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IMPORT ANALYSIS

Market Research Support

LASER PRINTERS

SEPTEMBER 1987

Pub. No. : 88003-RR May 1988



Government
of Canada

Regional Industrial
Expansion

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EXPLANATORY NOTES

Method

The data shown in this analysis is extracted from Revenue Canada Customs documents. These documents provide a description of the products, names of importers, exporters, quantities, dollar values, unit prices, countries of origin, provinces of entry, tariff applications and rates of exchange.

The information presented in this report is more detailed than that generally available from Statistics Canada or other publications. Data which might reveal information about individual importers is aggregated.

Valuation

Dollar values shown in this report are based on selling price F.O.B. plant, in Canadian dollars. This selling price represents the value paid by the importer, excluding all freight, packing and insurance costs when specified. All trade discounts, when applicable, are also deducted from the selling price.

Rounding

Figures may not add due to rounding.

REFERENCE SOURCES

Department of Regional Industrial Expansion
Statistics Canada
Revenue Canada

FOR MORE INFORMATION PLEASE CONTACT:

Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
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Information Technologies Industry
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235 Queen Street
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IMPORT ANALYSIS

LASER PRINTERS

I. INTRODUCTION AND SCOPE

This Import Analysis is one of a series prepared in order to assist businesses and other organizations in their market research of specific products. The detailed import information provided in these reports supports studies by organizations seeking to expand existing production lines, change individual product characteristics or engage in new manufacturing investment in Canada. The coverage of an import analysis is developed in close consultation with the client, and is tailored to meet those specific requirements. It is important to emphasize that this report does not attempt any assessment as to the feasibility of competing in a particular market.

This analysis of imports of laser printers is based on a detailed examination of Revenue Canada Customs import documents for the month of September 1987. The following Canadian International Trade Classification (C.I.T.C.) import commodity code was analysed:

771-22-60 Printers, computer output

Laser printers are included in the above C.I.T.C. category with other types of computer printers, such as impact dot matrix, daisywheel, ink jet, and thermal transfer. Only laser printers were analysed in this report. In addition, due to the large volume of documents classified to the aforementioned C.I.T.C. import commodity code, only those shipments having a value of \$4 000 and over were examined.

Total figures in this report do not correspond to those published by Statistics Canada. The differences are explained in Appendix I.

II. IMPORT TRENDS 1983-1987

As shown below, total imports of all types of computer printers were valued at \$349 million in 1987. Imports have been increasing steadily since 1983 both in terms of quantities and values. Imports of all printers as reported on documents examined for the month of September 1987 amounted to a quantity of 51 575, valued at \$28 million. For that month, imports of laser printers amounted to 2 527 units (5 per cent of the total number) valued at \$5.7 million (20 per cent of the total value) of imports.

IMPORTS OF PRINTERS, (ALL TYPES) COMPUTER OUTPUT

<u>JANUARY TO DECEMBER</u>										<u>% Growth</u>	
<u>1983</u>		<u>1984</u>		<u>1985</u>		<u>1986</u>		<u>1987</u>		<u>Per Annum</u>	
<u>Qty.</u>	<u>Value</u>	<u>Qty.</u>	<u>Value</u>	<u>Qty.</u>	<u>Value</u>	<u>Qty.</u>	<u>Value</u>	<u>Qty.</u>	<u>Value</u>	<u>1983-1987</u>	
<u>(000)</u>	<u>(\$M)</u>	<u>(000)</u>	<u>(\$M)</u>	<u>(000)</u>	<u>(\$M)</u>	<u>(000)</u>	<u>(\$M)</u>	<u>(000)</u>	<u>(\$M)</u>	<u>Qty.</u>	<u>Value</u>
257	190	317	257	387	263	483	312	571	349	22	16

Note that the remainder of this report deals with imports for the month of September 1987 of laser printers only.

III. ANALYSIS OF IMPORTS

During the month of September 1987 imports of laser printers, as analysed in this report, totalled 2 527 units for a value of \$5.7 million.

