

OTHER PRODUCTS IN DEMAND IN THE MEXICAN CONSTRUCTION INDUSTRY

Subsector	Products Demanded
Commercial Development	<ul style="list-style-type: none"> • steel beams • reinforcing bars • forms for concrete • hydraulic concrete mixers • scaffolding • electrical transformers • plywood • cable • air conditioners and ducting • specialty windows and doors • lighting fixtures • passenger elevators and electric stairways • "intelligent building" wiring • high quality interior finishings
Parts	<ul style="list-style-type: none"> • cargo handling equipment • materials for warehousing • construction materials for improving infrastructure around ports (roads, sewage, energy transmission)
Railroads	<ul style="list-style-type: none"> • rails and sleepers
Industrial Plants	<ul style="list-style-type: none"> • pollution control systems • industrial safety equipment and materials

Key Customers

The *Fondo Nacional de Fomento al Turismo (FONATUR)*, National Tourism Development Fund, is an important government contact for learning about future tourism development plans. Canadian firms can begin by examining *FONATUR's* plans for new resorts. Contacts within the agency may provide introductions to private-sector developers who are engaged in the major projects. Other groups influencing the choice of construction materials are:

- *Grupo Situr*, a major Mexican company responsible for an estimated 30 percent of new tourism developments;
- major hotel chains;
- local tourism developers; and
- the Mexican architectural community.

MARKET ENTRY STRATEGIES

Mexican construction companies and distributors of construction materials suggest that Canadian suppliers seeking to enter the market consider the following points:

- the greatest opportunities exist for high value-added, unique products for which transportation costs represent a low portion of landed cost. The major competition is from southern U.S. suppliers, and Canadian products will have to overcome a cost disadvantage;
- decorative and finishing items offer significant export opportunity. Wall, roof and floor coverings, hardware, doors and windows geared toward the middle and upper-class housing market, have the best potential;
- unique technologies, that decrease construction time and lower costs, are welcomed. These are in particularly high demand in the road

and housing construction sectors. Companies will have to consider the training element of introducing new products. Mexican skills are based on traditional masonry construction techniques. Canadian exporters must transfer the necessary building skills along with new construction technologies;

- Mexican construction companies perceive Canada to be a producer of superior quality wood and steel products, two markets which are currently underserved by domestic suppliers; and
- new environmental legislation has an impact on all areas of construction. Pollution control systems and environmentally-safe building technologies are in high demand.

WHERE TO GET HELP

KEY CONTACTS IN CANADA

The **Department of Foreign Affairs and International Trade (DFAIT)** is the Canadian federal government department most directly responsible for trade development. The **InfoCentre** is the first contact point for advice on how to start exporting; it provides information on export-related programs and services; helps find fast answers to export problems; acts as the entry point to DFAIT's trade information network; and can provide companies with copies of specialized export publications.

InfoCentre

Tel.: 1-800-267-8376 or
(613) 944-4000
Fax: (613) 996-9709
Faxlink: (613) 944-4500

The **Commercial Division of the Embassy of Canada** in Mexico City promotes trade with Mexico. There are several trade commissioners at the Embassy, and there is a satellite office in Monterrey. Trade Commissioners can provide a range of services including introducing Canadian companies to potential customers in Mexico, advising on

