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Markets for Sporting Goods in the U.S.

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Canada's Sporting Goods Industry

With more Canadians taking to leisure-time sports, more companies are turning out sporting goods and equipment. As production increases, many are exploring export outlets, particularly in the United States and Europe. This article and those that follow spell out sales opportunities, with emphasis on the large American market.



GEORGE A. TAYLOR, *Consumer Goods Division, Commodities Branch.*

CANADA'S sporting goods industry has grown rapidly in the last twelve years. In 1960 it consisted of 109 firms turning out goods worth nearly \$38 million and employing 3,453 people; in 1952, there were only 77 firms turning out products worth nearly \$10 million, factory selling value. The 1960 figures are the latest to be published but the progress of the industry has continued in the last three years. Manufacturers already in business have increased the size of their operations as much as three times in many instances and a number of new firms have entered the field.

This impressive growth has resulted from the rise in Canada's population of nearly 32 per cent over the past decade and from the coming of the 40-hour work week, which means more time for sports and other recreation. And as the industry becomes larger it also becomes more competitive, both at home and abroad, and more interested in foreign markets. Exports of sporting goods in 1957, for example, reached \$3.6 million; by 1962, they had climbed to \$7.5 million, and for the first nine months of 1963 to \$6.3 million, with the possibility of reaching \$8.0 million for the full year. (For details, see Table I.)

How big is the demand for Canadian sporting goods, both here in Canada and in the more promising markets abroad—particularly the United States (our major customer), Australia, Britain, Western Europe, and even in the Middle East? To answer this question, it might be well to look at the major sports one by one.

Boating

Boating, both sail and power, has grown tremendously in Canada since the Second World War. Canadian enthusiasts spent close to \$275 million equipping themselves for life

on the water in 1963. It is estimated that one in every twenty Canadians owns a boat of one sort or another and the 140 yacht clubs across Canada boast a membership of 20,000, many of which are family memberships.

According to DBS, factory shipments totalled \$12,626,000 in 1961, and came from 232 establishments engaged in boat building and repair. Factory shipments of outboard motors in 1963 reached approximately 40,000 units and some boats were turned out. In the smaller-type boats and rowboats, aluminum construction has dominated in recent years. Fibreglas and plastic have made inroads into the run-about market, but most people still feel that the traditional wooden construction is the most suitable for large cruisers. Nevertheless manufacturers of sailing craft are turning more and more to fibreglas construction.

Bowling

Canadian bowling enthusiasts (about three million of them), suppliers and operators of 2,000 bowling alleys spent about \$75 million on this sport in 1962. In Canada, the sport may have reached a period of consolidation but new opportunities for Canadian suppliers are appearing in Britain and Australia. In the United States, it is estimated that some 30 million Americans flocked to bowling establishments in 1961. Operators are encouraging

greater participation by providing baby-sitting services, lounges, and billiard rooms and promoting bowling as a family game.

Camping

The Canadian sportsman and his American counterpart in recent years have packed their families into automobiles, put in camping equipment, and headed for the outdoors. Provincial governments in Canada have quickly realized the significance of this trend in tourist dollars and they have expanded camp sites and provided new ones. There are now about 393 federal and provincial parks in Canada, (Ontario and British Columbia have the largest number) and nearly 25,000 camp sites. Half a million Canadians go camping regularly and since 1957 the number of camping families in the United States has doubled; in 1961, the estimate was 5½ million campers. All this has spelled opportunity for manufacturers of camp cots, sleeping bags, tents, trailers, air mattresses, camp stoves, utensils, dry-cell battery lamps, and insect repellents—not to mention fishing tackle and swimming equipment. This trend will continue.

Curling

Legend has it that Wolfe's soldiers introduced curling into Canada by playing an improvised version on the Plains of Abraham. After the Second World War, the number of curlers in Canada jumped sharply:

the 400 clubs and 25,000 participants of 1940 had risen to 1,800 clubs with 130,000 members in 1960. About 500,000 people (including schoolboys, women and casual players) have now taken to curling. Curlers do not spend lavishly on equipment and attire, but manufacturers of sweaters, slacks, tams and accessories such as brooms and boots are enjoying a healthy increase in sales. Many of the new rinks are being built next to golf clubs and curlers keep these clubs busy when the golf season ends.

Fishing and Hunting

A survey made by the Canadian Wildlife Service in 1961 showed that 1,526,000 persons fished, hunted, or both in Canada. More than 60 per cent of all sportsmen hunted and fished within a hundred miles of their homes. Fishermen spent \$188 million on their favourite sport and hunters \$87 million in 1961. Fishing and hunting are just as popular with our American neighbours, with an estimated 33½ million fishermen and 18 million hunters travelling the highways and byways—and many coming to Canada.

Golf

Approximately 7,000 Canadians join the golfing fraternity each year and an estimated 500,000 spend close to \$10 million a year on golf equipment and accessories to play the 750 or more courses across Can-

Table I
Canada's Exports of Sporting Goods

	1957	1958	1959	1960	1961	1962	1963 9 mos. ending Sept.
Pleasure boats self-propelled	408,091	351,614	400,145	249,365	757,780	643,970	599,297
Pleasure boats n.e.s.	828,013	581,040	710,210	936,543	423,892	319,635	576,733
Hockey sticks	**	**	**	322,419	316,533	413,261	367,385
Ice skates	1,477,916	1,208,020	2,257,722	1,768,133	2,573,863	3,691,523	2,694,727
Sports, recreation equipment and parts	703,527	909,285	1,362,001	999,117	887,053	1,526,586	1,142,716
Firearms, non-military and parts	74,127*	293,185*	69,691*	312,686*	142,549	202,832	255,963
Ammunition, non-military and parts	126,688*	438,470*	184,588*	341,783*	168,629	264,378	457,523
Toboggans	**	**	**	**	**	454,922	223,506
Total exports	3,618,362	3,781,614	4,984,357	4,930,046	5,270,299	7,517,107	6,317,850

*Includes military.

**Not listed separately.

Source: Dominion Bureau of Statistics.

ada. In the United States, where the season is longer, six million enthusiasts are swinging clubs on the links.

Hockey

Canada's national game, with over a million fans, has been a major factor in supporting and building the winter sports industry in Canada. It is estimated that \$40 million a year is spent on hockey equipment and attire and from all indications, this market will increase steadily. The National Hockey League, which currently has six teams, will in time double in size, according to some experts. This, of course, will increase the number of affiliated clubs and amateur teams and thus the demand for equipment and apparel. Canadian hockey equipment is also selling well in the United States and in Europe.

Skiing

Canada is well known for its long, fast ski runs and indeed such centres as Mont Tremblant in Quebec, Grouse Mountain in British Columbia, and Banff and Lake Louise in Alberta are recognized as offering some of the finest skiing on the North American continent. Todd Mountain in B.C. boasts of having the longest double chairlift in the world and one run over five miles long. Skiing facilities are being developed in Nova Scotia, where skiing is the newest popular sport, Ontario and Saskatchewan. The Laurentians in Quebec probably attract the most skiers from other countries.

With increased interest in the sport, Canadian manufacturers of skis, ski poles, bindings, apparel, waxes, etc., have made larger sales each year. There appears to be a real upsurge in the use of Canadian equipment, partly because the quality of Canadian snow skis and accessories has improved greatly.

Finding Export Markets

As Table I shows, among Canadian manufacturers of sporting

TABLE II
UNITED STATES IMPORTS OF SPORTING GOODS*

Commodity and Country	1960		1961		1962	
	Net Quantity	Value U.S.\$'s	Net Quantity	Value U.S.\$'s	Net Quantity	Value U.S.\$'s
Golf balls						
Canada	.....	.....	.....	.....	1,224	537
Britain	797,832	263,008	912,980	300,382	866,990	300,436
Hong Kong	19,720	3,354	148,176	2,103	231,840	2,402
Japan	2,676,495	456,227	2,811,216	426,091	2,490,430	363,992
Total imports, all countries	3,504,115	726,023	3,872,972	728,829	3,695,395	692,609
Rubber balls, athletic and sporting goods, n.e.s.						
Canada	1,368	504	1,440	588	1,440	503
Sweden	44,487	375,874	21,383	182,206	42,484	230,119
Czechoslovakia	676,620	102,619	275,377	54,230	125,076	27,161
Japan	804,126	165,466	696,648	202,915	411,176	355,453
Total imports, all countries	1,543,639	651,620	1,046,126	450,849	601,569	621,139
Toboggans, wood						
Canada	.....	268,987	.....	329,823	64,286	377,333
Austria	.....	150	.....	.....	.....	.....
Switzerland	.....	.....	.....	.....	30	141
Japan	.....	9,840	.....	1,504	1,010	1,142
Total imports, all countries	.....	278,977	.....	331,327	65,326	378,616
Ice hockey sticks						
Canada	378,985	268,887	332,048	228,549	484,486	352,254
Britain	401	1,600	1,389	1,120	.....	.....
Czechoslovakia	.....	.....	2,500	639	.....	.....
Pakistan	.....	.....	2,200	2,222	490	403
Total imports, all countries	379,386	270,487	338,137	232,530	485,176	352,781
Wood skis						
Canada	7,150	36,508	4,214	19,827	10,237	45,875
West Germany	12,067	179,067	14,542	152,551	57,989	590,250
Austria	25,092	420,287	39,251	635,092	44,410	679,697
Japan	75,582	388,769	106,030	547,995	215,186	1,121,458
Total imports, all countries	135,131	1,250,262	187,050	1,644,032	374,939	2,877,001

*U.S. Bureau of Statistics.

goods, those who turn out pleasure boats, equipment for winter sports, firearms and ammunition, and other sports and recreation equipment are the ones who are making export sales. The United States, with its 188 million people, (excluding the armed services posted abroad) offers Canadian manufacturers possibly the best market for sporting goods. The future looks particularly rosy for manufacturers of ski equipment and clothing; ice hockey skates, uniforms and equipment; figure skates

and clothing; toboggans and sleds, snowshoes, etc. It is estimated that sales of skis, ski poles, sleds, toboggans, bobsleds and snowshoes will reach \$25 million in the 1963-64 season, or about 25 per cent higher than in 1962-63. Ski clothing sales should pass the \$59.7 million mark established in the 1962-63 season. Approximately 19 million pairs of ice, hockey and figure skates will be sold in 1963-64.

The 1963 *World Ice Skating Guide* shows 1,563 artificial ice

TABLE II
UNITED STATES IMPORTS OF SPORTING GOODS*

Commodity and Country	1960		1961		1962	
	Net Quantity	Value U.S.\$'s	Net Quantity	Value U.S.\$'s	Net Quantity	Value U.S.\$'s
Fishing rods, n.s.p.f.						
Canada	50	300	28	265	.....	.....
Britain	302	2,469	1,256	10,825	2,264	16,902
France	.....	.....	287	2,384	246	8,812
Japan	591,938	483,240	576,462	388,060	559,013	408,254
Total imports, all countries	594,816	486,939	579,076	404,911	561,841	437,195
Fishing reels, n.s.p.f.						
Canada	4,121	27,756	19,185	97,040	4,709	29,926
Sweden	141,280	885,218	224,271	1,382,481	214,790	1,460,528
France	447,286	2,108,845	615,799	2,756,541	607,324	2,890,445
Japan	2,657,700	2,326,316	2,445,469	2,169,463	2,477,229	2,079,999
Total imports, all countries	3,377,457	5,976,152	3,469,998	7,102,557	3,462,378	7,181,596
Artificial baits						
Canada	.....	7,060	.....	25,259	.....	7,839
Sweden	.....	130,083	.....	167,188	.....	161,006
France	.....	144,132	.....	357,795	.....	213,079
Japan	.....	426,513	.....	310,988	.....	403,270
Total imports, all countries	.....	742,773	.....	906,217	.....	889,898
Tennis rackets						
Britain	200	692	44,471	46,666	16,362	55,724
Belgium	95,540	180,292	117,177	240,830	196,657	446,889
Pakistan	264,928	134,175	258,628	117,669	431,139	201,694
Japan	513,992	466,739	421,225	457,118	572,064	694,825
Total imports, all countries	884,744	804,617	846,038	872,289	1,221,577	1,408,564
Ice skates and parts						
Canada	.....	1,517,680	.....	1,662,608	.....	2,164,056
Sweden	.....	5,811	.....	.....	.....	8,072
Britain	.....	374,152	.....	240,836	.....	285,348
Japan	.....	6,026	.....	6,357	.....	3,444
Total imports, all countries	.....	1,932,992	.....	1,910,444	.....	2,460,920
Exercise play sports equipment n.s.p.f., including golf clubs						
Canada	.....	21,797	.....	20,580	.....	275,864
Britain	.....	109,730	.....	142,309	.....	320,710
Hong Kong	.....	48,029	.....	48,881	.....	61,962
Japan	.....	309,682	.....	402,112	.....	516,810
Total imports, all countries	.....	554,026	.....	708,762	.....	1,282,700

*U.S. Bureau of Statistics.

skating rinks in 17 countries, of which the United States has 666, Canada 642, Europe 243, and Asia 11. It is believed that hotels, resorts, and apartment houses will be building more artificial rinks and so will high schools, colleges and private schools. Construction of city and state-owned rinks is expected to in-

crease. With youth centres such as the Y.M.C.A. becoming more interested in ice sports, one estimate is that there will be some 4,000 rinks in the United States by the end of 1970.

The latest figures released by the National Federation of State High School Athletic Associations show

that 704 high schools offer curling (with 5,887 participants), 353 schools include hockey (5,462 participants), and 293 have organized skiing programs (4,266 participants).

Don't Neglect Europe

Canadian manufacturers of winter sporting goods and camping equipment should not concentrate only on the United States market but should pay attention also to possibilities in Britain and other European countries. Exports of sporting goods to Europe have already increased from \$306,000 in 1959 to nearly \$1.1 million in 1962. Because of the potential in this part of the world, the Canadian Government is considering sponsoring a Canadian stand at the International Trade Fair of Sporting Goods, Camping Equipment, and Garden Furniture to be held in Cologne, Germany, in November 1964, and at the International Boat Show in Genoa, Italy, in February 1965. Canadian boats, incidentally, are finding their way into Britain, Europe, South America, and Australia, and even to such unexpected markets as Kuwait and Israel. Generally speaking, Canadian manufacturers of large yachts, both power and sail, should not overlook the potential demand in Europe. On the other hand, manufacturers of smaller-type pleasure craft should pay close attention to developments in the American market.

The United States will probably continue to be the major market for Canadian sporting goods. The fact that American tastes are similar to our own and the selling methods much the same, the absence of language barriers and an unfamiliar currency, and the proximity of the market make the U.S. a logical outlet for our products. Table II, which lists U.S. imports in recent years of various types of sporting equipment, gives some idea of the immense size of this market.

There is, of course, the U.S. tariff, but this need not be in most instances a real impediment to sell-

Sporting Goods Fairs in the U.S., 1964

Fairs featuring sporting goods to be held in the United States in 1964 and of possible interest to Canadian manufacturers in this field are listed below.

Sporting Goods Fair

Jan. 5-8 — Hotel New Yorker, New York, N.Y.

Houston National Boat & Sports Show

Jan. 17-21 — Sam Houston Coliseum, Houston, Texas

Fifth International Sports, Vacation & Travel Show

Jan. 17-26 — Shrine Exposition Hall, Los Angeles, Calif.

New England's Sportsman Show

Jan. 18-25 — Commonwealth Armory, Boston, Mass.

Kansas City Boat, Sports & Travel Show

Jan. 31-Feb. 29 — Municipal Auditorium, Kansas City, Mo.

Boat, Sport & Vacation Show

Feb. 1-9 — Cobo Hall, Detroit, Mich.

Annual NSGA Convention & Show

Feb. 2-6 — Palmer House and McCormack Place, Chicago, Ill.

Miami International Boat Show

Feb. 14-19 — Dinner Key Auditorium, Miami, Fla.

Washington International Boat & Sports Show

Feb. 15-23 — National Armory, Washington, D.C.

Omaha Boat, Sports & Travel Show

Feb. 22-Mar. 1 — Civic Auditorium, Omaha, Neb.

Milwaukee Sentinel Sports & Boat Show

Mar. 14-22 — Milwaukee Sentinel, Milwaukee, Wis.

Chicago National Boat, Travel & Outdoors Show

Mar. 21-29 — McCormack Place, Chicago, Ill.

Northwest Boat, Sports & Travel Show

Mar. 27-Apr. 5 — Auditorium, Minneapolis, Minn.

National Travel Show

Mar. 27-Apr. 5 — Fairgrounds, Detroit, Mich.

