

CUSTOMER PROFILE — NESTLÉ

This Swiss-based consortium operates with majority foreign ownership in Mexico. Six facilities are run under the Nestlé name. Affiliate companies Carnation, *Industrias Alimenticias Club, Parma, Chambourcy* and *Findus* operate another 10 plants. In 1993, Nestlé joined with General Mills to open a breakfast cereal plant using U.S. technology. This multinational has a firm grip on the dairy products market, as well as in the instant coffee, sauce (under the Maggi label), beans and soups categories. A team of experts evaluate major new projects and plant investments, but head office sets annual budgets for high-end processing and packaging equipment.

CUSTOMER PROFILE — ALPURA

Ganaderos Productores de Leche Pura was established as a national cooperative of milk producers, and currently has 225 partners, producing one million litres of milk each day.

Refrigerated trucks transport milk from ranches to the Mexico City plant where 70 percent of the product is processed as fresh or UHT milk with the balance dehydrated for later use.

Periodic shortages are covered by imports purchased from the government-owned food entity *Compañía Nacional de Subsistencias Populares (CONASUPO)*, National Council for Low Income Food Support. The company, which has about 60 percent of the UHT market in Mexico City, also produces yoghurt, cream butter, cheeses and desserts. It recently launched a line of upscale desserts under the *Delicias Europeas* label.

Decisions on major equipment purchases are made at board meetings, and executives are always interested in meeting with new suppliers. Short-term investments include:

- purchasing new milk processors from Tetrapak;
- increasing the number of water treatment plants; and
- expanding its truck fleet for milk and processed goods.

The company is also looking at additional yoghurt capacity and foresees new investments in its powdered milk, plastics-processing and storage plants.

The large multinational players, including Nestlé, Carnation, Danone and Kraft, among others, are well represented in their respective categories, capturing about 50 percent of the total market for dairy products. Several other dairy products producers will undoubtedly be attempting to build on existing market shares to catch up with the leaders.

MAJOR MEXICAN DAIRY PRODUCTS COMPANIES

Company	Product
Alimentos Chilchota	leader in fresh cheese types, such as panela, oaxaca and añejo, which are widely distributed through wholesalers; six hundred tonnes per week pass through Mexico City distributorships alone
Kraft General Foods	market leader in American-style yellow cheeses
Productos Alimenticios Lamesa	large producer of cheeses, cream and butter; it has recently opened a plant in Guadalajara
Operadora de Lácteos	purchased several dairy plants from the government-owned Liconsa, producing milk under the Baden, Boreal and Los Volcanes brands
Productos de Leche	produces Iberia butter and margarine, El Sauz cheeses, Chipilo and Holstein butter and cream, as well as Bonafina drinks
Consultores Teclac	with seven plants — including its new Lácteos del Norte facility — manufactures 40 product lines; specialties are fresh cheeses, butter, cream and yoghurt under the Chen label
Santa Clara	established in 1924 with just 17 milking cows, Santa Clara now collects milk from a herd of 2,000, from which it manufactures high quality milk, cheeses, yoghurt, and ice cream

SMALLER PLAYERS IN THE DAIRY PRODUCTS MARKET

Company	Product
Chantilly	cream
La Esmeralda	cheeses
Los Volcanes	cheeses, cream, milk
Lyncott	cottage cheese, cream
Grupo Quan	ice cream under Bing and Holanda labels
Productos de Leche Noche Buena	cheeses
Unilever	quality cheeses under Caperucita and Walter brands