Of the total imports, laser printers with a rated speed of eight pages per minute (PPM) represented 1 737 units (69 per cent) valued at \$3.8 million (67 per cent). Average unit prices, as expected, increased with higher speed output. Further details on imports by rated speed and by price range are shown in Appendices A & B.

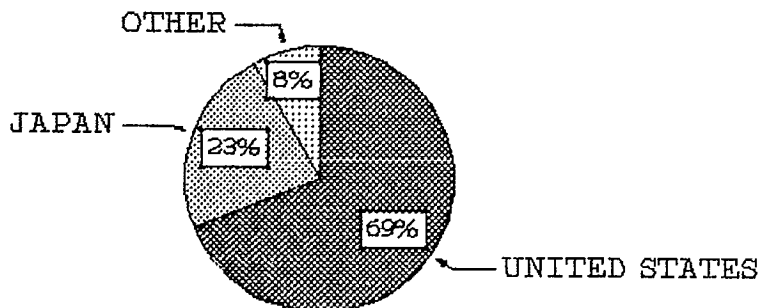
SUMMARY OF IMPORTS - LASER PRINTERS
BY SPEED AND PRICE RANGE - SEPTEMBER 1987

Price Range (\$)	FACTORY RATED SPEED (PPM)								Not Identified	
	4 and 6*		8		10		15 and 24*		Quantity	Value
	Qty. (No.)	Value (\$000)	Qty. (No.)	Value (\$000)	Qty. (No.)	Value (\$000)	Qty. (No.)	Value (\$000)	(No.)	(\$000)
Up to 3 000	428	491	1 308	2 178	296	754	-	-	25	56
Over 3 000	-	-	429	1 614	12	63	15	92	14	443
TOTAL	428	491	1 737	3 792	308	817	15	92	39	499
% of Total Value	9%		67%		14%		2%		9%	

* Aggregated to preserve confidentiality of Canadian importers.

The United States was the dominant source of imports of laser printers during the period analysed, accounting for \$3.9 million, or 69 per cent of the total import value, followed by Japan with \$1.3 million. The other exporting countries in descending order of value were Federal Republic of Germany and Taiwan. Their values were aggregated to preserve confidentiality of Canadian importers. Appendix C gives details of imports by country of origin. Average unit prices from the two major countries are relatively close at \$2 107 for the U.S. and \$2 077 for Japan. A detailed list of major foreign exporters to Canada, in descending order of value, is shown in Appendix F.

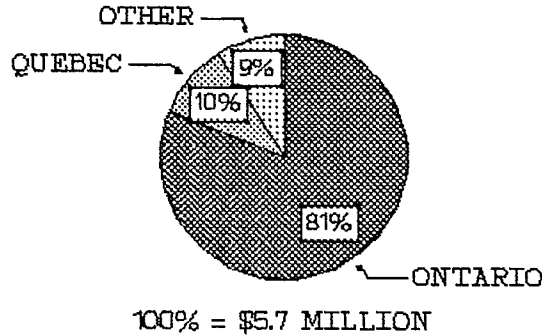
IMPORTS OF LASER PRINTERS - BY COUNTRY OF ORIGIN
SEPTEMBER 1987



100% = \$5.7 MILLION

Ontario was the major province of consignee accounting for \$4.6 million, or 81 per cent of the total import value, followed by Québec with 10 per cent. "Other provinces" includes the following in order of value: British Columbia and Saskatchewan. (See imports by province of consignee, Appendix D).

IMPORTS OF LASER PRINTERS - BY PROVINCE OF CONSIGNEE
SEPTEMBER 1987



There were 43 known consignees/importers of laser printers during the month of September 1987. Thirteen had imports of at least \$100 000 during that period. The principal 15 consignees/importers accounted for \$5 million or 88 per cent of the total dollar value of imports. All consignees/importers are listed in alphabetical order in Appendix E.

IMPORT MARKET CONCENTRATION
SEPTEMBER 1987

<u>Principal Consignees/Importers (By Value)</u>	<u>Cumulative Value (\$'000)</u>	<u>Cumulative % of Total Value</u>
3	2 587	45
6	3 641	64
10	4 501	79
15	5 001	88
All Consignees/ Importers (43)	5 691	100

IV. CANADIAN PRODUCTION

At the present time, laser printers are not manufactured in Canada.

