

CANADIAN COMPANIES IN MEXICO

RECOCHEM INC.

Recochem is a Montreal-based chemical manufacturing company. The firm started out as Record Chemical after World War II and its founder, Mr. Joseph Kuchar, is still active in the business.

The company includes consumer products and refining divisions; as well, an international division has operations in Australia and Belgium.

The company is vertically integrated and can do everything from supplying bulk ingredients to packaging consumer end-products. It is especially well known for its insecticide and deodorizing products in Canada and in other countries.

The company's main Canadian manufacturing facilities are in Napierville, Quebec where it has a naphthalene refinery. But Recochem also has manufacturing sites in Western Canada, Belgium, Australia and Ontario. It has sales offices in Canada, the US, Europe and Australia. It recently purchased Luyten S.A., an established Belgian producer supplying the European market. The company exports about 80 percent of its Canadian production and aggressively pursues new export markets.

Recochem exports large quantities of naphthalene, paradichlorobenzene and orthochlorobenzene. It also ships bulk petrochemicals such as benzene, toluene, xylene, styrene and a range of chemical intermediaries used as plasticizers, surfactants, dye intermediates, insecticides and pharmaceuticals.

Recochem's business in Mexico goes back almost 30 years. Notwithstanding setbacks due to Mexico's economic crisis, business has begun to recover, and Recochem executives say they are in the Mexican and Latin American markets for the long haul. They are currently shipping roughly 1,000 tonnes a year of organic chemicals, mostly paradichlorobenzene and naphthalene. Recochem has used agents in some markets in the past, but in Mexico, it currently ships directly to the customer's operations. The company discovered that knowledge of Mexican customs procedures and regulations regarding chemicals is an essential, but manageable, part of the business.

continued on next page

MEXICAN IMPORTS OF OTHER CHEMICALS — NOT EXPORTED TO MEXICO BY CANADA

US \$ THOUSANDS

Commodity	World		US	
	1994	1995	1994	1995
Fluorine, chlorine, bromine and iodine	3,138	2,554	2,206	1,960
Sulphur, sublimed or precipitated; colloidal sulphur	429	504	414	485
Hydrogen chloride (hydrochloric acid); chlorosulphuric acid	478	301	462	288
Sulphuric acid; oleum	2,536	624	462	416
Diphosphorus pentoxide; phosphoric acid and polyphosphoric acids	20,015	13,899	11,203	11,303
Oxides of boron; boric acids	2,743	2,322	1,957	2,036
Halides and halide oxides of nonmetals	1,251	1,625	1,068	1,362
Sulphides of nonmetals; commercial phosphorus trisulphide	4,324	5,374	4,266	5,236
Hydroxide and peroxide of magnesium strontium or barium	1,960	1,240	1,146	664
Sulphides; polysulphides	1,609	1,244	1,055	789
Sulphites; thiosulphates	3,449	4,114	1,402	2,026
Cyanides, cyanide oxides and complex cyanides	5,024	7,389	4,436	6,641
Fulminates, cyanates and thiocyanates	478	1,704	216	788
Stable isotopes; compounds, inorganic or organic, of such isotopes	46	5	22	5
Acyclic hydrocarbons	29,699	14,236	12,700	1,909
Cyclic hydrocarbons	82,438	47,181	42,270	20,488
Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives	9,416	6,338	4,547	3,074
Halogenated, sulphonated, nitrated or nitrosated derivatives of phenols	1,448	931	523	433
Epoxides, epoxyalcohols, epoxyphenols and epoxyethers with a three-membered ring, and halogenated, sulphonated, nitrated or nitrosated derivative	45,507	56,342	45,215	55,830
Acetals and hemiacetals, and their derivatives	1,000	2,066	647	1,602
Halogenated, sulphonated, nitrated or nitrosated derivatives of aldehyde compounds	6,304	6,760	3	6

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