Los Angeles Sportsmen's Vacation, Boat, & Trailer Show

Apr. 2-12 — Pan Pacific Auditorium, Los Angeles, Calif.

Philadelphia Travel & Vacation Show

Apr. 5-12 — Convention Hall, Philadelphia, Pa.

Marine Trades Exhibit & Conference

Sept. 17-20 — McCormack Place, Chicago, Ill.

Western Sporting Goods Dealers Association

Oct. 31-Nov. 2 — Ambassador Hotel, Los Angeles, Calif.

A number of other fairs are expected to take place in the fall but firm dates have not yet been made public.

3rd Annual NSGA Conference on the Distribution of Team Equipment
Ambassador Hotel, Los Angeles, Calif.

NSGA-WSGA Western Market & Convention
Ambassador Hotel, Los Angeles, Calif.

Mid-West Sporting Goods Market
Hotel Paxton, Omaha, Neb.

South-East Sporting Goods Market
Merchandise Mart, Atlanta, Ga.

South-West Athletic Goods Market
Hotel Baker, Dallas, Texas

ing. As a guide, I have listed below the duties payable on a number of sporting goods. Canadian firms, however, should regard these as merely "advisory opinions" and any company desiring a binding ruling from the United States Bureau of Customs may obtain it by writing to the United States Division, Office of Trade Relations and Trade Policy, and asking them to deal with the matter.

U.S. Customs Duties

Ski Equipment and Accessories

Skis, metal or wood, 16½ per cent ad valorem.

Ski poles and racks, 18½ per cent ad valorem.

Hockey Equipment

Hockey pads, sticks and pucks, 9 per cent ad valorem.

Hockey skates, 10 per cent ad valorem.

Curling Equipment

Brooms, 28 per cent ad valorem.

Other Winter Sports Equipment and Accessories

Figure skates, 10 per cent ad valorem.

Toboggans, metal or wood, 10 per cent ad valorem.

Sleds and bobsleds, 18½ per cent ad valorem.

Snowshoes, 16½ per cent ad valorem.

Golf Equipment

Golf clubs, bags and carts, 15 per cent ad valorem.

Football Equipment

Football pads, 15 per cent ad valorem.

Other Sports Equipment

Gymnastic equipment, 20 per cent ad valorem.

Fishing tackle, various rates from 13½ per cent to 46½ per cent ad valorem.

Baseball bats, 15 per cent ad valorem.

Billiard tables, wood, 16½ per cent ad valorem.

Billiard tables, other than wood, 19 per cent ad valorem.

Firearms, various rates, from 14 per cent to \$5.00 each plus 22½ per cent ad valorem.

Roller skates, 10 per cent ad valorem.

Tents and sleeping bags, various rates, from 20 per cent for cotton to 25 cents per pound plus 30 per cent ad valorem for synthetic materials.

Ammunition, cartridges, 25 per cent ad valorem.

Trophies, various rates according to material; base metal, 19 per cent ad valorem.

Crests, according to construction and material, from 20 per cent to 42½ per cent ad valorem.

All types of footwear are rated according to method of construction and component materials in chief value at various rates from 5 per cent to 25 per cent ad valorem.

Hockey uniforms and sweaters, ski apparel, and other sportswear would be rated according to component material in chief value and

method of construction, at rates ranging from 10 per cent to 42½ per cent ad valorem.

The reports that follow have been prepared by the various offices of the Trade Commissioner Service in the United States, with the exception of Washington, and give details of the market for sporting goods in the various regions, from Boston to Los Angeles. They should provide leads that interested manufacturers can follow up, with the help of the Consumer Goods Division, Department of Trade and Commerce, and the trade officers in the various posts. ●

New York—Winter sports equipment has greatest possibilities; personal visits, trade shows are best promotion techniques.

W. G. HUXTABLE, *Consul and Trade Commissioner*, and

D. L. RUSSELL, *Commercial Officer, New York*.

THERE are undoubtedly outlets in the New York area for a wide range of sporting goods because of the resident buying offices and purchasing affiliates of national department stores and variety chains located here. The greatest interest locally, however, is in golf, boating, tennis, badminton, football, fishing, camping, hunting, target shooting, baseball, basketball, bowling, skiing, skating and hockey. Lacrosse, although it does not yet enjoy the popularity of the other sports, offers good growth potential, particularly in high schools and colleges.

Demand for the actual sports equipment usually leads to a considerable market for specialized sports clothing and footwear, ranging from rubberized fishing attire to field hockey shoes.

Both domestic and foreign suppliers compete for and serve this vast market. Japan supplies an important share of imports used in fishing, football, baseball, badminton, golf and tennis. Canada is highly regarded as a supplier of

hockey and lacrosse sticks, ice skates, pleasure boats, and sports clothing for hunters, skiers and fishermen.

Generally speaking, the sporting goods trade buys about six months before the opening of the season for the particular sport, although some organizations of national scope may require even more time for adequate development of their sales programs.

Because many individual outlets are reluctant to import directly, Canadian producers who wish mass distribution are advised to seek affiliation with or establish an import organization in this area. Exporters of products like pleasure craft and clothing requiring a limited number of selected sales outlets may deal directly or seek the services of an agent, particularly where no U.S. excise tax is involved.

The most important means of promotion, at least in the beginning, is a personal visit by the Canadian manufacturer. Given advance notice and information about his products,

the Trade Commissioners at the New York office can arrange appointments that will put the visitor in direct touch with the members of the trade most likely to be interested in his product.

Use Trade Shows

When the channel of distribution has been set up, the Canadian company should be prepared to participate regularly in the appropriate trade shows, such as the Manufacturers' Wholesale Outerwear and Sportswear Show, Governor Clinton hotel, January 12-15; National Motorboat Show, Coliseum, January 15-26; International Wide World of Golf, Coliseum, March 8-13; Ski Industries Trade Show, Trade Show Building, April; Men's Sportswear Show, New York Trade Show Building, May and October, and the Sporting Goods Fair at the New Yorker hotel early in January. Some of these fairs have only limited space for new exhibitors. We would be glad to provide Canadian manufacturers with information on the management of these shows, the possibility of obtaining space, and the cost.

For some medium-ticket items such as small boats and branded lines such as golf clubs, newspaper advertising supporting sales through department stores can pay dividends

by attracting consumer interest and sales. The department store may expect an advertising allowance from the manufacturer to cover part of the cost.

Prices and Excise Taxes

If sales are to be angled to the import trade, quotations f.o.b. factory should be sufficient, provided that freight and duty rates are indicated. In directing sales to other outlets, however, it is helpful if prices are quoted f.o.b. a named inland point in the United States, duty included; this makes the import procedure somewhat simpler for those not ordinarily accustomed to buying merchandise out of the country. However, for sporting goods products subject to excise taxes, direct sales to U.S. outlets also place upon these firms the responsibility for payment of the appropriate excise taxes to the U.S. Department of Internal Revenue. Canadian suppliers will find that many U.S. firms are neither equipped nor willing to become involved in excise tax matters which, for sporting goods, are normally handled by U.S. manufacturers or importers. To overcome this problem, the following items on which a 10 per cent tax on the importer's sales price is imposed may best be marketed here through an import agency:

Badminton nets, rackets and racket frames (measuring 22 inches over-all or more in length), racket string, shuttlecocks, and standards

Billiard and pool tables (measuring 45 inches over-all or more in length) and balls and cues for such tables

Bowling balls and pins

Clay pigeons and traps for throwing clay pigeons

Cricket balls and bats

Croquet balls and mallets

Curling stones

Deck tennis rings, nets and posts

Fishing rods, creels, reels, artificial lures, baits and flies

Golf bags (measuring 26 inches or more in length), balls and clubs (measuring 30 inches or more in length)

Lacrosse balls and sticks

Polo balls and mallets

Skis, ski poles, snowshoes and snow toboggans and sleds (measuring more than 60 inches over-all in length)

Squash balls, rackets, racket frames (measuring 22 inches over-all or more in length), and racket string

Table tennis tables, balls, nets and paddles

Tennis balls, nets, rackets, racket frames (measuring 22 inches over-all or more in length), and racket string

Terms are usually 2 per cent, 10 days, net 30 days.

Canada's present strength lies in the winter sports field as premier

supplier of ice skates, hockey sticks and toboggans. Canadian manufacturers have also succeeded in selling lacrosse sticks, pleasure craft and sports clothing. We have current inquiries for hockey gloves and padding, field hockey shoes, ice skates, down-filled sleeping bags, toboggans and lacrosse sticks.

It is our opinion that the New York market could absorb large quantities of sporting goods, particularly those that are distinctive and embody new concepts. ●

New England—A number of Canadian firms already successful here, using assiduous sales promotion, good representatives.

L. D. R. DYKE, *Consul and Trade Commissioner, Boston.*

THE recreation industry in the five New England states of Vermont, New Hampshire, Maine, Massachusetts, and Rhode Island is economically significant. It is difficult, however, to determine where it ranks in relation to other industries because data are lacking but in each of the states except Rhode Island it is considered to be among the three most important.

A number of Canadian manufacturers of sports equipment, particularly for winter sports, have taken note of this promising market, have appointed aggressive representatives, and are now tapping the ever-increasing demand. Many more Canadian firms should consider this close-to-home New England outlet.

The 1932 Winter Olympics held at Lake Placid, New York, made winter sports popular throughout the American Northeast. Growth was steady though moderate through the 1930's and 1940's. It was in the 1950's, however, with the advent of the shorter work week, more purchasing power, and better facilities, that mass participation in winter sports began. At the same time sales of skis, skates, hockey sticks, toboggans, etc., shot

up. As demand increased and competition among suppliers became keener, consumer tastes grew more sophisticated and preferences more marked.

As the public at large became more interested in leisure-time sports, the many schools and colleges in New England expanded their athletic programs. As one example, there are now eight colleges, 17 prep schools, and 39 high schools playing team hockey throughout New England. Close to 7,000 youngsters play organized hockey in the five states.

In winter sports equipment, Canadian suppliers have done best in hockey equipment, skates, sticks, pads, toboggans, sleds, and snowshoes. Canada is not regarded as a source of skis or skiing equipment, and no Canadian firm in this field is well known in New England.

Although New England is a popular summer recreation area and the potential for summer sports equipment is large, Canadian firms have made less effort in this direction. Aside from lacrosse sticks—which come almost exclusively from Canada and always seem to be in short supply—Canadian fishing, hunting, and camping equipment is

virtually not distributed at all in New England. One product with a ready market acceptance and sold here until recently is pack baskets. Efforts to keep this trade moving have been hampered by the scarcity of raw materials and dearth of capital and merchandising ability in the traditional producing areas.

Market Highly Competitive

The fact that a handful of Canadian manufacturers of winter sports equipment have done well here and the strong and growing demand do not mean that doing business here is easy. It is a buyer's market. Whether it be hockey skates or pads, skis or toboggans, for each potential Canadian supplier there are one or two domestic manufacturers in the same price and quality range and possibly one or more foreign firms already selling here.

This competition is even keener in summer sports equipment because products are much more varied, the sales potential much greater, and the range of price and quality wider. Certainly, in machine-made goods or mass production U.S. manufacturers generally have the advantage because of large production runs and resulting economies of scale. Thus it is more difficult for Canadians to sell camp cots, tennis balls, and jerseys than skates, toboggans, and lacrosse sticks.

There are no statistics on imports into various areas of the United States. However, we know from trade sources that Canada is the leading foreign supplier in this area of ice skates, hockey sticks, lacrosse sticks, toboggans, and boats. Ice skates alone account for roughly half of Canada's annual exports of sports equipment to the U.S. market. In hockey gloves and pads, Canadian and U.S. suppliers face keen competition from low-wage countries such as Japan and Pakistan. For skis and skiing equipment, Western Europe is the major offshore source, although Japanese skis have made a favourable and

noticeable impression. In summer sports and recreation equipment, U.S. manufacturers generally hold the lion's share of the market, with only minimal imports from Western Europe, Canada, and Asia.

Timing, Promotion

Whether the Canadian exporter wishes to emphasize direct sales to major accounts or traditional-type distribution through wholesalers, his timing in approaching the market must conform to U.S. practice. In the early days of the new year, representatives should have price lists and samples to begin canvassing potential customers on behalf of their Canadian principals. This canvassing can be begun or followed up at such national trade shows as the NSGA Show in Chicago, the Sporting Goods Fair in New York, and the National Boat Show in New York. In New England, the New England Boat Show and the New England Sportsman's Show are useful promotion media. These national shows (attended by agents, distributors and dealers from all parts of the U.S.) and the New England shows offer prime opportunities to establish rapport with potential customers, to strengthen old connections, and to sell.

It is the exceptional Canadian firm that can cover adequately a part of the U.S. market—even a part as near as New England—directly from head office. Such a dynamic, highly competitive area requires a great deal of sales service and follow-up. The day of mere order-taking is gone forever in the sporting goods field.

The key to sales service is representation. Although there is a trend toward the agent-warehouse distributor or the exclusive regional distributor, at the heart of the sporting goods trade is the representative or commission agent. He is the man who, for 5 to 10 per cent on delivered price, puts 60,000 or more miles on his car a year, demonstrates or has intimate knowledge of half a dozen or more product lines, and loves selling. To

his accounts, he is the equivalent of the sales manager of the Canadian company. He must have faith in and enthusiasm for the product and support from his principals.

First the agent must have a product that meets the competition in price and quality. Perhaps by shading price while maintaining quality the Canadian firm can meet an established competitor. Perhaps an introductory program may be necessary in a highly competitive field or where the product is priced above the existing trade. In addition to ample supplies of attractive literature, the initial effort may require shipment of a number of samples at a reduced price or without charge. The U.S. market generally and particularly the New England one is a "show me" proposition. The distributors, the dealers, the chain stores, all have to be shown. "What can I gain by taking on this new line?" they ask.

The type of promotion that brings best results consists of a good price, good quality relative to price and competition, and lots of legwork by the agent and by the Canadian firm with the agent in the marketplace, at trade shows and dealer shows, and wherever and whenever possible.

Quoting Prices

For the New England market, prices should be quoted in U.S. dollars, duty-paid and delivered Boston and other major cities. The New Englander wants to know the landed cost (in the store or in the distributor's warehouse) so that he can compare it with other suppliers' prices. The price is usually indicated as net (including duty, freight, and agent's commission) or it may be set up as a list price, with distributor discounts of 50 and 10 per cent indicated and with the agent still to get his commission on the delivered net price. Because the list price has no direct relation to the selling price, this system may confuse firms not experienced in the U.S. market. It is generally advisable therefore to quote only the

net price, duty-paid and delivered, letting the agent set up an appropriate list price and discounts.

The agent can and should be useful in evaluating potential customers. It is worth bearing in mind that this is a domestic market in terms of credit, terms of sale, etc. Credit references are readily available through the Canadian banks, which have close working relations with the major banks throughout New England, and through Dun and Bradstreet. Terms of payment are almost always 2/10, net 30 days

but, as in Canada, there are always a few accounts who like (and take) 2 per cent, 30 days.

Indifferent Approach Useless

Canadian firms wishing to sell sports equipment in New England will find that reluctance to visit the market, unwillingness to quote delivered prices in U.S. dollars, and slowness in providing samples, answering letters, etc., will seriously prejudice success here.

If you want to make a serious sales effort, get some tips from those who have already made a go

of it—or write to us and we can tell you about the factors in their success.

But don't be satisfied with what other people tell you—come to Boston! Let us introduce you to prospective agents and potential accounts. Opportunities in summer sports and recreation equipment are particularly attractive and commend themselves to aggressive Canadian manufacturers. The market for winter sports equipment is smaller and more saturated, but may also be of interest to firms that have made their mark in this field. ●

Michigan and Ohio—Canadian products have excellent reputation in this area which is importing more sporting goods each year. Direct approach to buyers is best promotion method.

IAN V. MACDONALD, *Consul and Trade Commissioner, Detroit.*

BOTH Michigan and Ohio have extensive coastlines on the Great Lakes and Michigan especially has many inland lakes and waterways popular in summer with boating and water sports enthusiasts. Michigan also offers a full range of winter sports; the skiing area of northern Michigan is one of the most heavily patronized in the U.S.

The most popular sports in these two states are hunting, fishing, golf, boating, skiing, outdoor camping, hockey and bowling. Other sports which may offer prospects for Canadian exporters are baseball, football, tennis, archery, lacrosse, basketball, ice skating, badminton, table tennis and snowshoeing.

