

and 30 percent cat food. Mexicans traditionally have not tended to purchase prepared food for their pets, so the domestic industry is small. One firm, *La Junta*, is believed to account for less than 10 percent of the market. The balance is served by imports or local production by American companies.

The most popular products are dry dog and cat food. High-nutrition brands such as Science Diet and Iams have been attracting attention recently, at least among the more affluent pet owners. The United States Department of Agriculture has forecast that the dog and cat food market will increase from 27,600 tonnes in 1993 to 74,000 tonnes in 2000. Imports in the latter year are forecast at 72,000 tonnes.

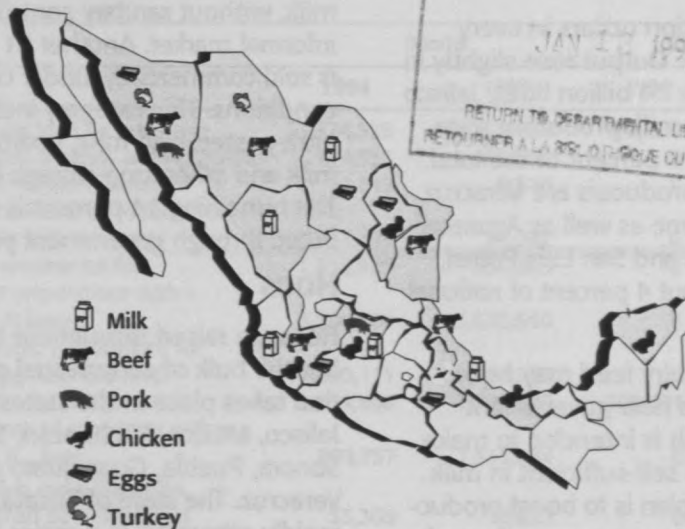
LIVESTOCK PRODUCTION

The use of balanced livestock feeds varies greatly by the species and the type of producer involved. Hogs and poultry require more balanced feed than cattle. The *Secretaría de Agricultura, Ganadería y Desarrollo Rural (Sagar)*, Secretariat of Agriculture, Livestock and Rural Development, distinguishes between three levels of technology in the livestock sector. Traditional family operations depend almost entirely on natural grasses. Supplemental food, if any, consists of farm waste.

Traditional farms make up the vast majority of livestock producing units. Semi-technical operations combine grazing on native vegetation with supplemental cereal-based feeds, but they do not use other modern practices such as scientific breeding. Technical producers use all or most of the modern techniques available, including irrigated pastures, balanced feeding, controlled calving, artificial insemination and range management. These operations are a very small proportion of total livestock

LIVESTOCK ACTIVITY

Principal productivity areas



Source: *Cámara Nacional de la Industria de la Transformación (Canacintra)*, National Chamber of the Manufacturing Industry, 1996.

units, but they dominate overall production, especially for exportable products.

BEEF CATTLE

Mexican cattle are raised primarily on native grasses. Natural rangelands are found throughout Mexico, and several states have programs to develop improved grass varieties. In some parts of the country, nearly continuous production of natural vegetation means that supplemental feeds are needed only during two or three months of the year. Nonetheless, a large proportion of Mexico's beef production is on arid or semi-arid land, and the nation exports large numbers of feeder cattle to the United States. Exports of feeder cattle rose from about 1 million head in 1994 to 1.6 million in 1995, as a result of the devaluation of the peso and the continuation of a prolonged drought.

The northern states of Chihuahua, Tamaulipas, Nuevo León, Durango, Sinaloa, Zacatecas, and Coahuila began to see a return to normal

rainfall in late 1996, following a five-year drought. Northern Mexico has a normally-dry climate, but precipitation was 40 percent lower than normal in 1995. Even though this area is the most heavily irrigated in Mexico, the severity and duration of the drought have had severe impacts on agriculture throughout the region. Many cattle died, and others were sold prematurely at low weight and at distress prices. According to US Department of Agriculture estimates, the 1996 opening beef cattle inventory stood at about 11.5 million head compared with 13 million at the beginning of 1994.

About one-quarter of all beef production comes from four states: Chihuahua, Durango, Sonora and Zacatecas. These states are export-oriented. The most popular breeds are Hereford, Angus and Charolais. Most ranchers in this region produce beef and ship steers to feedlots for finishing, often in the United States. The more technical producers have irrigated pastures and operate their