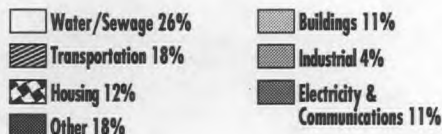


GUADALAJARA AND THE STATE OF JALISCO



Source: Arq. Raúl Díaz Gómez (Ed.). *Revista Mexicana de la Construcción*. Cámara Nacional de la Industria de la Construcción (CNIC), Mexican Construction Association. No. 467, December 1993. p. 20.

THE FEDERAL DISTRICT

Distrito Federal or *D.F.*, the Federal District, is the municipal name for Mexico City. It is the country's economic, financial and industrial centre as well as the hub of the transportation network. *D.F.*'s total population is over 18 million people.

Purchases of construction materials in the Federal District account for close to half of all purchases nation wide. Its share of the market for imported products is about the same. It is also a major distribution point for neighbouring cities and states. In 1992, over one-third of the country's registered construction companies were located in the Federal District. In that year, the region accounted for 22 percent of national construction activity.

The distribution of building materials in the Federal District is fragmented. A large number of outlets carry a very narrow range of products. Due to difficulties in transportation, many distributors service only a small part of the city. However, there is a thriving street vendor business for some building materials.

CONCENTRO

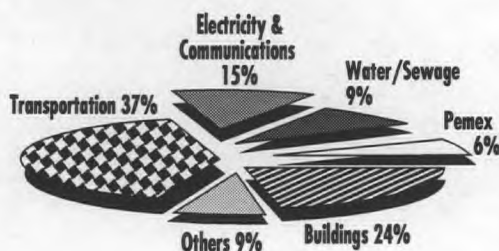
Concentro is a permanent construction trade centre in Guadalajara. It provides commercial space to manufacturers and distributors of a wide range of construction and decoration products. In addition, it houses both permanent and temporary exhibits of construction products. Its intention is to provide "one stop" shopping for companies seeking products, materials and services for all stages of construction, design, rough construction, finishes, equipment, furnishings, decoration and maintenance.

GUADALAJARA AND THE STATE OF JALISCO

Guadalajara is Mexico's second largest city with a population of 3.5 million people. Its main industrial activities include food and beverage production, chemicals, textiles and machinery. Guadalajara has become an important centre for high technology and many multinational computer and telecommunications companies have established facilities there. The state of Jalisco, with a population of five million, is Mexico's 4th most populous state. In addition to the commercial activity of Guadalajara, the state has a thriving tourism industry.

In 1992, six percent of the country's registered construction companies were located in the state of Jalisco, and the region accounted for five percent of national construction activity.

CONSTRUCTION ACTIVITY IN JALISCO



Source: Arq. Raúl Díaz Gómez (Ed.). *Revista Mexicana de la Construcción*. Cámara Nacional de la Industria de la Construcción (CNIC), Mexican Construction Association. No. 462, July 1993. p. 46.

According to a representative of the *Centro Impulsor de la Construcción y la Habitación A.C. (CIHAC)*, Promotion Centre for Construction and Housing, Guadalajara is seen as a "middle-class" market. A relatively large part of construction activity is carried out by the formal sector and the market is therefore less volatile than other major Mexican markets.

In spite of this relative stability, the market in Guadalajara is regarded as demanding. Building products manufacturers often test new products in this city. It is felt that if a product succeeds in Guadalajara, it will be successful in other regions.

Tastes for construction products in this region are heavily influenced by the Federal District. Architects, engineers and buyers first look to Mexico City and then to California for a source of new products and design ideas.