Imports Find Good Demand

According to our surveys of sporting goods outlets, an increasing proportion of the equipment sold in Michigan and Ohio is imported. For example, skates, hockey sticks, ski wear, skin diving equipment come from Canada; sportswear and ski boots from Italy, Austria and Germany; skis from Japan, Germany and Austria; baseball and hockey gloves, tennis rackets from Pakistan; badminton rackets, archery sets and

baseball gloves from Japan. For winter sports equipment, large retailers place orders as early as January in the preceding season, although the general buying period for winter goods is in the spring. Spring and summer-type sporting goods and equipment are purchased usually during the preceding fall and winter, although it is always possible to obtain orders up to and during the retailing season when an interesting and competitive product is offered and there is a consumer demand unsatisfied from existing sources.

How Buying Is Done

For the most part, sales of sporting goods are made through agents or distributors in Michigan and Ohio. However, the larger department stores, particularly those subscribing to a purchasing syndicate, frequently send buyers to foreign countries to negotiate contracts direct with the manufacturer. Few department stores or syndicates, however, take the initiative in canvassing Canadian suppliers. Therefore, it is essential that Canadian exporters appoint an agent or distributor to serve them in Michigan

and Ohio or have a member of their company make regular calls in this market. Some Canadian firms find it convenient to have their Southern Ontario representative include Detroit and perhaps Northern Ohio in his territory.

The most effective sales technique is a direct approach to the appropriate buyers, with samples, literature, and delivered duty-paid prices. Introductions where required can usually be arranged by the Trade Commissioner. Advertising in trade magazines can develop new leads but direct mail is generally ineffective.

Canada has an excellent reputation as a supplier of sporting goods and representatives from Canadian companies can be assured of a good reception, even where the product has not been formerly sold in this market. For example, a Canadian skate manufacturer new to the U.S. market has in recent months received volume orders.

There is a promising market also for both active and spectator sportswear for both men and women. Here, price is less significant than new styling ideas, novel designs, good quality materials, and careful workmanship. This market is competitive but receptive to Canadian products. A few months ago, I took a sample range of women's Bermuda shorts to a prominent retailer in Michigan, who telephoned an order to the Canadian manufacturer

almost immediately, though it was late in the buying season.

Opportunities Reviewed

Canadian sporting goods now being sold in Michigan and Ohio include hockey skates and boots, skate blades, hockey equipment, ski boots, toboggans, sleighs, snowshoes, after-ski boots, ski clothing, skin-diving equipment, camping equipment, fishing reels and lures, baseball gloves, gymnasium equipment, dart boards, boats and marine equipment, golf balls and lacrosse sticks.

● **Hockey**—Canadian skates, hockey sticks and equipment are well established in this territory and enjoy consumer preference because of their quality, style, competitive prices, Canadian knowhow in this field, and close contacts with the trade. Prospects are good for increased sales both by present exporters and newcomers.

● **Skiing and snow sports**—Competition from low-priced domestic and imported skis and boots has restricted Canadian sales prospects to better-quality lines and these are now being developed. The small scale of Canadian production limits sales in export markets. The outlook for Canadian-designed and manufactured ski clothing is excellent, although the lower-end market is becoming more competitive. The over-all market is buoyant and new Canadian offers would be welcome. There is scope for expanding sales in Michigan and Ohio for established lines and also for new items such as better quality metal, fiberglass and wood skis, and aluminum snowshoes.

● **Boating**—Rising incomes and more leisure have resulted in a growing interest in boating in Michigan, which already has one of the largest boating populations in the United States. Competitive Canadian manufacturers of boats and boating equipment of all descriptions are urged to investigate this market at first hand. Selling water

skis and related equipment is difficult because of strong price competition from domestic sources.

● **Camping equipment**—Increased Canadian sales in this field will require intensive sales promotion, plus the development of new features and designs. A "Made in Canada" label is a desirable selling point for camping equipment in the northern United States.

● **Fishing equipment**—Increased sales for Canadian flycasting equipment and lures are expected; these have been a favourite of expert U.S. fishermen for several years.

● **Gymnasium equipment**—Michigan and Ohio offer a large market for Canadian gymnasium equipment of good design and quality. There are many potential outlets in this field and one or more agents and distributors should be appointed to give adequate coverage of Michigan and Ohio.

For the products mentioned above, Michigan and Ohio are among the most convenient and responsive markets in the United States. None the less, they still need direct personal sales effort if they are to yield satisfactory results. ●

Midwest States—Chicago is the world's sporting goods capital and the region it serves is a rich market. Here is advice on how to start selling Canadian products in this field there.

D. H. CHENEY, *Consul and Senior Trade Commissioner, and*
T. M. FELGEN, *Commercial Officer, Chicago.*

CHICAGO is the sporting goods capital of the world, the centre of a manufacturing and merchandising complex that sets the trends among sports-conscious Americans. It is the permanent headquarters of the National Sporting Goods Association whose annual conference and show draws manufacturers, buyers, sales representatives and others from all fifty states, Canada, Mexico and many other countries. Small wonder then that the Canadian sporting goods industry should regard this area with keen interest.

This year, from February 2nd to 6th, twenty Canadian manufacturers will present their lines at the Canadian Government stand at the National Sporting Goods Show in McCormick Place, Chicago's vast ultra-modern exhibition centre. To add interest and call attention to the Canadian participation, the Commercial Division of the Canadian Consulate General will offer, on behalf of the Canadian exhibitors, a distinctive "Canada Night"

reception, to which some 300 U.S. buyers, sales representatives and the press will be invited.

During this show Canadian exporters will, of course, be exposed to the entire U.S. market, the extent of which is made clear in this special feature in *Foreign Trade*. They will find it particularly worthwhile, however, to focus on the Midwest market which offers some distinct advantages and opportunities to Canadian exporters of sporting goods. The climate in the area is similar to Canada's and thus sporting tastes are much like our own. However, Canada is associated much more closely with cold weather sports in the minds of consumers and our greatest success thus far has been in supplying winter sports equipment and sportswear. The large buying and distributing centres—such as Chicago, Minneapolis, Kansas City and St. Louis—are within easy reach of Canadian factories by rail, truck or air.

Popular summer sports in which Canadian suppliers are most likely to be interested include boating, swimming and water skiing, fishing, camping and golfing. In winter, skiing is the most popular and fastest growing sport. In and around the city of Chicago, curling is catching on like wildfire with 6,000 curlers and nine clubs busy from November to March. Hockey is popular, reflecting the prominence of the Chicago Black Hawks in recent years. Moreover, indoor and outdoor community rinks with both artificial and natural ice are multiplying and their influence on sales of skates and other equipment is significant. School athletic programs also have a strong influence. Tobogganing and sledding are popular with young and old and Canadian suppliers are well known in this field. Hunting is popular, especially in the fall.

Allied with sporting equipment is the demand it creates for distinctive sportswear of all kinds. Here again there are real opportunities for Canadian suppliers of curling caps, boots, gloves and jackets, skiwear, hockey sweaters, camping and hunting garb, and sleeping bags.

A significant proportion of the sporting equipment and sportswear sold in this market is imported; the importance of imports varies with the type of article, style trends, and consumer preference for the exclusive. Often price is not too significant, but quality is always an important factor in sales success.

Survey Carried Out

We recently carried out a survey especially for this issue of *Foreign Trade*, contacting six specialists in the marketing of sporting goods and sportswear in this region. Two were medium-sized distributors and retailers, one was the owner of a chain of sporting goods stores, one was a small retailer and distributor, and two were manufacturers' representatives. We found, first of all, that they all think of Canada primarily as a supplier of winter sporting goods. The lines that they purchase

from Canada in considerable quantities include hockey clothing, wool sweaters, ice skates, hockey equipment, hockey sticks and figure skates. There is also a good deal of U.S.-made hockey clothing and equipment and some of the merchants prefer to handle it, turning to foreign sources for such articles as skates.

An important consideration is service on returned goods, and if importers are assured that they need not worry on this score they can be encouraged to buy. Canadian exporters can easily provide service by naming a customs broker at a border point or establishing a distribution warehouse in the United States which can accept rejected goods for return to the factory.

Apart from Canada, other important sources of sporting goods mentioned by our informants include West Germany, Norway, Sweden, Finland and other European countries. Italy and Austria, for example, are important suppliers of luxurious ski boots.

Remember Buying Seasons

Everyone in the merchandising operation must take pains to ensure that the goods demanded by the public are available at exactly the right time. For this reason, buying is done at certain specific seasons of the year in order to guarantee deliveries to retail outlets. Canadian manufacturers who receive orders from American customers must observe delivery promises to the letter. If they do not, they prejudice not only their own position in the market but that of their colleagues as well. It takes many months and even years of diligent salesmanship to erase the memory of an earlier disappointment from the mind of a buyer.

For summer sporting goods, the principal buying seasons are from January through April, although some buying is done as early as October or November. Winter sporting goods are bought usually in May and June. Many department and chain store buyers and others keep

a partially open position on purchases until they have seen the latest offerings at the large trade shows, particularly the National Sporting Goods Show in Chicago. These are only rule-of-thumb indications of buying seasons, which normally depend upon the particular article and the type of outlet approached.

Entering the Market

What is the best way for a Canadian manufacturer to break into the market? Certainly participation in trade shows, such as the N.S.G.A., will give him an excellent idea of the possible reception for his product, and whether his quality is acceptable and his pricing realistic. If he meets these tests in the qualifying round, he will receive trial orders from store buyers and applications from manufacturers' representatives anxious to handle his line.

Depending to a certain extent upon the type of product, sales are made in several ways. Large chain or department store buyers frequently order direct from the manufacturer but also reserve orders for a select group of trusted manufacturers' representatives. Of the six firms we surveyed, one of the two medium-sized distributor-retailers does his buying mainly through manufacturers' representatives and some through jobbers; the other normally buys direct from the manufacturer. The chain store operator does all his buying direct, and the small retailer-distributor deals both through manufacturers' representatives and direct.

Newspaper and magazine advertising, direct mail, exhibits at trade shows, and special promotion projects are all important sales techniques in the Midwest market. Most of the dealers we talked to reported best results from newspaper advertising at the retail level, although for school and team business the direct mail approach works best. Manufacturers depend heavily upon trade show participation and prestige advertising in newspapers and trade journals. The objective of advertis-

ing by both manufacturers and retailers is to cultivate customer confidence by stressing the quality and durability of the products and the integrity of its handlers.

Prices and Terms

When entertaining orders from a U.S. customer, you should make absolutely certain how he wishes to be quoted. Unless the prospective customer specifies otherwise, quote your prices delivered and duty-paid at Chicago or other convenient U.S. distribution point, in U.S. dollars. Large department stores do have their own import divisions which are familiar with the procedures for clearing goods through Customs and other formalities. However, a Canadian exporter who is really serious must have his delivered, duty-paid prices at his fingertips.

Among those whom we interviewed, the usual terms of payment were 2 per cent 10 net 30 days. The medium-sized distributor-retailer preferred to be billed in May for summer goods and in October and December for winter goods. On franchised lines they adhere to the fair trade price, but for other lines they prefer net pricing arrangements. The chain store operator had no particular preference on pricing the merchandise.

What Are Best Opportunities?

At the present time, the huge market in the U.S. Midwest offers the best opportunities to Canadian manufacturers of all types of winter sporting goods. Of particular interest for sales development are lacrosse sticks and equipment and clothing associated with curling, hunting, camping and skiing. However, we have found from experience working out of Chicago that any product has a chance, especially if there is something new or special about it. Another element of sales success is careful study of the American way of doing business. Customers expect answers to their letters, quick service and prompt delivery. If they do not get it from you, they will get it from somebody

else—and he will also get their order.

Export problems are usually not nearly as difficult as they may seem at first. So if you manufacture a line of sporting goods or sportswear and

would like to find out whether you can sell it in the United States, write to us in Chicago or come down and visit us during the National Sporting Goods Show. Chances are you'll be glad you did! ●

Philadelphia—Survey proves that this is a large and varied market—and one virtually untouched by Canadian firms.

WILEY J. MILLYARD, *Consul and Trade Commissioner, Philadelphia.*

PHILADELPHIA is situated in the center of one of the most sports-minded areas in the whole United States. One hundred miles to the south in Maryland, lacrosse is still played with the vim and vigour once common in Canada. In the summer the Delaware River, which passes through Philadelphia and empties into the sea fifty miles to the southeast, is alive with hundreds of pleasure craft of all kinds and the Jersey Shore, which thousands of Philadelphians frequent, is one of the best salt water fishing areas on the eastern seaboard.

Fifty miles to the north lie the beautiful Pocono Mountains whose resorts are rapidly turning into major skiing areas during the winter months. In the summer, the many streams and lakes attract anglers for miles around.

Philadelphia's fame in the major sports—such as football, baseball and basketball—is well known to sports-minded Canadians. And although the professionals may steal the headlines, on a lower echelon thousands of amateurs are competing in these and other sports every year—and using millions of dollars worth of equipment.

Even though the Philadelphia Ramblers are not in one of the major professional hockey leagues they have a good following. There is enough artificial ice in and around the city to support active interschool leagues at virtually every age level, boasting players every bit as enthusiastic as those in Canada.

Three years ago one nostalgic Canadian was responsible for the formation of the first curling club in Philadelphia and its membership is growing steadily from year to year—even though the skaters, with whom they must share the ice time, do nothing to improve conditions for them. Bowling, of course, is as popular here as it is in most other U.S. cities.

The rolling country which surrounds Philadelphia abounds in golf clubs, including some of the best courses in the United States. In the fall many a golfer looks up from his ball at the sound of the huntsman's horn and is likely to see pink-coated riders galloping by in hot pursuit of their wary quarry, for despite the inroads of the automobile there are still enough horses around to support 32 hunt clubs.

This is far from a complete review of all the sports activities that are carried on here, but it is probably sufficient to underline the keen interest in sports and the millions of dollars worth of sports gear and equipment needed to keep the enthusiasts happy.

Canadian Salesmanship Lacking

A store-to-store survey recently conducted by an officer of the Consulate included the largest department store, the major sporting chain, and a representative independent. In the course of his investigations he uncovered some interesting facts. European and Japanese skis were very plentiful and Euro-

pean ski boots in good supply. There was a large amount of Japanese fishing equipment in all the stores and he was told that not only were prices extremely competitive but that quality was good too, not only in fishing gear but other sporting lines as well. One major factor common to all establishments was an almost complete lack of any sporting goods from Canada. The buyers in each instance said that they had no prejudice whatever against Canadian merchandise but as one of them put it, "No one has ever tried to sell me Canadian merchandise". Another quoted a Baltimore dealer who felt Canada could supply more lacrosse sticks if only more companies would make them.

In the past two years we have approached many Canadian manufacturers of sporting goods about their representation in this area, only to be told that an agent in the New York area had been granted the exclusive representation for the whole east coast and hence they were "represented in Philadelphia". Our officer's search confirmed that the New York representatives are simply not covering this market for them and that the Canadians are labouring under a delusion if they think that they are getting their share of the business available here. It may be that the Canadian manufacturer is afraid of offending his New York appointee by making separate arrangements in Pennsylvania. If so, this tenderfoot approach is achieving no results—and rightly so. It is hard for us to understand such an attitude or the apathy that generates it.

Must Match U.S. Terms

Inquiry into the methods of buying showed some interesting differences in pattern. The chain group stated that 50 per cent of its merchandise is bought directly from the manufacturer and the other half through manufacturers' agents. The department store buyer said that virtually all his purchases were made directly from the manufacturer and only a minor part through an agent.

The independent too stated that most of his buying was done directly from the factory. Asked what type of promotion they found most successful, the chain and department stores stated emphatically newspaper advertising but the independent said a major part of his business came through personal contacts established through sporting interests over a period of many years. The three were unanimous in declaring that foreign manufacturers must quote duty-paid prices in U.S. dollars, c.i.f. Philadelphia. Normal terms of payment offered by U.S. manufacturers are 2 per cent discount if payment is made before the 10th of the month following the purchase; thereafter prices are net.

They felt that Canadian suppliers should be prepared to offer the same terms. The buying seasons for both winter and summer sporting goods are the same as in Canada.

In summary, it appears that Canadian sports equipment manufacturers are missing the boat in this market. If they wish to remedy the situation, they should either start sending their salesmen here regularly to make direct calls, or else let us help them appoint a suitable local agent; we have many whom we would be glad to recommend. We want to see more Canadian sporting goods in the Philadelphia stores and it's up to our manufacturers to meet the challenge. The business is here if they want to go after it. ●

Western States—any sports product that sells well in Canada should be tried out in this densely populated, sports-minded area with its booming tourist industry.

R. C. ANDERSON,

Consul and Assistant Trade Commissioner, Los Angeles.

NEARLY 5.9 million tourists came to California in 1962 and it is estimated that three-quarters of them participated in some sport while they were here. They either swam, surfed, did water skiing, scuba-dived, sailed, fished, hunted, camped, golfed or, in the winter season, skied, skated, curled or toboganned. Because of the variety of activity, the large population and the mushrooming tourist business, the per capita sale of sporting goods in California exceeds that in any other area in the United States and possibly in the world.

