

cable, presently supplied by Conductores Monterrey, Conductores Guadalajara, Conducel and Condumex, who also produces fiber optic cable.

A third tier of manufacturers are in the mobile radio segment and in the private telephony market. The leading manufacturer of private branch exchanges is MITEL (a joint venture between TELMEX and the Canadian firm of the same name). Motorola, an American firm, is manufacturing mobile and cellular radio equipment. The rest are small to medium sized enterprises, owned by Mexicans, engaged in the private market for key systems and PBX's. The most important are Grupo Sit and Rolm. Other products manufactured in Mexico are telephones, key systems, satellite antennas and receptors, and transmission equipment ranging from radio and microwave links to digital multiplexors.

Since the development of domestic technology, with a few exceptions, is rare, trends in technology sourcing are similar to those of capital. Public switches are dominated by Swedish and French (until recently American) technologies. Several international leaders are interested in the Mexican market and some have already established a presence in this market, such as ATT, NEC, Northern Telecom and Siemens. Transmission markets are dominated by Japanese, Dutch, German, Swedish and French technology. PBX's are mainly Canadian, American and Swedish.

4.3 CONSUMER ELECTRONICS

Electronic consumer goods was the first sector of the electronics industry which developed in Mexico. The import substitution policies established by the Mexican Government, which included import controls through licences, high tariff barriers, fiscal incentives, export promotion and financial assistance, promoted the production of radios in the late forties and subsequently that of televisions and stereo equipment in the fifties and sixties. These measures translated into a rapid growth of this industry to supply the growing national demand. This in turn resulted in the establishment and growth of many suppliers of parts and electronic components. The high local content requirements that accompanied import substitution policies brought about 100% local content levels in the manufacture of radio and TV equipment.

During the oil boom (1978/81) the Government opened the market for imports by eliminating import licences, while keeping high tariff barriers (70%-100%). When the price of oil dropped in June of 1981, import licences were restored on all items of trade. In 1985, all parts, components and later, subassemblies, were changed from import licenses to tariff controls, and manufacturers were practically freed from all content requirements.