

Wholesalers handle some of these products, but increasingly, large retail chains are buying directly from foreign suppliers. Some of them also act as wholesalers. There are five very large supermarket chains in Mexico. Three of them, *Cifra*, *Gigante* and *Comercial Mexicana* operate on a national basis. Mexican supermarkets typically devote less than one-third of their space to food products. Health and personal care products use about 30 percent of the space, with the remaining 40 percent allocated to other non-food products, including cookware and houseware.

Most of the large Mexican retailer chains have been expanding, mostly through joint ventures. Some examples include:

- *El Puerto de Liverpool*, a large Mexican department store chain that has joined forces with K-Mart. This joint venture is developing *supermercados*, supermarkets, which will carry both food items and lower-end apparel. *Liverpool* plans to invest over \$300 million in this and other ventures.
- *Cifra*, Mexico's leading retailer, has entered into a joint venture with Wal-Mart. They plan to invest \$800 million in the next three years, primarily in discount stores and supermarkets. This will increase *Cifra's* sales space by more than 50 percent. *Cifra's* annual sales in 1992 were US \$3.7 billion through 238 stores, mostly in Mexico City.
- *Gigante*, Mexico's second largest chain, plans to open warehouse stores in association with Carrefour of France. *Gigante* has 236 stores with broad national coverage. *Gigante* also has a joint venture with Fleming Co. to establish discount stores.
- *Comercial Mexicana* and Price Club/Costco opened warehouse stores in 1991 and continue to seek new opportunities. *Comercial Mexicana* controls its own chain of supermarkets, plus *Sumesa* and Price Club. It has 133 stores in 30 cities. Sixty-four percent of its floor space is located in or near Mexico City.
- Sears Roebuck's Mexican arm, *Sears de México*, will spend over US \$35 million over the next five years, opening five or six new stores per year.
- Dillards and J.C. Penney plan to open stores in Mexico in 1995. Dillards now has a joint venture agreement with *Cifra*.

New American-style mall developments are springing up all over the country. Most of the large chains are pursuing joint ventures with foreign retailers.

RESINS AND MATERIALS

The main customers for resins and primary materials are plastics products manufacturers. Some Mexican raw materials producers also import in order to round out their product lines. In addition, the directory of the *Asociación Nacional de las Industrias del Plástico (ANIPAC)*, National Association of the Plastics Industry, lists 41 companies that are distributors of either raw materials or plastics-making equipment, or both.