Boating and sailing have developed tremendously with the advent of new marinas providing excellent facilities on the coastal waters. There are also rivers suitable for boating and small inland lakes especially good for sailing.

More people participate in swimming than in any other single sport.

Camping is also becoming popular with great numbers of vacationing Californians. Camping facilities have been increasing with the establishment of new national and state parks and the improvement of facilities in existing parks. In most of the ten national parks in California, there are facilities for hiking, horseback riding, pack trips, boating, fishing and swimming. Many of these parks have accommodation as well as tenting areas.

Tennis and golf are popular the year round; there are 224 golf courses alone. The pro shops at the golf clubs are well stocked and it is estimated that they sell more than 50 per cent of the clubs and wearing apparel that golfers use.

Fishing is becoming a major attraction in northern California and there are well-stocked streams north of San Francisco. Of the 30 million fishermen in the United States and

the \$200 million spent for this type of equipment, California accounts for more than 12 per cent.

During the past four years, participation in winter sports has increased substantially. The number of skiers has gone up 12 per cent each year for the last eight years; so has the number of skaters and skating rinks. The typically Canadian game of curling has been transplanted to this area. Professional hockey came to California in 1959 and San Francisco, Los Angeles and Denver have teams in the professional Western Hockey League. Other hockey teams are springing up because of the increase in population and the building of ice rinks.

Some Local Manufacturing

A large number of small manufacturers have gone into the sporting goods business: for example, over 200 firms in California made water skis in 1960. But even so, water skis are being imported, mainly from Japan. Sportswear from California, both for the beach and for winter sports, has become widely recognized throughout the United States as a style-setter and buyers from all the major department stores in the eastern United States now consider a visit to Los Angeles in the buying season essential. Yet France and Italy are the leaders in imported skiwear here and Switzerland and Finland are also supplying large quantities of stretch pants and ski jackets. Japan is still selling the largest volume of snow skis and U.S. companies have set up firms in Japan to provide skis of the right quality and design to appeal to the tastes of skiers in this area.

Obtaining Representation

Foreign suppliers of sporting goods achieve best results by appointing manufacturers' representatives; this has been true not only for Canadians but for Europeans also. If the product is for winter sports, the representative, if he is a member of the Western Winter Sporting Goods Association, will show the lines he handles at the spring shows

in Seattle, San Francisco, Los Angeles and Denver, because all these cities are on the Western Sporting Goods Show circuit. Buyers from the major department stores, specialty houses and sports shops attend these shows in the various cities and the amount of exposure possible for a product equals roughly 25 per cent of the entire U.S. market for winter sporting goods.

The manufacturers' representative has established contacts with buyers and, depending upon the product, the right manufacturers' representative will introduce the line into the best possible merchandising outlets for it, whether it be department store, sporting goods or specialty shop. Ordinarily, but again depending upon the product, the manufacturers' representative is not prepared to keep a stock of goods on hand and orders are sent direct from the purchaser to the manufacturer. In introducing a new line, prices should be quoted c.i.f. Los Angeles. The representative's commission varies between 6 and 15 per cent, depending upon whether the product is wearing apparel or sports equipment and whether it is sold in volume.

Successful Canadian Products

Canadian hockey equipment and skates are being sold here and aluminum and wooden toboggans are merchandised in volume. Canadian firms making wheel goods, hockey games and wearing apparel (particularly for winter sports) are represented in this area and each year sales have been increasing.

During the past year a number of new lines, particularly wearing apparel, have been introduced into California and have done especially well where the winters are cold. The Rocky Mountain area too, with Denver as the distribution centre, offers tremendous potential for Canadian sports apparel and winter sporting goods. Because their winters are cold and skiing, skating and hockey popular, Denver, where most of the representatives in the Rocky Mountain area have their headquarters, offers unique advantages.

One of the officers from this Consulate General will be making periodic trade tours to Denver and if you are interested in representation in that area, supply us with information on your product and prices, preferably c.i.f. Denver, and we will be glad to test the market for your product and make recommendations about representation.

The 17th Annual Western Market of the Western Sporting Goods Association and the National Sporting Goods Association will be held in Los Angeles in November 1964. This show is restricted to the trade and the Canadian exhibit will have as its theme Canada as a source of supply for quality sporting goods and sports clothing. There were 140 exhibitors in the Show in 1963 and over 2,000 registered buyers—representing department stores, sporting goods stores and specialty shops—attended. This would be an excellent opportunity for a Canadian manufacturer to test the market for sporting goods products in the Western States.

Why Not Try?

Any product successfully sold in Canada should be tried out in this area. There are opportunities for heavy, light and medium-weight clothing, though in the southern areas much of the winter clothing from Canada is too heavy. However, in northern California and Denver, as well as farther north in Oregon and Washington, winters are cold and much like those in Canada.

With the tremendous participation in sports and the large population in this region, Canadian manufacturers should consider the possibility of marketing their products throughout the Rocky Mountain and West Coast areas.

If you will provide us with information, we will be glad to check out the market on your behalf. Just write to:

Canadian Trade Commissioner
Canadian Consulate General
510 West Sixth Street
Los Angeles 14, California ●

FAIRS AND EXHIBITIONS

Trade Fairs in New York—1964

HERE is a selection of trade shows scheduled for New York in the first six months of 1964. In a few of these, Canadian firms can exhibit only through their United States agents, and in some, demand for space is so great that there are waiting lists. If you want further information on any of these fairs, write to the Commercial Division, Canadian Consulate General, 680 Fifth Avenue, New York 19, N.Y.

Antiques

Feb. 26-Mar. 5 National Antiques Show, Madison Square Garden

Art Materials

May 1-4 National Art Materials Trade Association, New York Hilton hotel

Automobiles

Apr. 4-12 International Automobile Show, New York Coliseum (floors 1, 1M, 2, 3)

Business, Office, School

Feb. 14-18 Start Your Own Business Exposition, New York Coliseum

Mar. 2-4 American Management Association—Data Processing Conference and Exhibit, Statler Hilton hotel

Apr. 11-14 National College and School Exposition, New York Trade Show Building

May 21-24 National Office Products Exposition, Americana hotel, New York Coliseum (floors 1, 2)

June 5-14 Systems Engineering Exposition and Conference, New York Coliseum (floor 2)

Clothing and Textiles

Jan. 12-15 Manufacturers' Wholesale Outerwear and Sportswear Show, Governor Clinton hotel

Jan. 12-16 National Association of Textile and Apparel Wholesalers, Americana hotel

Apr. 4-9 National Shoe Fair of America, Sheraton-Atlantic and Statler Hilton hotels

Conferences

Apr. 12-17 American Congress on International Meetings and Exhibitions, New York Hilton hotel

Electrical, Electronics

Mar. 23-26 International Radio and Electronics Show, New York Coliseum (floors 1, 2, 3, 4), Waldorf-Astoria hotel

May 25-27 The International Electrical Industry Show, St. Moritz hotel, New York Coliseum (floor 4)

Engineering

May 6-10 Junior Engineering Technical Society—National Engineering Exposition and Conference, Park Sheraton hotel

Flowers

Mar. 7-15 International Flower Show, New York Coliseum (floors 2, 3)

Gifts, Hobbies, Novelties

Feb. 3-7 National Notion and Novelty Show, Inc., New York Trade Show Building

Feb. 23-28 New York Gift Show, New York Trade Show Building, New Yorker hotel

May 29-31 New York City Coin Convention, Henry Hudson hotel

Hairdressing

Feb. 9-12 American Hair Fashion Conference and Trade Show, Statler Hilton hotel

Mar. 16-19 International Beauty Show, New York Hilton hotel

Handling, Packaging

Apr. 20-23 American Management Association—Packaging Exposition, New York Coliseum (floors 1, 2, 3, 4)



One of the Canadian products on display at the National Hotel and Motel Exposition held in New York, November 11-14, was this ice-cube maker for hotels, bars and restaurants. B. D. Anyon of Bardeau Inc., the Canadian manufacturer, explains to B. I. Rankin (right), Deputy Consul General (Commercial) for Canada in New York, how the machine produces large quantities of jewel-like clear ice cubes. The Canadian display in the 1963 Exposition was effective and successful. Sixteen firms took orders for merchandise valued at \$16,300 during the show and are negotiating sales worth another \$425,000.

May 5-7 The Material Handling Institute Eastern States Show, New York Coliseum (floors 1, 1M, 2) New York Hilton hotel

Home Furnishings, Improvement

Jan. 12-17 New York Lamp and Home Furnishing Accessories Show, New York Trade Show Building
Jan. 13-17 National Furniture Mart Show, National Furniture Mart
Jan. 13-17 Armory Furniture Show, 71st Regiment Armory
Jan. 13-17 New York Furniture Exchange Show, New York Furniture Exchange
Feb. 28-Mar. 1 National Home Improvement Show, Americana hotel, New York Coliseum (floor 4)
June 14-18 New York China and Glass Show, New Yorker hotel

Photography

Apr. 8-12 International Photography Fair, New York Coliseum (floor 4), Park Sheraton hotel

Sporting Goods, Toys

Jan. 5-8 The Sporting Goods Fair, New Yorker hotel
Jan. 15-26 National Motorboat Show—National Association of Engine and Boat Manufacturers, New York Coliseum (floors 1, 2, 3, 4)
Feb. 21-Mar. 1 National Sports, Vacation and Travel Show, New York Coliseum
Mar. 7-15 International Wide World of Golf, New York Coliseum (floor 4)
Mar. 8-13 International Toy and Trade Fair, New York Hilton hotel

Surplus Goods

Feb. 9-12 Institute of Surplus Dealers, New York Trade Show Building

How to Visit the Canton Fair

SINCE 1957 Canton has held an Export Commodities Fair twice a year, in the spring and in the fall; the 14th fair ran from October 15 to November 15, 1963. Each year an increasing number of foreign businessmen interested in buying Chinese products or selling to the Chinese state trading corporations travel to Canton while the fair is on.

Of the two, the autumn fair is the more important and the more widely attended. It takes place in a permanent ten-storey exhibition hall with a floor space of over 365,000 square feet. On display is a wide variety of Chinese export products of all types, and senior officials of the eight state trading corporations from Peking and branch offices in other parts of the country are on hand. Rooms and areas are set aside for business discussions and officials are prepared to consider and negotiate the import and purchase of foreign products as well as the export of Chinese products. Many substantial contracts are concluded during the Fair.

Canton, a large and important commercial centre, is on the Pearl River near the coast of China in the Province of Kwantung, and is well situated for foreign

businessmen who want to visit China. Access from Hong Kong is by railway only, a journey of approximately five hours, including the time necessary for formalities and change of trains at the border-crossing point.

Canadian businessmen who wish to attend the Canton Fair must first secure an invitation from one of the Chinese state trading corporations with which they have been in touch. With this printed invitation, they may apply by mail to the China Travel Service (Hong Kong) Limited, 6 Queen's Road Central, 1st Floor, Hong Kong, for entry permit application forms.

The completed forms, with four passport photographs, should be returned to the China Travel Service (Hong Kong) Limited which will then apply for the necessary permit for entry into Communist China. The entry permit should be awaiting the arrival of the businessman in Hong Kong or should appear shortly thereafter. Alternatively, application on the basis of an invitation already received may be made directly to the China Travel Service (Hong Kong) Limited, Hong Kong, on arrival. However, three or four days should be allowed for the obtaining of the Chinese entry permit.

Hotel, transportation and other facilities in Canton are good. Visitors are invariably met at the station and escorted to the newly-constructed Yang Cheng Hotel—especially built for visitors to the Fair. Interpreters are easily secured for business discussions and a reception department with offices at the hotel and at the Fair is ready to assist visiting businessmen.

The Senior Canadian Government Trade Commissioner in Hong Kong and his staff visit the Canton Fair from time to time and will be pleased to provide further information about it.

CHINESE FOREIGN TRADE CORPORATIONS

China National Cereals, Oils and Foodstuffs Import and Export Corporation

Head Office: 48 Tung An Men Street, Peking

Cable: CEROILFOOD

China National Tea and Native Produce Import and Export Corporation

Head Office: 48 Tung An Men Street, Peking

Cable: PROCHINA

China National Animal By-Products Import and Export Corporation

Head Office: 48 Tung An Men Street, Peking

Cable: BYPRODUCTS

China National Textiles Import and Export Corporation

Head Office: 48 Tung An Men Street, Peking

Cable: CHINATEX

China National Light Industrial Products Import and Export Corporation

Head Office: 48 Tung An Men Street, Peking

Cable: INDUSTRY

China National Chemicals Import and Export Corporation

Head Office: Erh Li Kou, Hsi Chiao, Peking

Cable: SINOCHEM

China National Machinery Import and Export Corporation
Head Office: Erh Li Kou, Hsi Chiao, Peking
Cable: MACHIMPEX

China National Metals and Minerals Import and Export Corporation
Head Office: Erh Li Kou, Hsi Chiao, Peking
Cable: MINMETALS

—R. K. THOMSON,

Senior Canadian Government Trade Commissioner,
Hong Kong.

Soviet Plans Machinery Exhibit

AN international exhibition of construction and road-building machinery, known as the Exhibition of Building and Roadmaking Machinery, will be held in Moscow August 24-September 7, 1964. The organizer of the exhibition is the U.S.S.R. Chamber of Commerce, which has jurisdiction over Soviet trade exhibits abroad and exhibits of foreign goods in the Soviet Union. This will be the first international exhibit of its kind to be held in the Soviet Union and, indeed, its first international trade fair. Previous international trade exhibits have been solo exhibitions put on by individual countries, such as Britain, France, Italy, Japan, India and Austria. However, the forthcoming exhibition will be the first opportunity for private firms to show their products in this way in the U.S.S.R.

The exhibits will be divided into the following categories:

Earthmoving machines	Rigging equipment
Cranes and lifters	Concrete and motor handling equipment
Load-handling machines	Power-generating equipment
Roadmaking machines	Prefabricated building elements
Transport vehicles	Finishing machines and equipment
Pile-driving equipment	Rubber tires for building and road machines
Power tools	Mounted equipment for tractors, trucks and tractor trucks
Tunnelling equipment	Technical literature
Welding equipment	
Boring equipment	

The exhibition is expected to occupy between 100,000-120,000 square metres and will probably be located in an area adjoining the Exhibition of Economic Achievements of the U.S.S.R. in Moscow.

Rents for various types of space per square metre will be:

Outdoor space	8 rubles
Standard canvas display awnings	14 rubles
Demonstration grounds	4 rubles

Rent for indoor storage space is 7 rubles per square metre and for outdoor crate storage 5 rubles per square metre.

An international symposium will be held in conjunction with the exhibition to discuss construction methods and machinery. It is expected that Soviet and foreign experts will participate in the discussions and give lectures.

This exhibition will provide a unique opportunity for Canadian firms in the roadbuilding and construction machinery field interested in exporting to the U.S.S.R. However, a word of caution is necessary. The Soviet Union itself produces various types of construction equipment and it is not the practice of Soviet trading corporations to buy machinery from abroad which is also made domestically. Firms considering exhibiting should first write to the office of the Commercial Counsellor, Canadian Embassy, 23 Starokonyushenny Pereulok, Moscow, U.S.S.R., to find out whether there is a possibility of their products being sold in the Soviet Union. Further, because the cost of exhibiting in Moscow will be extremely high, only machinery with a high value for weight or which offers prospects for volume sales should be considered for possible display.

Additional information about this Moscow exhibition can be obtained from the Trade Fairs and Missions Branch, Department of Trade and Commerce, Ottawa, or by writing to the Administration of the Exhibition of Building and Roadmaking Machinery, U.S.S.R. Chamber of Commerce, 6 Kuibyshev Str., Moscow (cable address: MOSCOW, TORGPALATA).

—R. V. N. GORDON,
Commercial Counsellor, Moscow.

Trade Commissioners on Tour

Australia—R. L. Richardson, Assistant Commercial Secretary in Sydney, will visit Brisbane and other Queensland centres for ten days beginning February 3.

Colombia—J. H. Bailey, Commercial Secretary in Bogotá, will visit Barranquilla and Cartagena February 17-21.

J. C. Bradford, Assistant Commercial Secretary in Bogotá, will visit Cali January 28-30, and Medellín February 10-12.

Communist China—M. T. Thomas, Trade Commissioner, and D. Molgat, Assistant Trade Commissioner, in Hong Kong will visit Shanghai, Tientsin and Canton in March.

