

German companies are prominent among both joint venture partners and foreign subsidiaries. *Grupo Celanese* is partially owned by Hoescht and *Industrias Cydsa*. *Bayer* is a joint venture between *Grupo Cydsa* and Bayer. BASF operates four subsidiary companies in Mexico, producing products ranging from paint to vitamins.

Grupo Idesa provides a good example of how companies in the Mexican chemical industry have rationalized their operations in response to the changing economic environment. This 40-year-old company produces a variety of raw materials used in the fabrication of polyester fibres, polyester resins, paint and plastics. Prior to the December 1994 peso devaluation, *Idesa* produced almost entirely for the domestic market. Exports were limited, and the company did not have a well defined international strategy. During the crisis, a 30 percent drop in domestic demand forced *Idesa* to seek out markets in North and South America, Europe and Asia. Quality and continuous improvement programs were implemented to help meet export standards. As a result, in 1995, *Idesa* exported one-quarter of its production of US \$160 million. The company employs 800 people in plants in the states of Puebla and Tlaxcala. A new plant is planned for Coatzacoalcos, Veracruz.

MAIN SPECIALTY CHEMICAL PRODUCERS

3M México*	Cytec de México*	General Products*
Akzo Chemicals*	Christianson*	Grupo Ici
Arylo de México*	Degussa México*	Grupo Idesa
BASF Mexicana*	Dicalite de México*	Grupo Transp. Inter-Mex
Buckman Laboratories*	Dow Química Mexicana*	Ind. Química de México
Canamex	Dresen Química*	Industrias Peñoles
Ciba Aditivos Puebla*	Esp. Ind. y Químicas	Ing. y Procesos Ind.
Complex Química	Esp. Químicas Grace	Micro
Nalcomex*	Promo. y Repr. Zumsa	Rhone Poulenc*
Novaquim	Promo. y Catalizadores	Rohm and Haas*
Nuodex Mexicana	Quest International*	Stepan México*
Pennwalt*	Quimic	Syntex
Polaquímica	Química Hoechst/Celanese*	Wacker Mexicana*
Polioles	Quimikao	Witco México*
Productos Rolmex	Quimobásicos	

Note: * denotes multinational companies

Source: Interviews.