

Mexican family firms that have become industry leaders today share shelf space with a large number of American and European multinational firms, such as Anderson Clayton, Nestlé and Danone.

These foreign conglomerates typically own and operate Mexican plants, joint-venture with a Mexican partner, or license their brands to Mexican firms. They generally use Mexican primary food products, but tend to shop outside the country for their packaging needs.

For many years, Mexico's protectionist policies and price controls either shut out or discouraged foreign investment in the food and beverage sector, and domestic manufacturers held sway over a captive consumer market. Since the late 1980s reduced trade barriers have led to new foreign investment as well as aggressive joint-venturing with foreign food processors. As a result, this sector is now one of the most fiercely competitive in the country. In this environment, the use of advanced packaging techniques has become a powerful competitive tool.

CLASSIFICATION OF FOOD INDUSTRY

The *Cámara Nacional de la Industria de Transformación (CANACINTRA)*, National Chamber of the Manufacturing Industry, categorizes its 8,000 food industry members as:

- large, accounting for 1 percent of membership, about 100 corporations;
- medium, accounting for 18 percent of membership, about 1,400 companies; and
- micro-enterprises, accounting for 81 percent of membership, about 6,500 companies.

Corporate concentration like this is not uncommon in Mexico, where only the large firms have had sufficient investment capital to expand, often through acquisition.

Testimony to the strength of the larger players in this industry is the fact that, according to the highly respected business magazine, *Expansión*, 35 food-related companies and 29 additional companies in the beverage sector were ranked among Mexico's top 500 companies in terms of sales in 1993.

LEADING FOOD PRODUCERS 1993 SALES AND RANK IN TOP 500 MEXICAN CORPORATIONS

Rank	Company	Sales (US \$ Millions)
9	Grupo Industrial Bimbo	1,516
10	Compañía Nestlé	1,383
50	Anderson Clayton	474
34	Grupo Industrial Maseca	473
84	Sigma Alimentos	383
75	Herdez	292
68	Ganaderos Productores de Leche Pura	284
96	Agrobios	174
-	Productos Carnation (part of the Nestlé Group)	156
119	Lechera Guadalajara	130
123	Danone de México	124
128	Ingenio Tres Valles	109
154	Productos de Leche	96
153	Heladas Halanda	89
159	Molinos Azteca	75
138	Corporación Azucarera de Tala	70
192	Derivadas de Maíz Alimenticia	58
218	Laboratorios y Agencias Unidas	57
204	Ingenio Adolfo López Mateos	43
260	Aceite	37
Total		6,023

Source: *Expansión*, 1994.