Ecuador—J. H. Bailey, Commercial Secretary in Bogotá, Colombia, will visit Quito and Guayaquil March 9-13.

El Salvador—P. D. Donohue, Assistant Commercial Secretary in Guatemala City, will visit San Salvador January 13-18.

Honduras—P. D. Donohue, Assistant Commercial Secretary in Guatemala City, will visit Tegucigalpa and San Pedro Sula January 19-23.

India—W. G. Brett, Trade Commissioner in Bombay, expects to visit the State of Gujarat in the last half of January.

Mexico—J. E. G. Gibson, Assistant Commercial Secretary in Mexico City, will visit Guadalajara, Jalisco and Mazatlan January 23, 24, 25.

H. S. Hay, Assistant Commercial Secretary in Mexico City, will visit Monterrey March 20, 21, 22.

Businessmen who would like these officers to undertake assignments for them should write to them at their posts as soon as possible.

Canada's 1964 Trade Fair Program

THIS year, Canada will participate in 46 trade fairs abroad, 13 more than in 1963. In 38 of these, the Department of Trade and Commerce is sponsoring commodity exhibits, and in the remaining eight is setting up information booths.

Canada will be participating in 13 trade fairs for the first time. These are:

Commodity Exhibits

California Gift Show	Los Angeles, California
The International Hardware Trades Fair	London, England
International Technical Exhibition of Hotel Equipment, Catering Material and Related Industries	Paris, France
International Leather Week	Paris, France
Marine Trades Exhibit and Conference	Chicago, Illinois
New England Home Show	Boston, Massachusetts
Northeastern Retail Lumbermen's Association	New York, N.Y.
International Trade Fair of Sports Goods and Camping Equipment (SPOGA)	Cologne, Germany
Western Electronics Show and Convention	Los Angeles, California
Western Sporting Goods Association	Los Angeles, California

Trade Information Booths

47th International Swedish Trade Fair	Gothenburg, Sweden
Tel Aviv International Trade Fair	Tel Aviv, Israel
Second Finnish International Trade Fair	Helsinki, Finland

Although a fair may take place in one country it is possible to make wider sales contacts because buyers come from many other countries to attend it. For instance, at the ANUGA fair in Cologne, Germany, in 1963 some 11,820 visitors from 65 foreign countries saw displays of food, beverages, and food-processing equipment.

Many of these fairs are vertical ones: that is, they are limited to one product (such as furs) or one group of products (such as building materials). Milan, Italy, and Utrecht, Holland, have horizontal fairs where a wide variety of goods are displayed. Canadian products to be shown at all these fairs, horizontal and vertical, will cover a wide range—from timber to electronic equipment and from specialty foods to sailboats.

Exporters who would like further information on any of the fairs described in the following pages should write to:

Trade Fairs Abroad Division,
Trade Fairs and Missions Branch,
Department of Trade and Commerce,
Ottawa 4, Ontario.

Electronics

Western Electronics Show and Convention

Los Angeles, California August 25-28

An annual vertical fair, which alternates between Los Angeles and San Francisco and is usually attended by some 45,000 registered business visitors. The Los Angeles area accounts for 15 per cent of total U.S. electronics sales. There is a good market for Canadian components under the Defence Production Sharing Agreement, because the majority of sales are made to the U.S. Defense Department. Canada will participate for the first time in 1964.

8th National Convention of Military Electronics

Washington, D.C. September 14-16

This annual show and convention is sponsored by the Military Electronics Group of the Institute of Radio Engineers. The Defence Production Sharing Agreement again provides the basis for a good market for Canadian components.

Food

World Cheese Show

Tokyo, Japan January 21-April 26

This is a series of displays held in large department stores in four major Japanese cities. Approximately 850,000 people saw the Canadian exhibit in 1963. Sales possibilities are good for cheddar, which is sold directly in establishments catering to tourists and is also used for blending in domestic varieties.

Fifth Delicatessen Exhibition

London, England March 2-6

This is an annual exhibition which in 1962 drew 16,000 visitors from the trade. It provides a direct approach to dealers and can therefore promote better distribution and the introduction of new lines. Canada participated for the first time in 1962.

Scotland's Food Exhibition

Glasgow, Scotland April 7-18

A biennial fair, this is among the most important food exhibitions in Britain. In 1962, 200,000 members of the gen-

eral public and businessmen saw 111 exhibits which included food products, alcoholic beverages and food processing equipment. Canada participated for the first time in 1962.

31st Grocers' Exhibition

Manchester, England
April 21-May 2

Some 143,000 people visited the 150 exhibits at the 1962 biennial exhibition. Because the area serves 30 million people, the fair is among the most important in England. Canada participated in 1962.

Pacific Fine Foods and Beverage Fair

Los Angeles, California
July 19-22

This annual fair is the only exhibition in Los Angeles which caters to specialty food buyers; 1,280 registered business visitors attended in 1962. Canada participated for the first time in 1962.

Britain's Food Fair

London, England
September 1-16

Over 225,000 people visited more than 500 individual exhibits at the 1962 biennial fair. Sales prospects are promising for a wide range of processed foods.

Furniture and Furnishings

National Office Products Exposition

New York, N.Y.
May 21-24

An annual vertical fair, national in nature, but all members of NOFA (fee \$125 per year) may exhibit. Over 6,000 selected visitors from all over the U.S. attend. Members of the public are charged admission.

International Technical Exhibition of Hotel Equipment, Catering Material and Related Industries

Paris, France
October 8-19

This annual fair features exhibits of furniture, draperies, food processing equipment and allied appliances for the hotel, restaurant and catering trades. Though the public is not invited, the show attracts some 100,000 business visitors annually. Canadian products of good quality and design, particularly labour-saving devices, are in demand.

National Hotel Exposition

New York, N.Y.
November 9-12

This show, considered to be the most important of its kind in the U.S., attracts buyers from all parts of the U.S., Canada and the West Indies. Over 58,000 visitors attended in 1963. The market potential is enormous because the fair embraces all products used by the hotel and institutional industry. Canada participated for the first time in 1962.

Furs

European Fur Fair

Frankfurt, Germany
April 22-26

The most important fur fair in Europe, it drew 15,000 visitors in 1962. Canada is more interested in persuading European buyers to attend Canadian fur auctions than in direct sales.

Homes, Builders' Materials

Building Trades Exhibition

Manchester, England
October 6-17

This show, which alternates annually between London and Manchester, provides an opportunity for Canadian exporters to deal directly with architects, contractors and municipal engineers. Canada has participated for several years.

Modern Homes Exhibition

Glasgow, Scotland
October 7-24

This annual fair, second largest of its type in Britain, is primarily a consumer exhibition and attracts over 300,000 people. Canada participated in 1962 and 1963.

National Lumber and Building Material Dealers Association Exposition

Dallas, Texas
November 13-15

The National Lumber and Building Material Dealers Association Exposition to be held this year in Dallas for the first time has drawn up to 10,000 buyers in previous years. The 25,000 members of the NLBMDA represent retail outlets with combined sales of over \$3 billion per year.

National Association of Home Builders Convention

Chicago, Illinois
December 6-10

Over 20,000 construction men attended in 1962 from North America, Britain, Japan and Australia. With over 400 exhibits, the fair is one of the most important in the U.S. catering to the construction industry and is generally regarded as the one to which the industry looks for new ideas and trends.

Household Goods and Hardware

International Household Goods and Hardware Fair

Cologne, Germany
February 21-24

Over 50,000 buyers from 52 countries attended the fair in 1963. An improved standard of living in Germany provides a larger market for Canadian quality and luxury products.

The International Hardware Trades Fair

London, England
April 27-May 1

This annual show of hardware, household accessories, furniture, etc., drew some 41,000 visitors from the trade in 1961. Canada will participate in 1964 for the first time.

International

International Spring Fair

Utrecht, Holland
March 9-17

The fair, which is divided into a six-day consumer goods exhibit and a ten-day technical show, is open to the public on Saturday afternoons only and attracts some 150,000 business-visitors throughout the week. The theme for the 1964 technical show will be "Building Materials and Transport Equipment".

International Samples Fair

Milan, Italy
April 12-27

This is an annual horizontal trade fair, the largest in Europe, and attracts usually about five million people. It features exhibits of industrial and consumer goods grouped in various categories. A buoyant economy with liberal import policies makes Italy

a prime market for Canadian goods. The Canadian exhibit in the 1964 show will feature furs. Canada has recently appointed a permanent Trade Commissioner to serve the Milan area.

Leather

International Leather Week

Paris, France
September 10-15

The largest leather fair in the world, this 22nd annual show will see Canada participating for the first time in 1964. The latest machines, techniques and fashions in the leather industry are demonstrated and explained by designers in the leather field; displays feature both raw and tanned hides and finished leather products.

Lumber

Minneapolis, Minnesota January 13-14	Northwestern Lumberman's Association
New York, N.Y. January 18-20	Northeastern Retail Lumbermen's Association Convention
Kansas City, Missouri January 23-24	Southwestern Lumberman's Association
Greenville, S.C. February 4-6	Carolina Lumber and Building Supply Association Convention
Grand Rapids, Michigan February 4-6	Michigan Retail Lumber Dealers Association
Cleveland, Ohio February 18-20	Ohio Association of Retail Lumber Dealers
Boston, Massachusetts March 4-10	New England Home Show
Memphis, Tennessee March 14-15	Mid-South Building Material Convention
Des Moines, Iowa March 17-18	Iowa Retail Lumbermen's Association Convention
Austin, Texas April 11-13	The Lumbermen's Association of Texas Convention
Palm Springs, California November	Lumberman's Association of Southern California Annual Convention

These shows, primarily regional and similar in nature, are ordinarily held in conjunction with lumber dealers' conventions. Because these conventions are restricted to buyers and dealers, they provide Canadian exporters with a direct approach to the trade. Attendance varies in different regions from 500 to 4,000 buyers.

Metal and Tools

Western Metal and Tool Exposition

Los Angeles, California
March 16-20

A biennial vertical show featuring machinery and equipment, processes and services for the metal fabricating industry in 11 Western states. Los Angeles is the third most important manufacturing centre in the U.S. The success of Canadian exhibitors in 1962 (when the fair was known as the Western Tool Show) indicates a good market here for manufacturers of specialty machinery and specialized metal-working processes.

Sporting Equipment and Gifts

California Gift Show

Los Angeles, California
January 19-24

This vertical show, restricted to the trade, is held in January and July of each year; the January show is the more important from a trade standpoint. Approximately 9,000 registered buyers attended in 1962. Canada will participate in the January 1964 show only. Britain will be the only other foreign exhibitor.

National Sporting Goods Association Convention

Chicago, Illinois
February 2-6

This annual fair is the major sporting goods show in the U.S. Exhibitors must be members of the NSGA (fee U.S.\$50). Over 14,000 buyers saw 1,000 exhibits from the U.S., Canada, Belgium and Italy in 1963. Canadian exhibitors reported sales of \$1.1 million.

Marine Trades Exhibit and Conference

Chicago, Illinois
September 17-20

This is an annual show which attracts buyers and dealers from the U.S. and Canada. Past participation indicates a receptive market for Canadian power and sail boats and equipment. Visitors are restricted to the trade.

Western Sporting Goods Association—Western Market

Los Angeles, California
October 31-November 2

Two thousand buyers attended this fair in 1961 and saw 140 exhibits featuring summer sportswear and sporting goods. California is the largest market for sporting goods in the U.S. with sales last year of \$85 million (New York sales \$64 million).

International Trade Fair of Sports Goods and Camping Equipment (SPOGA)

Cologne, Germany
November 1-3

This annual fair which ordinarily attracts some 10,000 people in the trade, features exhibits of sporting goods and equipment of all types, camping and garden accessories. Trade visitors have shown particular interest in quality products.

Trade Information Booths

Milan, Italy April 12-27	International Samples Fair
Lille, France April 25-May 10	Lille International Trade Fair
Hanover, Germany April 26-May 5	German Industries Fair
Gothenburg, Sweden May 15-24	47th International Swedish Trade Fair
Paris, France May 16-28	Paris International Trade Fair
Barcelona, Spain June 1-15	Barcelona International Samples Fair
Tel Aviv, Israel June 16-July 7	Tel Aviv International Trade Fair
Helsinki, Finland September 17-27	Second Finnish International Trade Fair

A. D. MONKHOUSE,
Forest Products Division.

Selling Wooden Furniture in the U.S.?

You may want to follow the advice of a successful Canadian exporter—especially on how to quote prices.

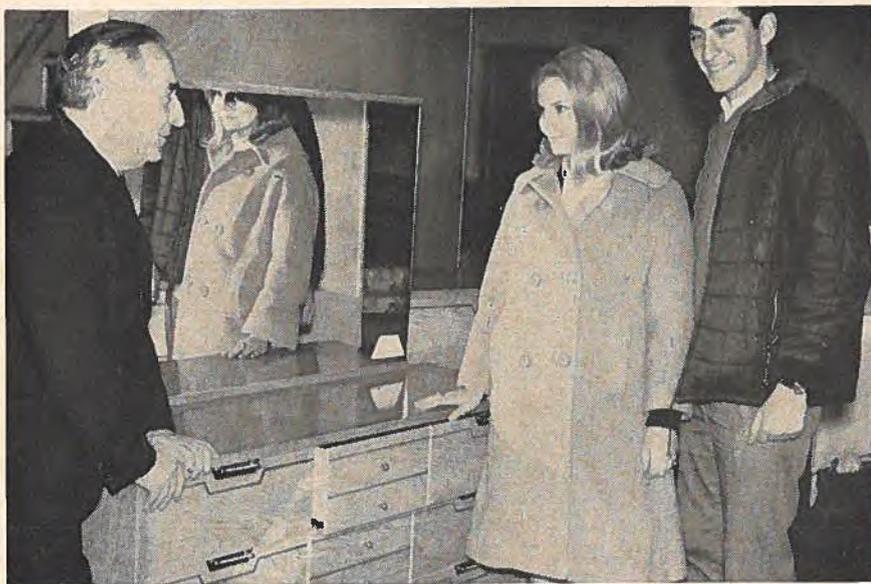
A Quebec City manufacturer of case goods who has successfully cracked the U.S. market in a big way in the past year has found that furniture may be an exception to the rule that a Canadian manufacturer should always quote delivered prices. His advice, based on personal experience, is to follow the policy of United States furniture manufacturers who sell their furniture f.o.b. factory, but include the freight to the port of entry. He goes on to explain that the first price that the Canadian manufacturer quotes is the one that sets the selling price in the dealer's mind. The dealer uses this quotation to calculate whether he is going to be able

to merchandise the furniture at a price which will give him his normal profit margin. For this reason, the exporter should quote as low a price as possible.

The Quebec manufacturer gives the following example as an illustration of how this works. A U.S. furniture manufacturer approaches a furniture dealer—or a furniture manufacturer's representative—with a price of, say, \$149.99 f.o.b. factory, plus freight. This \$149.99 will, in the furniture dealer's mind, mean that this furniture can be sold off the dealer's floor for \$299.00. At this selling price he is prepared to absorb the freight, as is the common practice in Canada. If, however, a Canadian furniture manufacturer approaches the same dealer with a laid-down delivered price of, say, \$155.99, this will mean in the dealer's mind that he must sell this furniture off his floor at \$312.00, and in many instances will deter him from taking on the line. If the Canadian company, however, offers the furniture at \$149.99 f.o.b. U.S. border point, in U.S. funds, including duty and customs charges, and then lets the dealer add the \$6.00 freight from the border point to the town in which he operates, this will make the product appear competitive to him.

Other important facts to take into account when making sales to the United States are that some things such as mirrors, plate-glass cabinet fronts, and bed rails may be bought more cheaply there than in Canada. The Canadian manufacturer should therefore be prepared to cost his furniture out in such a way that the furniture manufacturer or a distributor in the United States can add these items where they will be less expensive. Taking advantage of situations like this may mean that the Canadian firm can offer in the United States comparable or better quality furniture at competitive prices.

In addition to quoting his American customer prices that are f.o.b. port of entry, the Canadian



This young couple is looking over bedroom furniture made in Quebec at a dealer's showroom in New York. It was part of the first shipment from this manufacturer.

manufacturer should also offer f.o.b. factory prices, preferably in U.S. funds. This is important because the f.o.b. plant price rather than the delivered price may be used to determine the duty payable. Here is an example of how it is possible to price furniture for sale in the United States:

	Domestic Price in Can.\$	Export Price in U.S.\$
f.o.b. Canadian factory price	147.36	
Advertising costs and costs related solely to selling in Canada	13.00	
f.o.b. plant price in U.S. funds	134.36	124.28
	@ 92½%	
Documentation		.35
Freight to U.S. border		2.45
Duty on f.o.b. factory price (10½ per cent on \$124.28)		13.05
Insurance		.15
Customs brokerage		2.25*
U.S. manufacturers' agent's commission (6 per cent on \$124.28)		7.46
Price offered U.S. dealer f.o.b. U.S. port of entry	149.99	
Plus freight U.S. border point to dealer's town		6.00
		155.99

*This is a variable because there is, of course, a nominal fee for the preparation of each set of documents, regardless of the size of the shipment.