V. MARKET SUMMARY

Laser printers are the printer of choice for "desktop publishing". Briefly, desktop publishing involves the ability to merge text, graphics, images and charts into a single document and control and manipulate the appearance of that document from the screen of a computer. The high resolution of 300 dots per inch or more of laser printers combined with their programmability and price makes them ideal for this application.

The market for these printers will follow the growth of desktop publishing which is in its early stages. Currently, annual growth rates of sales are around 12 per cent per annum. These rates should continue for the next two to three years. There are pressures to bring unit prices down, with a number of vendors targeting for a retail price of U.S. \$1 000. Also, most models have a resolution of 300 dots per inch. Full commercial quality demands 900 to 1 200 dots per inch, which is a performance level only achievable at a very high cost. Most Laser printers are not capable of colour output but several companies are working intensively to provide colour devices.

The majority of laser printers are sold as a component of computer systems as evidenced by the consignees identified in this study. Most are resellers who package the printers with an appropriate computer and software.

As mentioned in this report, at present there is no manufacture of laser printers in Canada. The market segment for laser printers is supplied exclusively by imports (2 527 units valued at \$5.7 million for September 1987), originating mostly from the United States and Japan.

Opportunities appear to exist in this rapidly growing market. However, industry sources indicate that the establishment of a manufacturing facility in Canada would require a large capital investment, substantial technological resources, and access to both domestic and export markets. In addition, it is likely that products other than laser printers would also need to be produced by such a plant in order to make it economical. Companies wishing to manufacture this product should investigate licencing or joint venture possibilities with some of the large U.S. or Japanese companies.

APPENDIX A

IMPORTS OF LASER PRINTERS, BY FACTORY RATED SPEED
SEPTEMBER 1987

<u>Speed</u> (PPM)*	<u>Quantity</u> (No.)	<u>Value</u> (\$)	<u>Average Unit Price</u> (\$)
4 and 6	428	491 206	1 148
8	1 737	3 792 195	2 183
10	308	817 088	2 653
15 and 24	15	91 526	6 102
Speed not reported	<u>39</u>	<u>499 087</u>	<u>12 797</u>
	2 527	5 691 102	2 252

* Pages per minute

APPENDIX B

IMPORTS OF LASER PRINTERS, BY PRICE RANGE
SEPTEMBER 1987

<u>Price Range</u> (\$)	<u>Quantity</u> (No.)	<u>Value</u> (\$)	<u>Average Unit Price</u> (\$)
Up to 2 000	1 430	1 981 430	1 386
2 001 to 3 000	627	1 497 693	2 389
3 001 to 4 000	372	1 334 774	3 588
4 001 to 6 000	76	347 855	4 577
Over 6 000	<u>22</u>	<u>529 350</u>	<u>24 061</u>
	2 527	5 691 102	2 252

APPENDIX C

IMPORTS OF LASER PRINTERS, BY COUNTRY OF ORIGIN
SEPTEMBER 1987

	<u>Quantity</u> (No.)	<u>Value</u> (\$000)	<u>Average</u> <u>Unit Price</u> (\$)
United States	1 874	3 948	2 107
Japan	637	1 323	2 077
Federal Republic of Germany) Taiwan)	16*	420*	26 240
	-----	-----	-----
	2 527	5 691	2 252

APPENDIX D

IMPORTS OF LASER PRINTERS, BY PROVINCE OF CONSIGNEE
SEPTEMBER 1987

	<u>Quantity</u> (No.)	<u>Value</u> (\$000)	<u>% of</u> <u>Total Value</u>
Ontario	2 006	4 590	81
Québec	258	590	10
British Columbia) Saskatchewan)	263*	511*	9
	-----	-----	-----
	2 527	5 691	100

* Aggregated to preserve confidentiality of Canadian importers.

