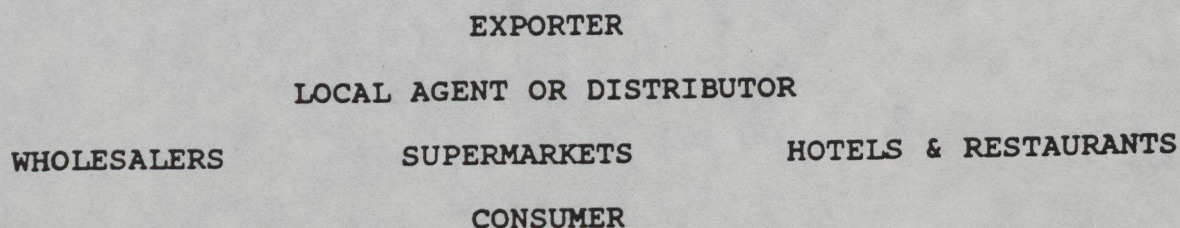


The most common presentation for direct human consumption species beside fresh, is canned for tuna and sardine, frozen for scale fish and shrimp, and only occasionally salted or smoked in other species. In the case of sardine and anchovy, 35% was used in reduction processes to produce fish meal for balanced foods. Canned products are mostly sold in non coastal states, in particular in Mexico City. Canned products are in their great majority sold through supermarket chains and smaller retail stores. Frozen products are mostly exported, since the local consumer favors fresh products, and also distributed through supermarkets. Imported products now entering the Mexican market offer a variety of new presentations: canned, vacuum packed, dried-salted and smoked.

Sales in Mexico of imported products are usually made through local agents and distributors, normally operating on a commission basis. The following diagram illustrates the distribution of imported products:



The local distributor basically markets the imported product through three channels: la Vega wholesalers, supermarket chains and hotels and restaurants. Most buyers favor dealing with an agent or distributor rather than directly with the foreign exporter, since this provides them with a responsible party in Mexico for any problems in delivery and quality. (See list of distributors at the end.) Some hotels and restaurants, as well as large specialized stores often import directly. An alternative would be for the foreign company to establish a direct presence in Mexico, through local offices. This, however, is a more risky undertaking and also a more expensive one, since it requires having a sales force in Mexico in addition to the office staff. In any case, a decision should be taken on whether to use an agent, joint venturing or licensing with a Mexican company. Mexico's market is highly competitive and companies which maintain an active presence in the market and establish a good track record by virtue of competitive price, trustworthy supply and service will do well.

5. MARKET ACCESS

As a result of Mexico's accession to GATT, the Mexican Government has gradually opened the economy to international suppliers. Import duties have been lowered from a maximum 100% in 1983, to 20% since December, 1988. The official import price system has