In general, Canadian furniture manufacturers offer better quality and are prepared to sell in smaller lots than their U.S. competitors. If, however, the U.S. selling price is too high to be competitive, the manufacturer should consider absorbing some or all of such charges as cost of documentation, freight to U.S. border point, insurance, customs brokerage and duty. How much, if any, of this can be absorbed will depend on how much the increased sales will improve efficiency and spread overhead charges in the Canadian plant.

The Quebec City firm offers two final hints to would-be exporters to the United States. He points out that this market expects all chests to be dustproofed as a matter of course and reminds everyone to mark plainly on each piece of furniture "MADE IN CANADA". ●

India Changes Ministries

THE Indian Ministry of Commerce & Industry was replaced late in July by two new Ministries—one responsible for domestic industry and the other for foreign trade. This reallocation of responsibilities between the Ministry of International Trade and the Ministry of Industry is deemed necessary in the light of the following circumstances.

For more than a decade, India's imports have substantially and consistently exceeded exports. This has resulted in a serious shortage of foreign exchange and severe import licensing controls, greatly reduced currency reserves, and increased long-term international debt. The situation reflects the expansionary policies under the Five Year Development Plans which have resulted in heavy development costs and a rising burden of debt servicing. Present export earnings barely provide for imports essential to maintenance, such as spares and raw materials, let alone making any significant contribution towards servicing the growing long-term debt on imports of capital goods. Domestic requirements for maintenance imports are increasing rapidly as new manufacturing capacity is created. The establishment of the two new Ministries emphasizes India's increasing concern over export earnings. It also reflects the need to streamline government responsibilities for development activities under the Five Year Plans.

As its name implies, the Ministry of International Trade will have responsibility for all matters affecting India's foreign trade and will be of greatest interest to Canadian exporters. Chief points of contact will be the Office of the Chief Controller of Imports & Exports, which issues all import licences, and the trading companies, the State Trading Corporation of India Limited

(STC) and the Minerals & Metals Trading Corporation of India Limited (MMTC).

MMTC is the government-owned buying and selling organization recently established to look after India's mineral exports. It is also responsible for purchasing non-ferrous metals. STC conducts similar operations for other commodities and manufactured goods. Although STC and MMTC are independent crown corporations, barter, government-to-government bilateral and commercial contracts entered into by these companies must be approved by the Ministry of International Trade.

Under provisions established by the export trade control policy, the Ministry of International Trade will regulate major export industries like jute, rubber, tea and coffee. Measures used to guide development of these industries will include direction of marketing policy, export pricing, necessary subsidies and taxation. Other responsibilities of the Ministry include trade and commodity agreements (except wheat), the GATT, tariff evaluation and the Tariff Commission.

The Ministry of Industry will be responsible for general industrial policy, industrial management, productivity, planning, labour, control of and assistance to all industries with the exception of those falling specifically under the Ministries of Steel & Heavy Industries, and Food & Agriculture. The activities of this Ministry will include standardization of products going into the international market, supply of raw materials to such industries, patents, designs, and the Office of the Economic Adviser to the Government of India. This latter bureau is generally responsible for translating financial resources into import licensing policy.

—JOHN H. SUGGITT, *Assistant Commercial Secretary, New Delhi.*

What's current in commodities?

Giftware

California—The 17 million people who live in California spend about two billion dollars a year on giftware. With an active agent here, Canadians who turn out well-designed products that are “different” could find ready customers. Exhibits at gift shows offer potential suppliers a good way to test the market.

R. C. ANDERSON,
Consul and Assistant Trade Commissioner, Los Angeles.

CALIFORNIA attracts more tourists than any other U.S. state—5.9 million last year—and this makes it one of the biggest markets for giftware. It has the largest number of gift shops per capita and since it has become the most populous state in the Union, it is estimated that approximately two billion dollars a year are spent here on items that could be classified as gifts. Trinkets, novelties, home beautifiers—this is the place to sell them.

Giftware Buyers

Each of the major department stores has a large gift department and every one of the hardware, stationery, jewellery and florist shops sells gifts. Drug, variety and toy shops are also potential outlets. There are well over 10,000 people in greater Los Angeles who are qualified gift buyers and who spend their whole time searching for something new and attractive. There's a huge potential market for any item that is unique, particularly attractive or of good design, and of high quality.

We have worked with resident buying offices; some are international in scope but more often they are national or even local. They provide a service to out-of-town buyers visiting this market, and often their opinion or their interest will bring particular items to the

attention of buyers from many other parts of the United States. Each of the resident buying offices has a specialist in giftware and when we receive a gift item from Canada, we often call on these offices to show it to them and so determine possible interest.

There is no particular criterion for the marketability of any item. Price

often is not the major factor. It is commonly the design or unusual appeal of an item that determines its success in the market. Carved wooden figures, for example, are popular; so are glass items from all over the world, ceramics and all handicraft.

There is also the possibility that a giftware item will fit into lines carried by a mail order or premium house. These organizations are constantly on the lookout for products for their catalogues.

The gift field has become so large that certain manufacturers' representatives are specializing. There are representatives in California who carry only lines that are classed as gifts for executives, others spe-



This picture shows a small section of the large and important California Gift Show, held twice a year (January and June) in Los Angeles. Twelve firms have already booked the space available to Canadians in the January 19-24 show; plans to exhibit in the show to be held later this year or in 1965 should be made by firms now.

cialize in gifts for the teenager, and some fairly large firms are interested only in gifts for people over 60 or for children under two. This emphasizes the scope of the gift market in California and the specialization that has taken place because of its size.

The various seasons of the year quicken demand. During the Christmas season, the gift shops sell an estimated \$890 million worth of gift items in Southern California. Easter, Thanksgiving, birthdays and anniversaries are also marked by the giving of gifts. With a population of 17½ million, the potential of the gift market in California is apparent and certainly Canadian producers of gifts should be eyeing it thoughtfully.

Gift Show Good Introduction

One outstanding way for Canadians to test the market for any particular gift item is the California Gift Show. Canada will be participating in this, the largest gift show in the West, from January 19 to 24, 1964. The space available to Canadians has already been allocated, with 12 firms participating, but it is not too early to plan to exhibit here later in 1964 or in 1965. The January 1964 show covers six miles of showrooms in four locations, because no one location in Los Angeles is large enough to hold the more than 650 exhibits. The Ambassador and Biltmore Hotels, Brack Shops and the Merchandise Mart will all be used, and a free system of fast shuttle buses operated exclusively for the show will carry buyers around the circuit.

The show is held twice a year, in July and January. Last July, almost 9,500 buyers registered for it. (Attendance is restricted to qualified buyers and the general public is not admitted.) By far the largest number came from Los Angeles, but 1,000 buyers were registered from other parts of the Western States. The largest number represented department stores. In addition, jewellery, stationery, hard-

ware and florist shops sent buyers. Gift buyers from furniture, drug, variety and toy stores also attended and many resorts used this opportunity to stock up for the tourist season. Buyers for all the wholesale houses, premium and mail order groups make the rounds so that the whole field of giftware is represented.

The resident buying offices, international, national and local, take an active part in the Gift Show and have representatives on an advisory board that arranges for social activities and suggests improvements in the show itself.

Why Participate?

It costs money and time to participate. However, there is no other way that you can show your goods to so many buyers so quickly. It is possible to display your goods to better advantage and you achieve a greater buyer concentration without the interruptions that are common when you call on buyers in their own offices. Each exhibitor has a full page in the *Buyers' Guide* and the 8,000 copies distributed to buyers are used later as a directory. This alone is worth the cost of participation.

Detroit—Canadians can sell items that are well designed, attractively priced, and different. But they must be sold in the right way to the right people; this article offers advice on both points.

R. T. MERCER, *Commercial Officer, Detroit.*

A COMPARATIVELY untapped market lies open to Canadian producers of giftware in the Detroit area. Buyers, dealers and the public are shopping around as never before for new and interesting items. At a recent giftware show in Detroit, exhibitors enjoyed increased sales and buyers reported many good finds.

Items which some Canadian producers may consider "old hat" may just catch the fancy of some buyer

We have found that Canadian manufacturers succeed best in this Western market when they appoint local representatives who carry lines that are compatible and who have an established reputation with gift buyers. Not only does this mean a successful introduction but more important, it makes for continuity of sales. One of the best ways to locate the right representative is to go into the California Gift Show.

Write to Us

If you have a gift-shop item that you feel will sell in California, the Los Angeles office will be pleased to check out the possibilities for you. We will call on gift buyers of the major department stores and on resident buying offices which act as consultants to many gift shops. We will also show your product to manufacturers' representatives and ask them whether it has a potential market, and whether they are interested in promoting it.

Simply write to the Canadian Trade Commissioner, Canadian Consulate General, 510 West Sixth Street, Los Angeles 14, giving us prices, product description and, if possible, a sample so that we can call on the trade on your behalf. ●

in the United States. Many U.S. firms send representatives to Europe and to the Orient to search for new sources of products that are interesting, attractively priced, and different. Possibly because of our proximity to the U.S., Canadian sources are rarely investigated.

What to Offer

Listed below are some of the items seen at the recent Gift Show in Detroit. Canadian firms interested

in the sales possibilities for their products in the U.S. may find this a useful reference.

candles	music boxes
candlesticks	miniature animals
art glass	barbecue accessories
mugs	comb and brush sets
decanters	perfume bottles
lamps	art reproductions
glasses	tea towels and cloths
bowls	antique reproductions
jewellery	wood carvings
pitchers	Christmas decorations
potteryware	wall accessories
pottery	fashion and novelty baskets
silverware	home bar accessories
dolls	gag and novelty items
trays	religious articles
copperware	travel and purse kits
atomizers	boudoir and shower caps
dinnerware	hand-carved semi-precious gems
trivettes	fancy tissue cases
brassware	curler hideaways
wall shelves	servicing tables
leather goods	bathroom accessories
ceramics	salts and peppers
ice buckets	boutique novelties
clocks	smoker gifts
vases	marble mosaic trays
bottles	cigarette cases
bookends	kitchen specialties
hot pads	stack and nest tables
coasters	gift boxes, harlequin bags
flasks	giftwrap, ribbons
matches	greeting cards
napkins	billfolds, wallets
switch plates	business cases
cookie jars	letter racks
sachets	magazine racks
money clips	shoe totes
cookware	smoking stands
statues	desk accessories
handkerchiefs	clutch purses
fancy soaps	eyeglass cases
baby items	manicure sets
scrapbooks	cribbage boards
photo albums	door knockers
guest books	glove and hosiery cases
earrings	covered hangers
perfume	battery-operated toys
T.V. tables	artificial flowers, plants and fruits
flashlights	
key rings	
wooden toys	

Approaching the Market

The simplest way for Canadian firms within a reasonable distance of Detroit to investigate possibilities is to visit the Trade Commissioner in Detroit who will be pleased to discuss these and to visit a number

of prospective buyers with samples to obtain their reaction. If it is not convenient to visit Detroit personally, the Trade Commissioner will make inquiries on behalf of firms and advise them.

Canadian giftware identical to giftware of U.S. design or style will be of little interest to buyers unless the landed price is considerably more attractive. Giftware of the "souvenir of Canada" type also holds little interest unless it either can be adapted to or lends itself to U.S. applications.

Prices and Documents

Once the sales possibilities for Canadian products have been determined, it is essential to prepare realistic export prices. Prices quoted in Canadian funds, f.o.b. plant, are generally of little interest to a buyer. He must know the landed price, payable in U.S. dollars.

The preparation of an export price requires careful study. It is usually not the same as the domestic price and it could be from 5 to 15 per cent less in some instances. The Trade Publicity Branch, Department of Trade and Commerce, Ottawa, will be pleased to provide on request the following brochures that will help with this problem:

Selling Abroad—How to Start

Pricing for Export

Trade and Commerce at Your Service

The determination of U.S. customs duties is another matter that will require attention. It is a good idea to send a request for a U.S. tariff classification and a binding United States Customs ruling to the Chief, U.S. Division, Office of Trade Relations and Trade Policy, Department of Trade and Commerce, Ottawa, with full particulars, as follows:

1. Full description of each article to be exported.
2. Sample of the article to be exported, if feasible.

3. Blueprints, catalogues, brochures, or specifications if pertinent to a determination.

4. Materials of which the article is composed. (Cost and/or quantities of each component are pertinent to a determination.)

5. Chief use and commercial designation of the article in the United States.

6. Analyses or other information necessary to a determination.

In sending this material, you should request a binding U.S. customs rate as well as details of U.S. Customs labelling requirements on the particular product and/or shipment.

Export shipments must be documented with meticulous care and complete accuracy. You can get help with this problem also from the Department of Trade and Commerce.

The services of a customs broker in Detroit are usually employed to handle shipments from Canada and he will advise exporters free on the best method of shipping. For example, shipments of up to \$250.00, if sent by parcel post, mail or express, can be cleared by an informal Customs entry; if over \$250.00, a formal entry is required. Shipments cleared by U.S. customs brokers relieve the buyer of this frequently time-consuming business with which he usually is unfamiliar and which often discourages him from placing repeat orders.

Customs brokers' fees, which should be included in the preparation of landed costs, are nominal. Although they may vary somewhat, the charges listed below are representative:

Charges for informal entry shipments

Under \$50	—\$2.50
\$50 to \$100	—\$3.50
\$100 to \$250	—\$4.50

Shipments valued over \$250.00 require a formal entry. Basic brokerage fees are approximately \$7.00,

with an additional charge of \$1.00 for each \$100.00 in value over \$250.00.

Where to Sell

There are a number of possible outlets in Detroit for giftware suppliers. One is large dealers whose purchasing power is comparable with that of many distributors or jobbers. Another is distributors and wholesalers who buy, warehouse and distribute to jobbers or to larger dealers. A third is sales representatives who handle one or more lines on commission and who usually do not carry any stock other than representative samples.

The factors that may influence the choice of buying connections include the manufacturer's ability to produce and ship large quantities of merchandise on short notice and his competitiveness in the U.S. market. The Trade Commissioner in Detroit will be pleased to explore all possibilities and to recommend suitable buyers or sales representatives.

Twice a year (usually the first five days of March and September) a gift show is held in Detroit which attracts exhibitors from several states, but predominantly from Michigan and Ohio. Exhibitors at these shows set up sample rooms in one of the two major Detroit hotels.

At the most recent show, 145 firms exhibited merchandise from 506 suppliers. Information on future shows may be obtained from the Consul and Trade Commissioner, 1139 Penobscot Building, Detroit 26, Michigan, or from Mr. Walter E. Offinger, Manager, Detroit Gift Show, First National Bank Bldg., Zanesville, Ohio.

Now is the time to prepare for making sales in Detroit. Take advantage of the assistance freely offered by the Trade Commissioner and by the Department in Ottawa. If you make interesting giftware, attractively packaged and priced, the door is open—do come in! ●

How's Business in Bolivia?

Slow improvement continues, with tin production up in 1962 for first time in ten years, and foreign aid still flowing in. Import control tightened in 1963. Some opportunities here for selling equipment and services for projects financed by international organizations.

D. J. McEACHRAN, *Assistant Commercial Secretary, Lima.*

THE modest recovery in the Bolivian economy that began five years ago has continued and 1962, on balance, showed some improvement. Further progress was apparently made in 1963. Primarily as a result of increased foreign aid, the rate of expansion of gross domestic product* (gross national product, plus income earned in the country but sent abroad, less income earned abroad and sent into the country) has gained momentum and reached 4 per cent in real terms during the past year.

In contrast to the economic stagnation and decline between 1952 and 1957, inflation has been contained and labour disputes and

wage increases have been more limited. As a result of stabilization policies adopted in 1956, consumer prices rose by only 3 per cent—the smallest rise since the 1940's. Although labour problems are still a feature of the Bolivian scene, disputes have not been as widespread and wage increases have become somewhat more rational. Unemployment remains high, and the pressure for higher wages is strong. Developments in the labour field are of the utmost importance to Bolivia and will greatly influence its future progress.

All sectors of the economy contributed to 1962's increased production. Agriculture continued to be the dominant activity, accounting for one-third of the GDP (\$398 million in 1962) and providing two-

thirds of total employment. Sugar production rose sharply and now fills 90 per cent of domestic needs compared with 10 per cent in 1950. The outlook for this year is that the sugar, potato and rice crops will again increase substantially. Other important sectors of the economy and their percentage of the GDP are commerce 13 per cent, manufacturing 12, food and other related industries 12, minerals and transport, each 9.

