

Spanish market is still too small to allow domestic production of the advanced machines the United States exports. Therefore the efforts of the Spanish Government to rationalize and restructure the machine tool sector should not hurt U.S. sales and may even help them as Spanish producers retool with modern equipment.

Because of high prices and long delivery times, the United States will have to concentrate on the sophisticated, advanced machine tool to obtain more of the market as Spain's absorptive capacity for that type of tool increases. While improvements in market performance can always be made by more intensive sales efforts, the returns are expected to be small in Spain for the years immediately ahead.