CANADIAN IMPORTERS

Importers of laser printers during the month of September 1987, as indicated in this report, are listed below in alphabetical order. Where the importer is not the same as the consignee, (i.e. the recipient of the goods shipped), the name of the consignee rather than that of the importer is listed. The importer or consignee is not necessarily the end-user of the product.

NOTE: This list includes all importers except individuals.

<u>Name</u>	<u>Address</u>
Arrow Electronics Canada Ltd.	Montréal, Qué.
Ahearn & Soper Inc.	Rexdale, Ont.
Anderson Jacobson Canada Ltd.	Markham, Ont.
AES Data	Dorval, Qué.
Apple Canada Inc.	Markham, Ont.
Bottom Line Management Ltd.	Vancouver, B.C.
BDM Information Systems Ltd.	Saskatoon, Sask.
Corporate Micro Business Systems	Rexdale, Ont.
Canon Canada Inc.	Mississauga, Ont.
CompuServe Inc.:	Markham, Ont.
	Richmond, B.C.
C.D.I. Computers Inc.	Markham, Ont.
Compulab Inc.	Richmond Hill, Ont.
CPT Business System of Canada	Ottawa, Ont.
Decision Data Canada Inc.	Mississauga, Ont.
Data Terminal Mart	Mississauga, Ont.
Digital Equip. Canada Ltd.	Kanata, Ont.
Datapoint Canada Inc.	North York, Ont.
Dept. of National Defense	Ottawa, Ont.
Exan Computer Systems & Services Ltd.	Burnaby, B.C.
Entré Computer Centers	Willowdale, Ont.
Goodman & Goodman	Toronto, Ont.
Hamilton Aonet Int'l Canada Ltd.	Mississauga, Ont.
Heath Co.	Toronto, Ont.
Hewlett Packard Co.:	Mississauga, Ont.
	Richmond, B.C.
IBM Canada Ltd.	Don Mills, Ont.
Livington Int'l	Toronto, Ont.
McCarthy and McCarthy	Toronto, Ont.
Micro Computers of Canada Inc.	Markham, Ont.
Mannesmann Tally	Mississauga, Ont.
NBI Canada Inc.	Toronto, Ont.
Office Equip. Co. of Canada	Markham, Ont.
Philips Info Systems Ltd.	St-Laurent, Qué.
Print Three Inc.:	Scarborough, Ont.
	Saskatoon, Sask.
QMS Computer Products	Mississauga, Ont.
	Vancouver, B.C.
Pride Computer Dist.	Richmond, B.C.
Seanix Tech. Co.	Vancouver, B.C.
STC Canada Inc.	Rexdale, Ont.

APPENDIX E

CANADIAN IMPORTERS (CONT'D)

<u>Name</u>	<u>Address</u>
The John P. Robarts Research Institute Université de Montréal Centre de Calcul Wang Canada Ltd.:	London, Ont. Montréal, Qué. Richmond Hill, Ont. Montréal, Qué.
Xerox Canada Inc. Yamatech Scientific Ltd. Zentronics Inc.	Mississauga, Ont. Mt-Royal, Qué. Brampton, Ont.

APPENDIX F

FOREIGN EXPORTERS TO CANADA

Major exporters to Canada of laser printers, with total shipments of \$100 000 and over are listed below in descending order of dollar value. Names are as shown on the shipping documents. These exporters accounted for 89 per cent of the total analysed value of \$5 691 102.

<u>Name</u>	<u>Address</u>	<u>Value of Imports</u> (\$000)
Apple Computer Inc. Hewlett-Packard Co.	Cuportino, CA Palo Alto, CA	United States) United States)*
Printware Inc.	St. Paul, MN	United States
Xerox Corp., Printer Div. Siemens AG	El Segundo, CA München	United States) Fed. Rep. of) Germany)*)
IBM Corp.	Charlotte, NC	United States)
Digital Equip. Corp. (DEC)	Maynard, MA	United States
QMS Inc. Wang Laboratories Inc.	Mobile, AL Lowell, MA	United States) United States)*
Okidata Corp. Krocera Unison Inc.	Mt-Laurel, NJ San Francisco, CA	United States) United States)*

* Aggregated to preserve confidentiality of Canadian importers.

