

There are about 130 registered software companies, 85 percent of which are located in Mexico City. There are five types of software suppliers:

- local software development companies;
- representatives of foreign packaged-software companies;
- companies that offer both their own products and imported software;
- companies that customize and adapt foreign software for Mexican customers; and
- hardware manufacturers, which sell software for their own equipment.

As the market grows and becomes more sophisticated, the tendency will be towards a concentration of the industry into a smaller number of firms. The surviving companies will be those with a solid presence in Mexico and the ability to provide reliable service and support.

The computer industry is constantly evolving and is not readily divided into subsectors. Three major specialities are discussed in this profile, because they present particularly promising opportunities. Industrial automation is the most dynamic segment in the private sector. In the public sector, there is an ongoing need for all kinds of large-scale databases, but geographical information systems (GIS) are especially promising. Although it is a more mature market segment, office automation is a continuing source of sales for computer technology suppliers. For the most part, the home computer market in Mexico is not yet sufficiently developed to warrant special emphasis.