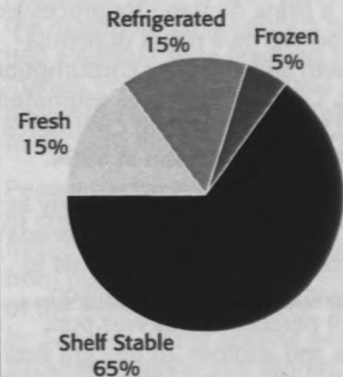


Mexican Imports Prepared Foods from Canada, 1993-94

(US \$ thousands)	1993	1994
Processed Meat	1,660	2,438
Sausages	168	554
Homogenized preparations of meat products	35	0
Livers	1	0
Turkey	37	12
Poultry, except turkey	443	676
Pork	959	1,176
Beef	17	20
Processed Fish	1,685	5,061
Salmon, not minced	134	67
Herring, not minced	341	346
Sardines, not minced	1,185	1,092
Tuna, skipjack and bonito, not minced	0	0
Anchovies, not minced	3	0
Miscellaneous fish, not minced	0	3,474
Fish, including products containing meat of crustaceans, molluscs	1	2
Caviar and caviar substitutes	0	4
Crab, shrimp, prawns, and crustaceans including products containing fish meat	6	44
Molluscs and other aquatic invertebrates (clams, abalone, scallops, squid, etc)	15	32
Snacks and Confections	154	360
Chewing gum	75	222
Sugar confectionary, not containing cocoa	0	25
Cocoa preparations, not in bulk form	79	113
Pasta	29	119
Pasta, uncooked, not stuffed or otherwise prepared	0	41
Pasta, stuffed, whether or not cooked or otherwise prepared	4	5
Pasta, prepared	25	73
Baked Goods	488	1,397
Bread, pastry, cakes, biscuits and similar baked products, and puddings	488	1,397
Grand Total	4,016	9,375

Source: Secretariat of Commerce and Industrial Development, Bureau of Standards (SECOFI) 1994.

Figure 1
Shelf Space in Major Mexican Food Stores



Percentage of space for all food products.

15 percent of the food products are refrigerated and about 5 percent frozen. Retailers are expected to double their refrigeration capacity within the next few years because of the increasing demand for chilled and frozen products.

Retail stores buy most of their imported foods from intermediaries. Unlike Canada and the United States, there are relatively few large food distributors and they are concentrated in Mexico City. The dominance of supermarket chains in the marketing of imported foods provides an opportunity for direct sales by Canadian suppliers. About 14 percent of all food imports are sold directly to retail stores.

There are three national grocery chains: *Grupo CIFRA*, *Gigante* and *Comercial Mexicana*. Several others operate regionally. Although name brands appeal to many Mexicans, price competition has led to a greater use of private brands, such as *marca libre*, no name, using products imported directly by the chains. Most chains now carry as many as 60 privately branded products.

PROCESSED MEATS

The Mexican processed meat industry is comprised of about 1,264 firms, of which only 460 are members of the *Consejo Nacional de Empacadores de Carnes Frías y Embutidos*, National Council of Cold Meat Packers.

CUSTOMERS

Mexican consumers buy food from a wide range of retailers, ranging from public markets and family-owned businesses to major supermarkets. Intermediaries handle about 85 percent of food imports. Another 14 percent is imported directly by retailers, and 1 percent by food-service establishments.

SUPERMARKETS

About two-thirds of all sales of imported foods take place in supermarkets or hypermarkets, usually large chains. Supermarkets are stores which carry as many as 45,000 items. Hypermarkets are those carrying as

many as 65,000. About 70 percent of these stores are in the large cities. Although they distribute only about 20 percent of all processed foods, they are often the best outlets for imported foods because they cater to upper-income consumers. In the larger cities, such as Mexico City, they represent less than 25 percent of the outlets, but account for three-quarters of food sales by value. Specialty stores are located mainly in upper class neighborhoods and account for about 15 percent of imported food sales.

About 30 percent of supermarket shelf space is devoted to food, with the remainder being health and beauty aids and other non-food products. About