CANADIAN SUPPLIERS

The following lists are taken from two sources: a) the Business Opportunities Sourcing System (BOSS), a computerized data bank established by the federal Department of Regional Industrial Expansion (DRIE) and b) the Canadian Trade Index, published by the Canadian Manufacturers' Association (CMA). These lists may not include all suppliers of the products in question, as companies must themselves register in BOSS or the Canadian Trade Index. In both cases, information of Canadian products supplied is as given by the companies.

BOSS

Canadian companies are arranged in alphabetical order within the following Canadian International Trade Classification (C.I.T.C.) commodity codes.

771-22-60 Printers, Computer Output

<u>Name</u>	<u>Address</u>
* Alis Technologies Inc.	St-Laurent, Qué.
* Becterm Inc.	Lévis, Qué.
* Comtern Inc.	Pointe-Claire, Qué.
* Cyberworks	Orillia, Ont.
* Dataspace Corp.	Markham, Ont.
* Epson Services Ltd.	Markham, Ont.
IBM Canada Ltd.	Markham, Ont.
Multiflex Inventions & Dev. Technology	Mississauga, Ont.
Northern Telecom Canada Ltd.	Ottawa, Ont.
Ogivar Inc.	St-Laurent, Qué.
Titan Informatique Inc.	Montréal, Qué.

* Company engaged in export trade

Any enquiries and/or comments regarding the BOSS list should be directed to:

Business Opportunities Sourcing System (ABOS)
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario K1A 0H5
Tel: (613) 954-5031 - Telex: 053-4123

CANADIAN TRADE INDEX

Canadian companies are arranged in alphabetical order.

Computer Printers

(not necessarily the products described in this report)

<u>Name</u>	<u>Address</u>
* Comterm Inc.	Pointe-Claire, Qué.
* Delphax Systems	Mississauga, Ont.
Digitech Inc.	Ste-Foy, Qué.
Diversified Business Communications Ltd.	Mississauga, Ont.
IBM Canada Ltd.	Markham, Ont.
Xerox Canada Inc.	North York, Ont.

* Indicates firms engaged in export trade

Any enquiries and/or comments regarding the Canadian Trade Index list should be directed to:

The Canadian Manufacturers' Association
One Yonge Street
Toronto, Ontario M5E 1J9
Tel: (416) 363-7261 - Telex: 065-24693

CANADIAN AND FOREIGN TARIFFS

Laser printers included in this analysis were dutiable under the following most commonly applied tariff item.

Tariff Item	Description	Tariff Treatment					
		British Prefer- ential Tariff %	Most Favoured Nation Tariff %	General Tariff %	General Prefer- ential Tariff %	U.K. and Ireland %	
41417-2	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; printers other than those incorporating keyboards; 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	1987	Free	Free	35	Free	Free

Tariff Arrangements and Foreign Countries of Export:

Exporting countries which qualify for the Most Favoured Nation tariff treatment: Federal Republic of Germany, Japan, Taiwan and the United States

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) 954-6946

Foreign Countries

Enquiries concerning tariffs and other government trade regulations in foreign countries should be directed to:

INFO EXPORT
EXTERNAL AFFAIRS
OTTAWA, ONTARIO
K1A 0G2
TEL: (613) 993-6435 OR 1-800-267-8376

RECONCILIATION

The value reported in this import analysis does not correspond to official Statistics Canada figures for various reasons. Imports of laser printers during September 1987, as reported on documents analysed in this report, amounted to \$5 691 102.

Reconciliation of the two total figures is explained as follows:

<u>Values Accounted For</u>	<u>Value</u> <u>(\$000)</u>
Values reported by Statistics Canada but not included in this report (e.g. documents not available for processing and Canadian goods returned)	763
Documents not included in this analysis:	
a) individual shipments valued at less than \$4 000	912
b) Printers, other than laser	20 663
Total values reported in this import analysis	<u>5 691</u>
Total values accounted for as above	28 029
Total values published by Statistics Canada	28 029

