TABLE 2
MEXICAN IMPORTS OF FORESTRY AND WOODWORKING EQUIPMENT
($000 U.S. dollars)

	1987	1988	1989
WOODWORKING EQUIPMENT			
Sawing machines	1,358	2,661	3,433
Planing, milling or moulding	1,565	3,391	3,697
Grinding, sanding or polishing	763	1,019	1,315
Bending or assembling	318	1,136	1,192
Drilling or morticing	370	936	1,561
Splitting, slicing or paring	117	585	136
Combined machines	344	765	737
Other	1,622	2,872	2,530
TOTAL WOODWORKING	**6,457**	**13,365**	**14,601**
Particle board manuf.eqpt.	60	64	121
Hand cutting tools	448	1,070	1,914
Saws and blades	4,654	10,992	14,252
Boilers and driers	1,292	2,882	2,748
Hoists and cranes	2,990	6,387	2,420
TOTAL	**15,901**	**34,760**	**36,056**

Source: Data by Secretaría de Comercio y Fomento Industrial

Imports accounted for 70% of the total market in 1987 but increased their participation to 83% in 1988 and 84% in 1989. Imports will continue to dominate the market, mostly because existing demand does not justify the local production of these items at such a small scale and therefore the prices of imported equipment are more competitive than those of locally manufactured products, if available. Used machinery and equipment is also in high demand in Mexico, since state-of-the-art technology is still not frequently used and is limited to the very large firms.

The most important supplier of forestry harvesting and woodworking equipment to Mexico is the U.S., with a 58% market share. Geographical proximity plays a major role in this leadership, since transportation costs can be high. At the same time, spare parts and accessories are therefore more readily available. Also, many U.S. firms have established a presence in Mexico through local distributors, representatives or agents or through joint ventures. Italy and West Germany also have a major presence in Mexico with a 9.3% and 8.1% market share respectively. Brazil, Sweden and Japan have a smaller share of the market, while Canadian products account for one percent of total imports.