PROCESSED MEATS

The Mexican processed meat industry is comprised of about 1,264 firms, of which only 460 are members of the *Consejo Nacional de Empacadores de Carnes Frias y Embutidos*, National Council of Cold Meat Packers. Industry-wide employment is estimated at 27,000. Production in this category is dominated by four major firms that claim 75 percent to 85 percent of the total market.

There is a rising demand for processed-meat products as a result of population growth and changing consumption patterns. Slaughterhouses tend towards basic design, little automation, and only adequate refrigeration.

Some of the pent-up consumer demand for high protein foodstuffs is met by imports of pork and poultry from Canada and the U.S. and from imports of canned fish. Imports, however, are not growing as quickly as in some other food subsectors. Similarly, domestic production has increased at a relatively slow annual rate of 2.4 percent. Those meat processors with capital to invest are developing new, consumer-ready lines which have been posting growth rates in the 12 percent to 16 percent range.

MAJOR MEAT PACKERS

Company	Product
Alimentos KIR	large producer of cold cuts; Mexican style chorizo sausages; bacon
Donfer	Obrador de Salchichonería y Tocinería Donfer and related firms (El Riojano, Obrador Elvira and Frigoríficos Ixtapalapa) market under the Donfer, Riojano and Alpino brands
Sigma	member of the Alfa industrial conglomerate, licensed to distribute the products of U.S.-based Oscar-Meyer; it has 34 percent of the processed meat market; produces some dairy products; markets its products under the names of Fud, Iberomex, San Rafael, and Chimex
Parma	under the Nestlé corporate umbrella, produces high-quality processed meats, including smoked ham
Zwanenberg	with an estimated 20 percent of the market, produces several varieties of hams, sausages, patés, bologna, chorizo, salami, bacon and pepperoni for the middle- to high-income consumer

Meat packers initially met resistance to pre-packed luncheon meats. Traditionally, Mexicans have purchased their cuts at the local market where they can see it being trimmed for sale. Changing lifestyles have left Mexican households with less time to shop. Increased nutritional awareness is also driving sales of lean cold cuts and processed meats made of turkey or chicken. Every supermarket now has a well-stocked deli counter with meat loafs and packaged meats. Deli cases are also appearing in the fast growing convenience store sector, and even in "mom and pop" stores around the country.