

Major Apparel Manufacturers in Mexico

Company	Product
Carnival	underwear and foundation garments
Parras	jeans
Confitalia	men's suits
Industria Monterrey	shirts and trousers
Grupo Haydar	jeans and denim wear
Manufacturera Libra	jeans
Playtex	foundation garments
Cantabria	jeans
Originales Finos	jeans, dress shirts and casual pants/trousers

Source: *Cámara Nacional de la Industria del Vestido (CNIV)*, National Chamber of the Apparel Industry.

Liverpool have been leaders in building smaller stores in provincial towns. Three top supermarket chains, *Cifra*, *Gigante* and *Comercial Mexicana*, are wooing customers in rural areas with discount operations.

- **Catalogue sales.** Direct mail and catalogue sales are not a big business in Mexico, partly because package delivery services are not well-developed. Nieman Marcus, the Texas-based, up-scale retailer and direct-mail house, introduced its catalogue to the Mexican market in 1994. Its progress will be closely watched by others in the direct-mail business.
- **Direct sales.** Direct sales are much more common in Mexico than they are in Canada. Direct-sales operators conduct home parties and sell direct to individuals at the office or home. Companies like Avon and House of Fuller manufacture full lines of clothes for distribution through their own representatives.

FASHIONS

Mexicans are subject to many of the same fashion influences as their neighbours to the north. They watch foreign television, and are exposed to international fashion magazines. Although only a small proportion have disposable income to spend on fashion, in absolute terms this is a large group of people. In some ways, however, their tastes differ from those of Canadians. In the business world, the fashion tends to be more formal and conservative than in Canada. Children's clothing tends to be more elaborate, especially little girl's dresses, while women tend to wear dresses and skirts more often.

Teenagers are very fad and fashion conscious and tend to spend a much larger percentage of their disposable income on clothing than the average consumer. About one-third of all teenagers between the ages of 15 and 19 work. While teenagers are often employed in low-paying jobs, they are very aware of what their peers are wearing and gain acceptance in certain circles based on their appearance. These fashions are quick to change and teen clothing goes out of style very quickly.

Seasons

The climate throughout Mexico is temperate, although some parts of the country have periods of cool weather, particularly in the evening. There is a limited market for heavy outerwear. For example, Mexico imported US \$5 million worth of fur garments in 1992. Less variable weather means that buying seasons are longer. There are two main market seasons: fall/winter and spring/summer.

Sizes

On average, Mexicans are physically smaller than Canadians, so a larger percentage of small and petite sizes should be anticipated in orders from Mexico. There is also a market for larger-size petites.

Fabric Choice

Traditionally, polyester and poly-blends have been the most popular fabrics, because of their easy care and lower cost. As consumers have become more affluent and more fashion conscious, natural fabrics are becoming more popular. Fabrics with growing market shares include cottons, lighter-weight woollens and linens.

OPPORTUNITIES IN CHILDREN'S CLOTHING

Children's clothing accounts for approximately 40 percent of the total apparel market. Consumption grew by almost 13 percent in 1993. Market growth is expected to remain strong until at least 2000, when birthrates are projected to decline.

Mexicans who can afford it want durable clothing with a strong design element. American clothing made by companies such as Osh Kosh B'Gosh, which is of high quality and good design, is popular but too expensive for most Mexicans. The Mexican industry is very competitive in high-quality, labour-intensive children's clothing such as party dresses and embroidered appliqué tops.

In spite of Mexico's competitive strengths in children's wear, the industry has not traditionally been an exporter. According to the *Cámara Nacional de la Industria del Vestido (CNIV)*, National Chamber of the Apparel Industry, less than ten companies have exported children's wear as of March 1994.

These factors have led to an increased interest in strategic alliances. For example, *Baby Duy* joined forces with a small, New York-based children's clothing company called *Nouvelle Image Kids*. The American partner distributes *Baby Duy* products in the north-eastern United States.