

## PORK DISTRIBUTION WITHIN MEXICO CITY (TONNES PER MONTH)

Users	1994	1996 est.
Meat packers	20,000	25,000
Butcher shops (carnicerias)	12,000	20,000
Supermarkets	10,000	15,000
Tacos	8,000	10,000
<b>Total</b>		

Source: Canada Pork International, Ottawa, 1994.

## IMPORTED PRODUCTS

The distribution system for imported meat is much simpler than the one for domestic pork. Imports usually go directly to a meat processor or to an abattoir or distributor for sale to supermarkets, butcher shops, hotels and restaurants.

To some extent, the simplicity of this distribution system provides an advantage for importers. The Mexican government and the *Confederación Nacional Ganadera (CNG)*, National Livestock Confederation, are intent on eliminating this advantage by simplifying the distribution chain for domestic pork. They hope to simultaneously increase producer returns and reduce the cost to the retail consumer. The various regional and state livestock producer unions have gradually acquired 80 percent of the slaughterhouses conforming to the *Tipo Inspección Federal (TIF)*, sanitary inspection standards. Their objective is to sell carcasses, prime cuts and even some boxed meat directly to meat processors, supermarket chains and butcher shops.

Some Mexican meat processors and retailers prefer to buy imported meat from an importer/distributor, who looks after the necessary import documentation, customs clearance and warehousing, rather than directly from foreign suppliers. This adds a markup of some 30 percent, and a large proportion of imports are direct to the customer. In addition, the lack of national distributors can make this form of distribution cumbersome. The advantage of direct distribution for Canadian suppliers is the elimination of the distributor's margin combined with the opportunity to provide better service and monitor market feedback. Direct distribution to supermarkets is hampered, however, by the fact that most of them do not have central warehouses and expect delivery to individual stores.