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Import Analysis

Analyse des importations

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ANALYSIS OF  
ROTARY ROCK DRILL BITS

DECEMBER 1981 TO NOVEMBER 1982

Further information available from Import Analysis Directorate, Industry, Trade & Commerce,  
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Canada

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- REFERENCES:
- (1) Customs Tariff: Item 41002-1
  - (2) Canadian International Trade Classification (Cat. #65-502E, Statistics Canada)
  - (3) Imports by Commodities (Cat. #65-007, Statistics Canada) Commodity Codes 521-07(20) and 521-07(90)

## SECTION I

### SCOPE OF ANALYSIS

This report is based on a detailed analysis of imports of rock drill bits of sizes 2-15/16 to 6-3/4 inches during the period December 1981 to November 1982. These products are included in Statistics Canada's import commodity codes 521-07-20 "Tungsten carbide rotary rock drill bits" and 521-07-90 "Rotary rock drill bits, not further identified". Most of the drill bits coded in these classes were rotary, but a number of wing bits were also reported. Both rotary and wing bits are included in this report; references to "rotary" should be taken to include wing as well.

## SECTION II

### CANADIAN PRODUCTION

Rock drill bits are presently being produced in Canada; however, Statistics Canada does not provide data on Canadian production or shipments.

## SECTION III

### ANALYSIS OF IMPORTS

Imports of rock rotary and wing drill bits having a size of 2-15/16 inches to 6-3/4 inches amounted to 11,203 units, valued at \$5,592,529, during the period December 1981 to November 1982.

A minimum of 72 per cent of the quantity of imports and 68 per cent of the total value of imports shown are apparently in Statistics Canada's terminology "company transfer transactions" i.e. shipments between affiliated firms.

Full details of the analysis are provided in the following table.

IMPORTS OF ROTARY ROCK DRILL BITS

DECEMBER 1981 TO NOVEMBER 1982

<u>Size (Inches)</u>	<u>Price Range (\$)</u>	<u>Quantity (No.)</u>	<u>Value (\$)</u>	<u>Import Market Concentration Market Shares</u> <u>Top 3 Importers (% of Value)</u>
2-15/16	140 to 190	373	65,693	95
	430 to 760	221	127,056	100
3-1/4 to 3-3/8	70 to 290	61	9,149	100
3-1/2	55 to 130	469	40,523	99
3-3/4	130 to 140	66)	40,117*	100
	480 to 600	60)		
3-7/8	50 to 150	458	58,351	90
	170 to 390	50	9,329	97
	500 to 600	143	74,162	88
4 to 4-1/8	130 to 135	24)	8,065*	100
	500 to 570	9)		
4-1/4	130 to 145	49	6,699	100
4-1/2	85 to 150	2,282	236,088	99
	300 to 600	33	17,577	97
4-3/4	85 to 150	1,633	175,103	98
	450 to 800	298	209,841	95

IMPORTS OF ROTARY ROCK DRILL BITS

Continued

DECEMBER 1981 TO NOVEMBER 1982

<u>Size</u> <u>(Inches)</u>	<u>Price Range</u> <u>(\$)</u>	<u>Quantity</u> <u>(No.)</u>	<u>Value</u> <u>(\$)</u>	<u>Import Market</u> <u>Concentration</u> <u>Market Shares</u>  <u>Top 3 Importers</u> <u>(% of Value)</u>
4-7/8	130 to 200	42)	30,262*	100
	470 to 600	48)		
5	115 to 160	24)	77,654*	100
	470 to 700	120)		
5-1/8	115 to 200	190)	125,532*	100
	470 to 900	139)		
5-1/4 to 5-3/4	200 to 300	175	46,274	100
	650 to 800	10	6,833	100
	2,670 to 3,120	64	177,856	100
5-7/8	200 to 300	59	14,571	100
	600 to 1,100	51	51,113	100
	2,800 to 3,700	72	218,422	100
6	200 to 350	55	16,999	100
	450 to 1,000	112	105,850	79
	1,575 to 3,765	63	185,455	98
6-1/8	200 to 350	43	11,211	88
	600 to 1,200	119	89,890	76
	2,600 to 4,200	110	346,064	100
6-1/4	200 to 400	645	233,309	99
	650 to 1,300	1,950	1,504,744	99
	1,700 to 3,465	270	827,990	99

IMPORTS OF ROTARY ROCK DRILL BITS

Continued

DECEMBER 1981 TO NOVEMBER 1982

<u>Size</u> <u>(Inches)</u>	<u>Price Range</u> <u>(\$)</u>	<u>Quantity</u> <u>(No.)</u>	<u>Value</u> <u>(\$)</u>	<u>Import Market</u> <u>Concentration</u> <u>Market Shares</u>  <u>Top 3 Importers</u> <u>(% of Value)</u>
6-1/2	335 to 825	51	31,918	100
	3,100 to 4,200	11	40,924	100
6-3/4	160 to 850	26	16,787	100
	2,200 to 3,800	97	295,025	84
Size not specified	110 to 515	<u>428</u>	<u>60,093</u>	100
TOTAL		11,203	5,592,529	

NOTES: \*Aggregated in order to preserve confidentiality.

Dollar values shown are based on selling price F.O.B. plant, in Canadian dollars.

SECTION IV

FOREIGN EXPORTERS TO CANADA

Major exporters of rotary rock drill bits shown in Section III are listed below in descending order of dollar value. They accounted for over 99 per cent of the quantity and 98 per cent of the total value of imports during the period analyzed.

<u>UNITED STATES</u>		<u>Quantity</u> (No.)	<u>Value</u> (\$)
Smith Tool	Denver, CO	1,998	2,140,284
Hughes Tool Co.	Houston, TX	1,245	1,311,279
Reed Rock Bit Co.	Houston, TX	648	672,026
Walker McDonald Int'l Inc.	Greenville, TX	2,086	460,504
Varel Manufacturing Co.	Dallas, TX	3,119	371,806
Smith-Gruner	Ponca City, OK	645	178,941
Drill Products Int'l Inc.	Denver, CO	1,118	146,744
Thropp Rock Bit Mfg. Co.	Tonkawa, OK	194	75,812
Dresser Mining Services & Equip.	Cleveland, TN	72	63,240
Oilfield Equipment Group	Eunice, LA	55	52,419

SECTION V

CANADIAN AND FOREIGN TARIFFS

CANADA

Rock drill bits included in this analysis were dutiable under the following most commonly applied tariff item.

<u>Tariff Item</u>	<u>Description</u>	<u>British Preferential Tariff</u>	<u>Most Favoured Nation Tariff</u>	<u>General Tariff</u>	<u>General Preferential Tariff</u>	<u>U.K. &amp; Ireland</u>
41002-1	Bits of a class or kind not made in Canada, parts thereof.....	Free	Free	Free	Free	Free

Tariff items and rates of duty are subject to change, and need to be verified by direct reference to:

Customs Programs Branch, Secretariat  
Department of National Revenue  
Customs and Excise  
Ottawa, Ontario  
K1A 0L5

FOREIGN COUNTRIES

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

International Bureaux  
Department of Industry, Trade and Commerce  
Ottawa, Ontario  
K1A 0H5