

ARGENTINA

A. THE MARKET

Commercial staff with the Canadian Embassy in Buenos Aires report the local towel industry is significant, though not technologically advanced. Large distributors utilizing country-wide networks move product to different selling points. Department stores are disappearing, and being replaced by shopping centres.

The most important competitor in the Argentine towel market is Brazil, which offers very good prices at middle and low end of the market, followed by Korea and the U.S.A. It is common practise among retailers and manufacturers to lower prices on one product and recover profit on others.

There are no import quotas, but there are three duties payable at the border: a 20 per cent customs duty, 10 per cent statistics tax, 3 per cent for minor duties, plus a value added tax of 18 per cent.

The language for promotion of products must be Spanish, but many companies and agents can correspond in English.

B. SOURCES OF SUPPLY AND CHANNELS OF DISTRIBUTION

Towel makers in Argentina include the following:

1. Bermudez Y Cia SRL

Salta 273, (1074) Buenos Aires, Argentina
Tel: (54-1) 383-5818 Fax: (54-1) 381-5690
Contact: Mr. Javier Bermudez, president.

2. April Y Asociados S.A.

Tucuman 2166, (1050) Buenos Aires, Argentina
Tel: (54-1) 951-7649 Fax: (54-1) 949-0126
Contact: Mr. Victor Cohnsalah, president.

3. Casa Jacobovich

Scalabrini Ortiz 282, (1416) Buenos Aires, Argentina
Tel: (54-1) 854-8325, 854-1401, 855-2974
Fax: (54-1) 856-5806
Contact: Mr. Hugo Jacobovich, president.

4. Julio Gitelman Y Cia S.A.

Pasteur 367, (1028) Buenos Aires, Argentina
Tel: (54-1) 952-5337, 951-2744
Fax: (54-1) 953-2867