

Table 4: IMPORT MARKET SHARE
(Percentage)

Category	United States	2nd Competitor	Canada
Seats	83.3	Italy 7.7	0.2
Metal furniture	89.9	China 3.7	0.3
Wood furniture	87.6	Spain 3.9	0.1
Furniture, other	75.9	Italy 6.0	0
Parts of furniture	82.8	Italy 9.4	0.1
Bedding	97.3	Italy 0.7	0.3
Lamps & lighting	82.9	Italy 3.8	0
	85.6	Italy 5.7	0.2

Source : SECOFI

As can be seen in Table 4, Canada's participation in this market has been very low. Nonetheless, there are good opportunities in Mexico for Canadian suppliers, especially for wood furniture if a more aggressive market strategy is used.

Canadian exports, as reported by the Canadian International Trade Division, fell from Cdn\$666,000 in 1988 to Cdn\$281,000 in 1989. However, in 1990, they almost doubled to Cdn\$569,000. In 1991, exports rocketed to Cdn\$2.1 million. The category of parts for seats, which includes seats for cars and other vehicles, is the largest. Nonetheless, excluding seat parts, Canadian exports to Mexico amounted to Cdn\$702,000 in 1991, up 51 percent from 1990's Cdn\$464,000. (Table 5 provides a breakdown of Canadian trade with Mexico).

Table 5: CANADIAN TRADE OF FURNITURE WITH MEXICO
(Cdn \$000)

Canadian Exports to Mexico	1988	1989	1990	1991
Upholstered seats	0	15	0	0
Other seats	0	16	0	0
Parts of seats	407	57	105	1,452
Metal furniture	31	18	120	190
Wood furniture	29	0	0	54
Plastic furniture	16	0	0	6
Furniture, other materials	134	110	0	0
Furniture parts	4	0	15	0
Bedding articles	10	24	327	441
Chandeliers	10	0	2	8
Electric lamps	25	41	0	3
	666	281	569	2,154

Canadian Imports from Mexico

	1988	1989	1990	1991
Upholstered seats	0	0	27	41
Other seats	13	23	43	78
Parts of seats	6,268	8,038	6,358	15,652
Metal furniture	143	169	661	1,089
Wood furniture	386	779	690	4,376
Plastic furniture	8	0	0	0
Furniture, other materials	24	21	31	46
Furniture parts	161	84	82	74
Bedding articles	237	88	154	99
Chandeliers	55	39	108	84
Electric lamps	83	401	92	563
Non-electric lamps	0	73	66	92
	7,378	9,715	8,312	22,194

Source : Statistics Canada, International Trade Division

Canadian imports from Mexico have a much greater value than Canadian exports. They totalled Cdn\$22 million in 1991. Excluding the category of parts for seats, total Canadian imports from Mexico have grown steadily from Cdn\$1.1 million in 1988 to Cdn\$6.5 million in 1991.

Canadian manufacturers have not penetrated the Mexican consumer market to any significant degree. They have lagged behind the United States, and Europe and Asian countries in supplying the growing demand for imported furniture in Mexico. Several factors have been responsible for this:

- Mexican consumers' familiarity with U.S.-made products;
- Mexican retailers' familiarity with doing business with the United States and many of them have exclusive representatives or distributors in that and other countries;
- Geographical proximity with the United States, which reduces freight and other costs, and allows for faster delivery;
- A longstanding relationship of local distributors with U.S. manufacturers and/or distributors in the U.S.;
- Mexican perception that European products are of high quality and Asian exports are generally lower priced and offer better financing terms;
- Mexican retailers and consumers have little or no knowledge of Canadian products; and