

Major Meat Packers

- **Alimentos KIR**

A large producer of cold cuts; English- and Mexican-style *chorizo* sausages; and bacon.

- **Donfer**

Obrador de Salchichonería y Tocinería Donfer and related firms (*El Riojano, Obrador Elvira* and *Frigoríficos Iztapalapa*) market under the *Donfer, Riojano* and *Alpino* brands.

- **Sigma**

A member of the *Alfa* industrial conglomerate, *Sigma* is licenced to distribute the products of American-based Oscar-Meyer. It has 34 percent of the processed meat market and also produces some dairy products. *Sigma* markets its products under the names of *Fud, Iberomex, San Rafael* and *Chimex*.

- **Parma**

Under the Nestlé corporate umbrella, it produces high-quality processed meats, including smoked ham.

- **Zwanenberg**

With an estimated 20 percent of the market, Zwanenberg produces several varieties of hams, sausages, patés, bologna, *chorizo* sausages, salami, bacon and pepperoni for the middle- to high-income consumer.

oysters, clams and crab are also growing in popularity. Total consumption of processed seafood was estimated at about US \$200 million for 1994.

Upper-income Mexicans tend to buy products imported from Spain, which are relatively expensive. Norway is the most important supplier of smoked salmon. In the middle price range, popular brands of canned seafood include Portanet from Thailand and Brunswick from Canada.

Canada's 1994 sales of US \$5.1 million include about US \$1.1 million worth of sardines. Processed salmon and herring are the only other significant products, although recently Canadian producers of anchovies, molluscs, shrimp, crab and crustaceans have begun to make inroads.

PASTA

Pasta is a very important part of the Mexican diet. Pasta is consumed either in soup or mixed with sauces or butter. It is seen as an alternative to beans and rice, and has rapidly become standard fare for the middle class. Supermarket buyers have identified pasta as one of the products with the best potential. Macaroni and cheese casseroles are popular and are considered a convenience meal that can be made at home. American-based Kraft has capitalized on this preference with its familiar packaged product, Kraft Dinner, which sells well in Mexico.

At the higher end of the market, most pasta brands are imported from Italy. One of the largest importers of Italian foods is a company called *Importadora Madonna*. In 1994, Canada exported about US \$119,000 worth of prepared and stuffed pasta. There were no sales of raw pasta.

SNACK FOODS AND CONFECTIONS

Street vendors selling all manner of quick snacks have a long tradition in Mexico. Recently, some of their market share has been eroded by the big snack food marketers. For example, PepsiCo sells snack foods under the *Sabritas* and Frito-Lay labels. Another major competitor is *Grupo Industrial Bimbo*, with the brand names *Barcel* and Chips.

The market leader is *Sabritas*, which employs more than 5,000 workers in plants that run at virtually full capacity. There is no hypermarket, supermarket, convenience store or country sales outlet that their trucks do not visit. This superb distribution network has made the company phenomenally successful. Nonetheless, it faces stiff competition from *Barcel* which is also very effective in getting its product to market.

Both firms have plants in northern Mexico that produce for export, and have plans for expansion throughout the Americas and the Caribbean.

They invest heavily in image, with aggressive advertising and eye-catching packaging. Indeed, their marketing savvy is such that even the major foreign producers have had a difficult time breaking into the market. Pringles potato chips is the only imported product that attracts much supermarket shelf space.

Peanut packagers have also managed to create their own market niche in mixed nuts, with little competition from outside. *Mafer* claims 60 percent of the available shelf space, followed by *Sabritas*. Other leading peanut packagers, *Nipón* and *Martín Cubero* have excellent distribution systems, but do not achieve sales volumes comparable to *Mafer's*.

Canada's sales of snacks and confections have been limited mainly to cakes and pastry, with sales of almost US \$360,000 in 1994. The baked goods market is dominated by *Grupo Industrial Bimbo*, which claims 90 percent of supermarket shelf space in this category. Nonetheless, there is a niche market for specialty cookies, snack cakes and other baked confections.

Smaller sales were posted for chewing gum and cocoa preparations (mostly chocolate bars and chocolate-coated nuts). Mexican candy manufacturers tend to use unsophisticated packaging and a number of foreign countries have established niche markets for upper-income consumers.

There is a small but rapidly growing market for maple syrup in Mexico. Mexicans are very fond of sweet desserts. Many traditional desserts such as flan, crepes and poached fruit call for some type of syrup, sometimes fortified with liquor. Many upper-income Mexicans have discovered maple syrup as an alternative to the usual corn syrup. Consumption doubled to about US \$5 million between 1992 and 1993. So far, Canada has not captured a significant share of this market. Sales have ranged from about US \$5,000 to \$10,000, but no exports were recorded for 1994.