Minerals Remain Chief Export

Although mining does not play a leading rôle in total production by value, it is vital because mineral exports account for over 90 per cent of Bolivian foreign exchange earnings. Tin is by far the most important metal and exports of

*Bolivian statistics are based on GDP rather than GNP.

U.S.\$54 million in 1962 provided three-quarters of total mineral earnings and over 70 per cent of export earnings. For the first time since the large mining companies in Bolivia were nationalized in 1952, the state corporation COMIBOL (which accounts for 65 per cent of total mineral production) has increased its output. As a result, the long-standing pattern of decreasing tin production has been reversed although the company still sustains substantial losses (U.S.\$16 million last year). The increase in output is attributed to Operation Triangle—a U.S.\$45 million, three-year aid program aimed at modernizing the mines and improving the efficiency of the state company. The program is sponsored by the United States, West Germany and the IADB. If present labour problems can be solved—and there are indications that the Government is meeting with some success—the output of the state mines is expected to keep on rising. The mining industry depends entirely on foreign markets. Despite larger investment in the petroleum field, production is decreasing. Domestic consumption has gone up, with a resulting sharp drop in the amount of crude available for export.

Manufacturing Is Limited

Despite the fact that manufacturing is the third most important



The old ways of life still go on in some parts of Bolivia. This man, who lives near beautiful Lake Titicaca, 12,500 feet up, still uses the traditional balsam reed boat.

Bolivian activity, with an estimated U.S.\$70 million invested in it, it employs only 17,000 people. The most important fields are food, textiles and clothing, leather and shoes, beverages, chemicals and pharmaceuticals. All products are manufactured solely for local consumption. The majority of new investment, primarily in foreign funds, is expected to be made within the public sector, for example by the state-operated oil, mining and development corporations. Private investment, previously predominant

in petroleum and minerals, will probably not increase.

Foreign Aid

U.S. economic assistance continued to be critically important to the Bolivian economy, both in balancing government budgets and international payments accounts. United States aid in 1962 of U.S.\$25 million (equal to more than one-third of Bolivia's export earnings) was spread among cash grants, loans, and local currency PL 480 sales. Other sources of aid funds (including loans) were the West German and Argentine Governments, the United Nations, and the Industrial Development Bank. Foreign debt within the public sector is now estimated at U.S.\$200 million.

Ten Year Plan

Foreign aid is expected to play an increasingly important role in Bolivia as the ten year development plan gets under way. Within the ten year plan, an initial two-year program has been developed that calls for expenditures totalling U.S.\$141 million. Negotiations for financing through the U.S., AID, the IADB, and the World Bank are

TABLE I
BOLIVIA'S MINERAL EXPORTS

	Volume '000 fine metric tons	Value U.S.\$ million	Volume '000 fine metric tons	Value U.S.\$ million
Tin	21.3	50.3	22.2	54.0
Lead	22.6	4.1	18.4	3.5
Zinc	9.1	1.3	3.6	0.9
Tungsten	1.2	2.3	1.5	1.7
Silver	0.2	3.6	0.1	3.9
Antimony	6.6	2.2	6.6	2.4
Gold	2.5	2.8	1.0	1.2
Copper	2.1	1.3	2.4	1.5
Other minerals	.....	0.8	.....	1.1
Petroleum ('000 cubic meters)	110	2.4	76	1.5
Total		68.7		70.2

Source: Banco Central de Bolivia.

nearing completion and major allocations will include: U.S.\$17 million for roads, customs warehouses and an agricultural and an industrial bank; U.S.\$22 million primarily for housing, and U.S.\$28 million for hydroelectric development. This last area is the most interesting one for Canadian companies because the majority of the funds involved will come from the World Bank and thus will not be tied to suppliers from specific countries. The engineering work for the two major projects involved has been undertaken by Montreal Engineering which is expected to issue tenders on behalf of the Bank.

Trade Deficits Continue

Bolivia continues to incur increasing balance-of-payments deficits. As a result, the foreign exchange and gold holdings of the Central Bank fell to U.S.\$4 million while the total monetary (as distinct from public or investment) debt reached some U.S.\$18 million by the end of 1962. Exports, remaining low, have not kept pace with rising imports. Trade deficits beyond Bolivia's own payments capacity have been financed primarily by a continued flow of foreign aid but this in itself has been a primary factor in the larger purchases that have resulted in trade deficits.

Bolivian imports can be roughly grouped as follows: capital equipment, machinery and industrial goods 50 per cent, foodstuffs 25 per cent, manufactured consumer goods 18 per cent, and raw materials 8 per cent. The United States is the leading supplier and provided nearly 50 per cent of all imports in 1962; because of larger aid ap-

propriations, its share of the market is expected to increase in the future. Imports from the Western European countries, primarily Germany and Britain, have held steady at about 33 per cent of the total. Purchases from all South American countries together account for no more than 15 per cent.

Import Control Tightened

In mid-1963 Bolivia introduced new documentation requirements covering all imports. Import licences are now required on a broad range of goods that together make up a substantial portion of imports. These regulations make possible closer control over the expenditure of certain aid funds, particularly those from the U.S. Duties on several luxury products and those for which there are local substitutes were increased. The following products now require import licences:

- foodstuffs
- fats and oils
- petroleum products
- plastics and synthetic raw materials
- rubber tires
- cotton and synthetic yarns and fibres
- certain mining and other machinery

Other than a 2 per cent tax on foreign exchange purchases, importers can buy convertible currencies without restriction.

Trade with Canada

Canadian sales to Bolivia are still small—about \$350,000 a year. In 1962, the only products with sales of over \$10,000 were steel bars and castings, aluminum fabricated materials, truck and bus tires, transformers and parts, medicinal and pharmaceutical products, rolling stock parts, mining machinery, and non-electric lighting fixtures. Although prospects for any notable increase in our normal sales are not encouraging, we may

be able to win contracts for the supply of hydroelectric equipment required for projects financed by the World Bank. Although the majority of foreign funds that Bolivia is now receiving are tied to donor countries, there are programs for which Canadian suppliers qualify: in mining, for example, the state organization issues open tenders for a variety of equipment and supplies. These tenders, however, are not always circulated outside La Paz, the capital, and it is necessary to work through a local representative qualified to submit bids.

Bolivia is a limited and remote market. The competition is stiff, and although demand for imports is mounting slowly, it is still restricted to a narrow range of products. Long-term credit is usually demanded and shipping presents particular problems. Many Canadian companies may feel that present prospects do not justify the concerted attention that would be necessary to either expand sales or enter the market. Nevertheless, producers of hydro-electric machinery and equipment, mining machinery and supplies, basic and low-cost foodstuffs, and certain construction and raw materials might well find opportunities there. The Commercial Secretary in Lima visits Bolivia occasionally and would be pleased to help Canadian companies wishing to investigate prospects there.

One for all . . .

. . . and all for one is the philosophy practised by some Canadian exporters, judging by the experience of a Bolivian importer, passed on to us by the Canadian Commercial Secretary in Lima. The Bolivian wrote to a Canadian exporter about a product that, it turned out, the Canadian did not make. The latter, instead of writing back that he could not supply it or just ignoring the inquiry, passed the letter on to a colleague whose firm did make it. He quickly sent the potential Bolivian customer information about his product and the price.

TABLE II
BOLIVIAN TRADE BALANCES

	Exports	Imports (U.S.\$ million)	Balance
1958	64.7	79.6	-14.9
1959	77.6	65.0	+12.6
1960	67.8	71.5	- 3.7
1961	76.1	77.7	- 1.1
1962	76.7	93.2	-16.5

Source: Banco Central de Bolivia.

TRANSPORTATION NOTES

Australia

BULK ORE CARRIERS—The Australian National Line is negotiating to build two highly-automated 47,000-ton bulk iron ore carriers, suitable for either coastal or overseas ore carriage.

The Minister for Shipping and Transport said on October 22 that the Australian Shipbuilding Board was conducting negotiations on the Line's behalf. If these were successful, the ships would be ready for operation late in 1966 or early in 1967—Melbourne.

Canada

NEWFOUNDLAND REFRIGERATED SHIPPING

—Improved shipping services will be available to the Newfoundland fish trade and other industries by next spring, when Blue Peter Steamships Limited launches two new 1,000-ton refrigerated fish carriers. This company, the largest private ship owner and operator in the province, is the only one in Newfoundland offering specialized refrigerated carriers, and this year it operated seven vessels in the service. The company was formed in 1946 when the need became apparent for this service to meet the growing demands of the frozen fish trade and to supply an island that was on the threshold of a huge refrigerated food industry. Blue Peter ships carry frozen fish blocks and packaged fillets from Newfoundland ports to the United States market and bring back fruit, vegetables, and other refrigerated and general cargo. In addition, the company's service extends north to Greenland and south to Jamaica and its charter operations during the past year saw some of its ships go to Greece, Cyprus, England and Denmark. Besides its own widespread operations, Blue Peter Steamships Limited is also Newfoundland agent for foreign cargo lines and fishing companies, with principals in the United States, Portugal, Spain, Norway, Denmark, Britain, Poland, Germany, the U.S.S.R., and the Faroe Islands.

Designed by Canadian naval architect John Stubbes of Ste. Foy, the two ships are being built by Davie Shipbuilding Limited, Lauzon, Quebec, at a cost of \$2½ million. They will be the most modern refrigerated carriers of their type in Canada and considerably larger than any others now in the Newfoundland service—over-all length 219 feet, breadth 35 feet, draft 13 feet, refrigerated capacity 43,000 cubic feet. The vessels will be of all-welded steel construction, reinforced for navigation in ice, and they will be powered by Deutz 1,320-horsepower diesel engines, single screw, with a speed of 12 knots. All modern navigation aids will be installed, including radar, radio-telephone, echo sounder, radio direction finder, gyro-compass, LORAN and an internal telephone system. All machinery, from

the engine room to the deck winches, will be the most modern and efficient possible. There will be four refrigerated areas for fish and many other types of cargo on each ship, as well as fish oil tanks with a capacity of 90 tons. The refrigeration equipment is designed for wide application. Temperatures in the four main cargo holds can be individually adjusted from minus 20 to plus 60 degrees Fahrenheit to suit frozen cargo, chilled cargo and fruits and vegetables. These are the first refrigerated ships to be built in Canada with such a wide range of temperature control and it is believed that they will meet the demands of the East Coast refrigeration industry for many years to come.

—MRS. B. ROBERTSON,
Regional Officer, St. John's.

Ethiopia

NEW AIRPORTS—Ethiopia has four new international standard airports, directed by the Civil Aviation Department of the Ministry of Public Works and Communications—Addis Ababa, Asmara, Jimma, and Diredawa.

Headquarters of Ethiopian Airlines, which has been flying Boeing 720B fan jets since January 1963, are located at the Addis Ababa airport, where Ethiopian flights originate for Cairo, Athens, Madrid, and Frankfurt northbound, for Nairobi southbound, and for Khartoum, Lagos, Accra, and Monrovia across the African continent. International flights serving Asmara connect with Khartoum, Assab, Aden and Ta'iz in the Yemen. Jimma is located in the centre of the Ethiopian coffee-producing area. Most of the air freight destined for Djibouti, French Somaliland, will now pass through Diredawa where the previous facilities were improved for jet landings. Diredawa can be used as an alternative airport to Addis Ababa.

New Zealand

HARBOUR DEVELOPMENT—The World Bank has made its first loan to New Zealand—\$7.8 million to help finance improvements to five ports: Auckland, Lyttelton, Napier, Timaru and Whangarei. The objective is to modernize and expand facilities to handle present traffic more expeditiously and to provide for future growth.

Some 31 million tons of cargo were moved through the 31 recognized ports of New Zealand last year. Two-thirds of it moved through 19 ports used in inter-

national trade, especially imports of fertilizer, cement, coal, and petroleum, and exports of meat, dairy products, wool, and timber. The remaining third was moved by coastal shipping.

Details of the harbour improvement projects are as follows:

1. Auckland—(population 450,000) is the largest city in New Zealand. The service area of the port covers most of the northern half of the North Island and Auckland itself accounts for about one-third of the industrial development. Quay cranes, cargo-handling equipment and dredging equipment will be bought and one of the wharves extended.

2. Lyttleton—the port of Christchurch (second largest city in New Zealand, 225,000). It serves an area known as the Canterbury Plains, economically the most important in the South Island. Quay cranes at a new wharf will be provided.

3. Napier—(population 32,000) is situated in the North Island on Hawke Bay, one of the most rapidly developing areas of the country. Traffic through the

port is approaching capacity. A new finger pier will be built to add two berths to the six now available.

4. Timaru—(26,000) a small port on the South Island handles a substantial volume of meat exports, and these are expected to rise rather rapidly in the future. A mechanical meat-loading installation will be bought which will reduce handling costs, avoid delays due to bad weather, and generally speed up loading operations. A transit shed will be built and miscellaneous cargo-handling equipment provided.

5. Whangarei—(22,000) is on the northeast coast of the North Island and is the site of New Zealand's first oil refinery, now being built. This will lead to a substantial increase in the tonnage of shipping using the harbour and new facilities must therefore be provided. On the program are the provision of tugs, a tug jetty, a pilot launch, a slipway, navigation aids, a workshop and offices.

The projects will be carried out by autonomous local harbour boards to which the Government will relend the proceeds of the Bank loan on the same terms it receives from the Bank—Wellington.

U.S. Patent Laws and the Canadian Exporter

Do you have the exclusive right to sell your product in the United States? Possibly you do not—but you can assure that right by taking out a U.S. patent. Here is how to do it—and what to watch out for.

MALCOLM ROWAN, *Vice Consul and Assistant Trade Commissioner, Chicago.*

A PATENT issued by the United States Government gives an inventor the right to exclude all others from making, using, or selling his invention in the United States, its territories and possessions for a period of 17 years from the date on which it is issued. Patents for ornamental designs are granted for periods of 3½, 7 or 14 years. Only by special Act of Congress may the term be extended.

Patents are granted to any person, whether he is a U.S. citizen or not, who is the inventor or discoverer of any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement. Patents are also

granted on any distinct and new variety of plant (except tuber-propagated plants which are asexually reproduced), or on any new, original and ornamental design for a manufactured article. Patents are not granted on printed matter, on a method of doing business, or on an improvement in a device that would be obvious to a person skilled in the art.

Once you have applied for a patent, you may use the words "patent pending" on your merchandise to signify that an application for patent has been filed with the Patent Office. This gives you a measure of protection because it serves as a warning to would-be pro-

ducers of the same article that a patent may be granted. Because there is a waiting list of patent applications, it may be as long as 3½ years before yours is granted.

How to Apply

An application for a patent must be made within one year of the date a patent is applied for in Canada or within one year from the date the article is used, sold or written about anywhere in the world. This twelve-month period gives the Canadian inventor a priority when applying for a patent in the U.S.

Because the preparation and prosecution of an application is a complex matter, the U.S. Patent

Office recommends that you employ a patent attorney or agent. Only attorneys or agents registered with the Patent Office may handle applications. An acceptable application consists of a fee, a petition, a specification and claims describing and defining the invention, an oath, and a drawing if the invention can be illustrated. No models are necessary except in rare instances. The current filing fee is U.S.\$30.00 plus \$1.00 for each descriptive claim in excess of twenty and must be paid when the application is filed. A final fee of \$30.00 plus \$1.00 for each claim allowed in excess of twenty is also required when the patent is issued. The filing fee for design patents is slightly less, depending on the term fixed.

Once you have decided to apply for a patent and have prepared the proper application, you should approach the Commissioner of Patents, Washington 25, D.C., directly or through a patent attorney.

Patent Infringements

Infringement occurs when someone without authority makes, uses or sells any patented invention within the United States. Even if you obtain a patent on your invention, this does not mean you are protected from others claiming infringement because there may be a patented invention of a more basic design on which your invention is an improvement. Where your invention is a detailed refinement or feature of a more basic patented invention, you may not use it without the consent of the patentee. The Patent Office recommends that U.S. companies seek legal advice before starting to make, sell or use an invention commercially, even though a patent may have been issued on it. Canadian exporters should possibly seek similar advice.

A Canadian exporter found infringing a U.S. patent becomes subject to the provisions of the Tariff Act of 1930 under "Unfair Practices in Import Trade", which in effect means that his product can be refused entry into the United States.

