

Imports of consumer goods declined in response to the devaluation of the peso. Imports of consumer goods fell 44 percent during 1995. On the other hand, there are few domestic sporting goods producers, and import penetration is likely to remain high. The import market for sporting goods is expected to begin to recover in 1996.

CUSTOMERS

There are three major categories of buyers of sporting goods and exercise equipment in Mexico. These are gymnasiums, tourist facilities and retailers of sporting goods. In addition, government entities are estimated to account for between 8 and 10 percent of total demand.

GYMNASIUMS

Private gyms have become increasingly prevalent in Mexico during the last ten years. They are particularly visible in the country's three largest cities — Mexico City, Monterrey and Guadalajara. In urban areas, air pollution and the lack of open space discourage people from exercising outdoors. Private gyms have become especially popular among young professionals, a group of buyers with a relatively large amount of disposable income.

Mexican gyms have gradually evolved away from their traditional function as facilities for men to lift weights. Today, they are more likely to be broadly-based fitness centres serving a diverse clientele, including women. In addition, a growing number of specialized facilities cater to niche markets. This transformation has entailed the addition of new workout areas for activities like aerobic dance as well as new equipment, such as treadmills, stair climbers and mechanical equipment with electronic controls.

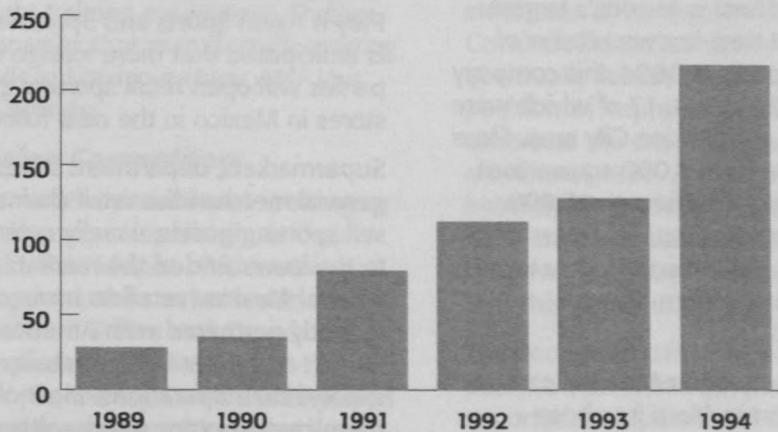
There is also a market for versatile gym equipment for home use. The most popular machines in this segment are stair climbers, ski simulators and multi-function exercise systems.

TOURIST FACILITIES

Spas, hotels and resorts catering to tourists are another important market for sporting equipment. International tourism is the second largest source of hard currency in Mexico, second only to petroleum. The December 1994 devaluation of the peso increased the importance of tourism by making Mexico a more affordable destination for foreign tourists.

Mexican Sporting Goods Imports from the World*

US \$ millions



*Does not include watercraft (other than such small equipment as sailboards).

Source: *Secretaría de Comercio y Fomento Industrial (SECOFI)*, Secretariat of Commerce and Industrial Development.

Mexican Imports from Canada and the World, 1994

US \$ '000s	World	Canada
Game machines	69,011	232
Snow skis, bindings, parts, accessories	88	—
Water-skis, surf boards, sailboards and other watersport equipment	2,207	19
Golf equipment, including balls	49,664	—
Table tennis equipment	130	—
Lawn tennis, badminton and similar equipment, including balls	4,126	1
Inflatable balls	17,343	—
Balls, other than inflatable, golf, tennis and table tennis	2,355	1
Skates	14,259	664
Exercise equipment	35,959	3,940
Other equipment for outdoor games	17,602	217
Fishing equipment	4,606	14
Grand total	217,350	5,088

Note: does not include watercraft (other than such small equipment as sailboards).

Source: *Secretaría de Comercio y Fomento Industrial (SECOFI)*, Secretariat of Commerce and Industrial Development, and Statistics Canada World Trade Database.

