

tems for public buildings account for about two-thirds of the fire-safety market. Industrial and commercial enterprises are also major customers because they are forced to take strong preventive measures by insurance companies. Sprinklers, detectors and alarm systems are all in demand. The home fire-abatement market is limited mainly to smoke detectors and small fire extinguishers.

Fire departments are the responsibility of the state governments. Gas leaks exceed fires as causes for fire department mobilization. In Mexico City, for example, the fire department answered almost 10,000 gas-leak calls in 1995, but only 6,000 fire calls. Mexicans are not typically as aware of fire hazards as other North Americans and they are generally lax in taking even the most basic precautions. A number of high-profile disasters have raised the public consciousness of fire safety and spawned public awareness campaigns.

CUSTOMERS

COMMERCIAL ENTERPRISES

The commercial sector is exposed to both safety and security hazards. Almost 20 percent of all occupational injuries occur in commercial establishments, including restaurants and hotels. According to estimates from *Instituto Nacional de Estadística, Geografía e Informática (INEGI)*, National Institute for Statistics, Geography and Informatics, commercial losses from crime tripled between 1995 and 1996. Because they deal with the public, most commercial enterprises are also forced by building codes and insurance company requirements to maintain high levels of fire safety. Shoplifting is the major threat facing retail stores and armed robbery is also a problem. Truck hijacking is common in Mexico, and vehicles

belonging to retail chains are often targets. Mexican security firms are also significant customers for a variety of products.

INDUSTRIAL ENTERPRISES

Worker health and safety is the biggest safety and security challenge facing industrial enterprises. The demand for engineering solutions to health and safety hazards is concentrated mainly in the larger multinational companies. Many of them apply corporate-wide standards based on practices in their home companies. Mexican companies are generally open to new cost-effective solutions, but so far have not been subjected to the same level of regulatory scrutiny. Their principal demands are for personal protective equipment. So far, only the largest Mexican companies have developed a "prevention culture."

Industry experts note that despite the recent crime wave, industrial losses from theft have remained stable. Much of this theft is perpetrated by employees.

GOVERNMENT INSTITUTIONS

Government institutions are large users of safety and security products. They have responsibility for public safety and are also more likely than most private companies to comply with official standards and regulations.

In July 1996, the government announced a new five-year public security program known as *Programa Nacional de Seguridad Pública 1995-2000*, National Public Safety Program. This program is expected to substantially increase the demand for security goods and services by police forces.

Fire departments are the responsibility of Mexico's 31 states and the Federal District. The fire departments have an ongoing demand for a variety of fire-fighting equipment. Local manufacturers are limited mainly to hoses, axes and fire extinguishers.

INDIVIDUAL CONSUMERS

Individual Mexicans are bearing the brunt of Mexico's security crisis. Individual workers have little influence over their employers' health and safety policies, and are not significant customers in that market. But individuals have a strong incentive to protect themselves from fire and crime, and thus are open to marketing efforts. In fact, the recent surge in crime and advertising of crime-prevention equipment has led to soaring sales in this market. Individuals need to protect themselves, their homes and their vehicles.

COMPETITORS

Canadian suppliers of safety and security products face competition from both Mexican and foreign companies. In general, Mexican manufacturers dominate the low-technology end of the market. They are highly competitive for such products as fire extinguishers, locks and basic protective gear such as shoes, gloves and hats. The more sophisticated the product, the more it is likely to be imported. A notable exception are bullet-proof vests, which are produced and distributed by *Mantenimiento y Comercialización Industrial (Macoisa)*.

Mexican distributors are very active in the safety and security sector, especially where imported products are involved. Some of them also provide consulting services. They are especially influential in guiding purchase decisions for smoke detectors, sprinkler systems, home alarms and security devices.

Professional safety and security consulting companies are fairly new to the market and are mainly foreign. Large commercial and industrial buyers have shown interest in signing contracts with consulting specialists with international experience.

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