The remedy for patent infringement, of course, is civil court action. In court a patent is presumed to be valid and the burden of establishing invalidity rests with the party asserting it. The following are the defences allowed in any action involving patent validity or infringement:

1. Non-infringement, absence of liability for infringement, or unenforceability.
2. Invalidity of the patent or any descriptive claim.
3. Invalidity of the patent or any claim because of failure to comply with the specification requirements.
4. Any other fact or act made a defence by the United States Code, Title 35, Patents.

Where there appears to be an infringement, a U.S. court may grant injunctions to prevent the violation of any right secured by patent and, upon finding damages for the claimant, the court can award adequate compensation which shall be no "less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs fixed by the court." The damages payable may be increased by the court to three times the amount found or assessed.

No recovery for damages is possible for any infringement committed more than six years before the filing of the complaint and no damage claim will be allowed if the holder of the patent does not mark on the goods that they are protected by a patent, except when the infringer has been notified of his infringement.

Further Information

The U.S. Patent Office has on hand a number of pamphlets for people interested in obtaining more information. You can obtain copies from the Superintendent of Documents, Washington 25, D.C., at the following prices in U.S. funds:

Patent Attorneys and Agents to Represent Inventors before the U.S. Patent Office..... \$0.55

General Information Concerning Patents..... \$0.15

Patents and Inventions, an Information Aid for Inventors..... \$0.15

Source of Technical Knowledge

Even though you may not have a patentable invention, you may find the U.S. Patent Office a valuable source of information. Its Search Room in Washington contains a wealth of technical information and suggestions, organized so that you can review those patents most closely related to your field of interest. Personal searches are possible and copies of patents are available for 25 cents. If you prefer, you can hire a patent practitioner to do this for you and send you copies of the patents, but the Patent Office will not make a search on your behalf. Why not take advantage of this fund of information. It will pay you to play safe!

Danes Co-operate for Export

ON the initiative of the National Association of Danish Enterprises (Landsforeningen Dansk Arbejde), several smaller industrial firms have grouped together to co-operate for export. Approximately 80 factories within the smiths' and machine works branch are interested and they are evenly distributed geographically between Copenhagen and Jutland. The factories are grouped by industries. The individual firms will comply, if necessary, with restrictions on the range of articles produced. One export group in the machines and tool industry with 10 firms is co-operating already and a common catalogue is being prepared. Other allied factories may join this association.

To this group three more will soon be added—machines for the food industry, heating and ventilation equipment, and building materials—Copenhagen.

U.S. Tariff Reclassification Review

Committee on Ways and Means will receive and review submissions (to be made by February 3) proposing changes and revisions in the U.S. Tariff Schedules brought into force August 31, 1963.

United States Division, Office of Trade Relations and Trade Policy.

THE United States Committee on Ways and Means (House of Representatives) has announced that it is inviting interested persons and groups to submit, in writing, suggested revisions and changes in the Tariff Schedules of the United States (TSUS) which became effective August 31, 1963.

The suggested changes and revisions should be submitted in writing not later than Monday, February 3, 1964, to Leo H. Irwin, Chief Counsel, Committee on Ways and Means, Room 1102, Longworth House Office Building, Washington, D.C., 20515, U.S.A. An original and a minimum of five copies of each statement should be submitted. If it is desired that the submission be circulated at once to the Committee and staff, a total of 50 copies should be sent for that purpose.

The Committee's release spells out precisely the types of changes and revisions in which it is interested. The Committee recalls that the directive to the U.S. Tariff Commission in drawing up the new tariff schedules (TSUS) called for the accomplishment of the aims of the new schedules without changing rates of duty other than those incidental rate changes that the Commission deemed necessary to achieve the objectives sought.

The chairman of the Ways and Means Committee stated in the announcement that the suggested changes and revisions which the Committee will now consider will be limited to those provisions of the TSUS wherein it appears that through (a) oversight or inadvertence or (b) lack of information, errors have been made or clarifying language is needed.

The suggested changes and revisions are not to include matters submitted to and considered at the time by the Tariff Commission, unless the factors in the paragraph above are involved. The suggested changes are also not to include matters presented to the Committee on Ways and Means when the proposed schedules were being formulated in 1961.

The chairman stated that the purpose of these written statements would be to enable the Committee to determine whether or not certain changes and revisions should be made where there have been errors, inadvertences, or a lack of sufficient information at the time the U.S. schedules were adopted.

The Committee will consider statements received in private session and will determine later whether these will be made available to the public. The chairman stressed that statements should be confined to the areas described; otherwise, they will not be considered. The statements must also contain sufficient information to establish that an oversight, inadvertence, or lack of information has resulted in an error. A form has been established which the written statements must follow to be acceptable and usable by the Committee. All statements submitted must follow this form, which is reproduced below.

Form setting forth the specific information desired by the Committee on Ways and Means in connection with suggested changes and revisions in the Tariff Schedules of the United States (TSUS) due to oversights, inadvertences, etc.

1. Citation of Head Note, item number or other provision of the TSUS.
2. Citation of prior law (old schedules).
3. Specific name and full description of commodity involved.
4. State specifically and in detail the oversight, inadvertence or lack of information as basis for requested change.
5. Full explanation of oversight, inadvertence or lack of information and recommendation for correction.
6. Submit any data available to you concerning the significance of this item in trade. (Any confidential data should be submitted separately and marked CONFIDENTIAL.)
7. Has this matter previously been presented to the Tariff Commission? If so, when?
8. Additional comments, information, statistics, etc.

NOTES:

- (1) A *prima facie* case as to an oversight, inadvertence or lack of sufficient information must be made.
- (2) The information submitted to the Committee must follow this form. It is being made available to interested persons for their convenience. Should additional space be needed, it is requested that the information be submitted on the interested person's own form **under the headings set forth on this form.**

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversion into Canadian dollar equivalent and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the Office of Trade Relations and Trade Policy, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are not included in the table.

For conversion to United States dollar equivalent multiply by .925390.

Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 30	Units per Canadian dollar	Notes (see below)
Argentina	Peso	Free .....	.008187	122.14	
Australia	Pound .....	.....	2.4179	.4136	
Austria	Schilling .....	.....	.04185	23.89	
Bahamas	Pound .....	.....	3.0224	.3309	
Belgium and Luxembourg	Franc .....	.....	.02169	46.10	
Bermuda	Pound .....	.....	3.0224	.3309	
Bolivia	Peso .....	.....	.09119	10.97	
Brazil	Cruzeiro	Official Free .....	.001772	564.33	
		Special Category	†	†	
Britain	Pound .....	.....	3.0224	.3309	
British Gulana	Dollar .....	.....	.6297	1.59	
British Honduras	Dollar .....	.....	.7556	1.32	
Burma	Kyat .....	.....	.2269	4.41	
Ceylon	Rupee .....	.....	.2267	4.41	
Chile	Escudo	Bank rate .....	.5077	1.97	
		Free .....	.3584	2.79	
		Certificate .....	.1201	8.33	
Colombia	Peso .....	.....	.007205	138.80	(4)
Congo, Republic of	Franc .....	.....	.1631	6.13	
Costa Rica	Colon .....	.....	†	†
Cuba	Peso .....	.....	.1501	6.66	
Czechoslovakia	Koruna .....	.....	.1566	6.39	
Denmark	Krone .....	.....		
Dominican Republic	Peso .....	.....	1.08063	.9254	
Ecuador	Sucre	Official .....	.06003	16.66	
		Free .....	.05835	17.14	
El Salvador	Colon .....	.....	.4323	2.31	
Fiji	Pound .....	.....	2.7229	.3673	
Finland	Markka .....	.....	.3377	2.96	
France, Monaco, etc.	Franc .....	.....	.2204	4.54	(1)
Franco-African Republics, etc. ..	Franc .....	.....	.004408	226.86	(2)
French Pacific	Franc .....	.....	.01212	82.51	(3)
Germany	D Mark .....	.....	.2719	3.68	
Ghana	Pound .....	.....	3.0224	.3309	
Greece	Drachma .....	.....	.03602	27.76	
Guatemala	Quetzal .....	.....	1.08063	.9254	
Haiti	Gourde .....	.....	.2161	4.63	
Honduras	Lempira .....	.....	.5403	1.85	
Hong Kong	Dollar	Free .....	.1883	5.31	*Dec. 23
		Official .....	.1889	5.29	

†Exchange auctions will be held each week for limited amounts of exchange.

‡There is no trading in Cuban pesos in U.S. or Canadian banks at present.

*Latest available date.

Country	Unit	Type of Exchange	Can. dollar equivalent Dec. 30	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.02513	39.79	(4)
India	Rupee		.2267	4.41	
Indonesia	Rupiah		.003431	291.50	(4)
Iran	Rial		.01427	70.10	
Iraq	Dinar		3.0258	.3305	
Ireland	Pound		3.0224	.3309	
Israel	Pound		.3602	2.78	
Italy	Lira		.001736	576.04	
Japan	Yen		.003002	333.11	
Lebanon	Pound	Free	.3472	2.88	
Malaysia	Straits dollar		.3530	2.83	
Mexico	Peso		.08645	11.57	
Morocco	Dirham		.2161	4.63	
Netherlands	Florin		.3000	3.33	
Netherlands Antilles	Florin		.5730	1.75	
New Zealand	Pound		3.0018	.3331	
Nicaragua	Cordoba		.1544	6.48	
Nigeria	Pound		3.0224	.3309	
Norway	Krone		.1510	6.62	
Pakistan	Rupee		.2267	4.41	
Panama	Balboa		1.08063	.9254	
Paraguay	Guarani	Free	.009726	102.82	
Peru	Sol	Free	.04028	24.83	
Philippines	Peso	Free	.2772	3.61	
Portugal & Colonies	Escudo		.03759	26.60	(5)
South Africa	Rand		1.5112	.6617	
Spain and Dependencies	Peseta		.01801	55.52	
Sweden	Krona		.2080	4.81	
Switzerland	Franc		.2504	3.99	
Syria	Pound	Free	.2833	3.53	
Thailand	Baht	Free	.05195	19.25	(4)
Tunisia	Dinar		2.6151	.3824	
Turkey	Lira		.1201	8.33	(4)
United Arab Republic	Pound	Official	2.4854	.4023	
United States	Dollar		1.080625	.925390	
Uruguay	Peso	Free	.06264	15.96	
Venezuela	Bolivar	Controlled market rate	.3226	3.10	
		Official Free	.2388	4.19	
West Indies	Dollar		.6297	1.59	(6)
	Pound		3.0224	.3309	(7)
Yugoslavia	Dinar	Official	.001441	693.96	

Notes

1. Franc is also used in Algeria, French Guiana, Guadeloupe and Martinique.
2. Chad, Central African Republic, Congo, Dahomey, Gabon, Ivory Coast, Mali, Islamic Republic of Mauritania, Niger, Senegal, Upper Volta, Cameroons, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.
3. New Caledonia, New Hebrides, French Polynesia.
4. Additional rates are in effect.
5. Portugal: approximately same rate for Portuguese territories in Africa.
6. Barbados, Trinidad and Tobago, Leeward and Windward Islands.
7. Jamaica.

Markets in Brief

CAMBODIA

Area: approximately 67,000 square miles.

Population: approximately five million; minority groups—500,000 Vietnamese, 350,000 Chinese.

Climate: tropical monsoon type; dry December through May, wet June through November; unpleasantly hot mid-March to late June.

Language: Cambodian; French principal business language; English understood by some.

Currency: Riel; 35 riels=U.S.\$1.00 at official rate. The riel is over-valued at more than twice the open market price.

Weights and measures: metric system.

Electric supply: 50 cycles; single and three phase (Phnom Penh also two), voltage 120/208, 220/380 in Phnom Penh (drops to 160-180 in some areas of city from 6-10 p.m.) and in Sihanoukville (grounding conductor required in electrical cord attached to appliances). In Siem Reap neutral wire of the secondary distribution system is grounded. Frequency stable only in Sihanoukville.

Capital: Phnom Penh (population 500,000).

Chief ports: Phnom Penh, 150 miles up Mekong River, can accept ocean-going vessels all year; handling facilities adequate for most general merchandise. Sihanoukville, being built on the Gulf of Siam, will be the main port.

Marketing centres: Phnom Penh (by far the most important), Battambang, Kampong Cham, Sihanoukville.

Economy: primarily agricultural (rice and rubber main sources of foreign exchange); freshwater fishing, stock raising, lumbering, manufacturing on a small scale (new industries include textile, plywood and paper mills).

Total Cambodian imports: 1962—U.S.\$102.3 million; 1961—U.S.\$97 million; 1960—U.S.\$95 million.

Chief imports: cotton cloth, iron and steel materials, petroleum products, industrial and electrical machinery and equipment, pharmaceutical products, motors and vehicles, rubber tires.

Chief suppliers: (per cent) 1962—France 18.4, Japan 15.2, United States 13.5, Hong Kong 12.8, Singapore 8.9, Communist China 5.2, West Germany 3.9, Britain 2.8.

Value of imports from Canada: (Can.\$; Cambodia and Laos are combined in the Canadian statistics) 1963 (six months)—1,545; 1962—2,431; 1961—113,902; 1960—148,238.

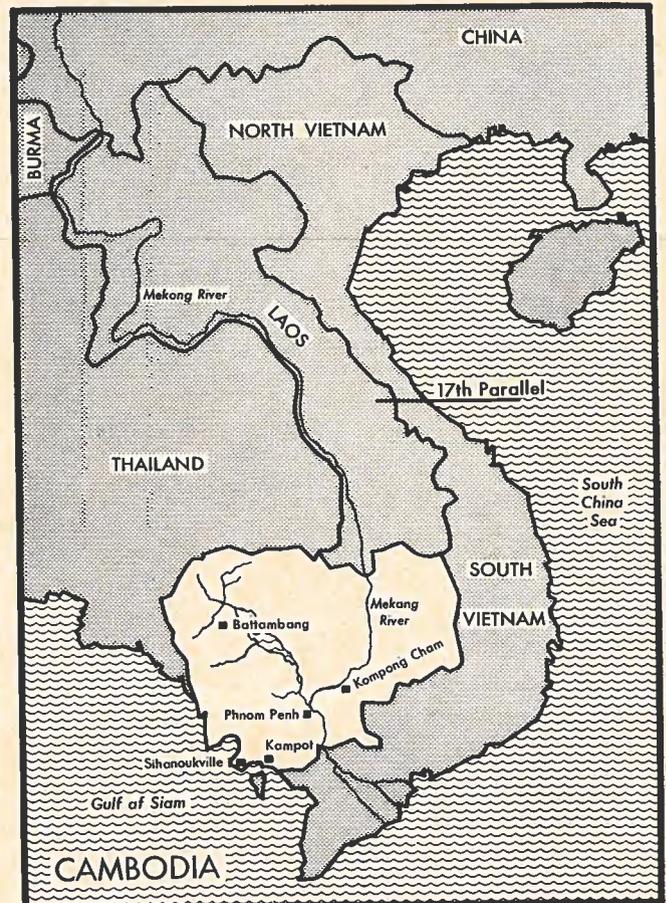
Chief imports from Canada: (Cambodia and Laos combined) flour, wheat, construction and maintenance equipment, plastics and synthetic rubber, aluminum, automobiles and parts, marine engines, combines, fountain pens.

Total Cambodian exports: 1962—U.S.\$54.3 million; 1961—U.S.\$63.4 million; 1960—U.S.\$70 million.

Chief exports: rice and rubber (together about two thirds of total), maize, pepper, logs and lumber.

Chief markets: (per cent) 1962—France 25.9, Britain 11.1, Hong Kong 13, Singapore 11, United States 9.5, Communist China 6.3.

Canadian purchases: (Cambodia and Laos combined) nil except for returned Canadian goods.



Foreign exchange: all foreign currency must be declared on arrival and departure and changed through authorized channels; import or export of more than 400 riels in bank notes is forbidden. Certain rebates given tourists and travellers because of discrepancy between official and open market rate.

Visas: required by all travellers; may be obtained from Royal Cambodian Embassy in Washington or from the French Embassy or consulates in Canada. An immigration control card must be completed on arrival and departure.

Samples: commercial samples may be imported free of duty.

Banks: the Hong Kong and Shanghai Banking Corporation, the Chartered Bank, and several French banks have branches in Phnom Penh; there is no Cambodian commercial bank.

Correspondence: airmail essential; letters 25 cents per half ounce.

Import controls, documentation, customs tariffs, marking and labelling: consult the Office of Trade Relations and Trade Policy, Department of Trade and Commerce, Ottawa.

For detailed information on this market write to:

Chief, Asia and Middle East Division
Office of Trade Relations and Trade Policy
Department of Trade and Commerce
Ottawa

or

Senior Canadian Government Trade Commissioner
P.O. Box 126
Hong Kong

Roger Duhamel
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