY (NO.)	7	1 308	3 680	96 975		2 302	2 535	68 141	769 593
VALUE (\$000)	2	78	124	3 120	32	1 060	2 416	2 968	3 217
<b>UNITED KINGDOM</b>									
QUANTITY (NO.)	321	1 137	33 141	147 640		672	345	143 329	24 473
VALUE (\$000)	17	211	563	1 761	12	370	213	1 719	337
<b>WEST GERMANY</b>									
QUANTITY (NO.)	40 044	3 269	9 644	7 806		-42	-19	6 829	8 837
VALUE (\$000)	31	219	759	936	120	211	23	744	814
<b>TAIWAN</b>									
QUANTITY (NO.)	-	-	7 510	11 073		N/A	47	10 680	9 699
VALUE (\$000)	-	-	331	187	17	N/A	-44	180	60
<b>OTHER</b>									
QUANTITY (NO.)	8 834	16 662	81 420	276 840		215	240	135 535	1 207 015
VALUE (\$000)	52	256	1 285	1 246	5	188	-3	791	3 121
<b>TOTAL</b>									
QUANTITY (NO.)	1 711 405 2 664 234 5 121 052 12 126 316					92	137	9 479 228 18 185 098	
VALUE (\$000)	15 130	30 465	45 070	70 015	6	67	55	56 980	72 363

N/A - NOT APPLICABLE

During 1983 imports totalled 12.1 million units, valued at \$70 million which was an increase of 137 per cent in terms of quantity and 55 per cent in terms of dollar value from 1982. The value of imports increased by 27 per cent for the first 10 months of 1984 compared to the first 10 months of 1983. The average unit price in 1983 was \$6. Unit prices ranged from \$5 for imports from the United States to \$120 from West Germany. This difference in unit price is due to: 1) the variety of products in this class, 2) boxes containing several items being counted as single units, and 3) pre-programmed disk files which have much higher values than unprogrammed files. This class contains floppy disks or diskettes, hard computer disks, tape cartridges and some disk packs, both programmed and unprogrammed.

The United States has consistently been the major exporter to Canada and accounted for 96 per cent of the quantity and 90 per cent of the value in 1983. It should also be noted that imports from Japan have increased rapidly from seven units in 1980 to 96 975 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 50 IMPORTERS</u>
33	49	72	81

The 10 major Importers accounted for 49 per cent of the total Imports for 1983. Six were identified as manufacturers of electronic computing and related equipment, and accounted for 36 per cent of total Imports. Four were wholesalers located in Ontario, accounting for 13 per cent of total Imports.

**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	14	24 834	18	16 386	5	3 919	3	1 423	40	46 562
Quebec	3	4 627	7	4 224	-	-	-	-	10	8 851
Western Provinces	-	-	6	1 877	-	-	3	534	9	2 411
Atlantic Provinces	-	-	-	-	-	-	1	119	1	119
TOTAL	17	29 461	31	22 487	5	3 919	7	2 076	60	57 943
Value by % of 1983 Total		42%		32%		6%		3%		83%

There were approximately 1 000 Importers of computer disk files during 1983. The top 60 Importers accounted for 83 per cent or \$58 million of the total Imports. Importers identified as manufacturers (17 firms) represent 42 per cent of the Import total.

**E - CANADIAN PRODUCTION**

There are at least four manufacturers of computer disk files in Canada. Statistics Canada does not report separate data on production of disk files. The data on disk files are included in the broad category "all other products", shipments of which were \$91.3 million for 1982, the latest year for which information is available.

**F - EXPORTS**

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

G - CANADIAN TARIFFS, 1984

TARIFF ITEM	DESCRIPTION	BY % OF TOTAL VALUE (1983)	TARIFF TREATMENT					
			BRITISH(1) PREFER- ENTIAL TARIFF %	MOST FAVOURED 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	3	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	95	Free	Free	35	Free	Free	

(1) Excludes U.K. and Ireland

Tariff Arrangements and Foreign Countries of Export:

MOST FAVOURED NATION: UNITED STATES, JAPAN, WEST GERMANY, TAIWAN

\*MOST FAVOURED NATION OR U.K. AND IRELAND: UNITED KINGDOM

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 reports federal government purchases during 1983 as follows:

	<u>Value (\$000)</u>
Supplies and support equipment, disc, packs, including floppy, EDP	613
Supplies and support equipment, disc, cartridges, including floppy, EDP	117
Supplies and support equipment, magnetic tapes, including cassettes, EDP	<u>2 224</u>
	2 954

I - MARKET SUMMARY

The disk file market parallels the disk drive market. The bulk of unit sales are in the 5½" size used in word processors and microcomputers. Other sizes of small files are 8" and 3½". Large Winchester files are integral with their drives and are currently manufactured in Canada. A recent development has been in the area of five to 20 megabyte removeable media Winchester drives.

The optical data disk has been receiving a great deal of research attention and should emerge with a major market share in the next few years. This is an outgrowth of video-disk technology.



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