

Additives for plastics are also an important market opportunity. Mexico relies entirely on imports and foreign suppliers of these products have not marketed their products aggressively.

According to estimates published by the *Secretaría de Comercio y Fomento Industrial (SECOFI)*, Secretariat of Commerce and Industrial Development, about two-thirds of current demand is for four types of resin:

- polyvinyl chloride (PVC)
- low- and high-density polyethylene
- polypropylene
- polystyrene

Of these, only PVC is in growing demand according to this source. *SECOFI* also notes that urea-formaldehyde resins, polyvinyl acetate emulsions and bottle-type PET are in strong demand as of early 1995.

Interviews were conducted with a group of plastics producers. They named a number of other products in demand, including, nylons (i.e., a type called *Santo Prener*) and Zytel. Another product with good long-run potential is resins used in the production of non-toxic and microwavable plastic food containers. The general advice offered to Canadians by industry experts in Mexico is to focus on niche markets with innovative products that rely on specialized technologies.

SERVICES

The modernization boom of the past five years has been substantially curtailed by the devaluation of the peso. Interest rates are extremely high and capital is hard to come by at any price. Only companies with substantial hard currency earnings are still in the market for equipment. This is creating a market for consulting and training services as Mexican producers try to get the most out of their existing investments.

Training is one of the services in demand as a result of this trend. Training designed to help workers use equipment more efficiently is especially needed. There is also a poor understanding of the benefits of preventative maintenance in Mexico and therefore a strong need for employee education. Training for repair technicians is also required.

Some companies operate their own internal training programs. *Duroplast*, for example, draws on the expertise of its clients, including Volkswagen to train its employees.