

Recently, some designers have been retained by major retailers. For example, *El Palacio de Hierro* entered into a long-term contract with Manuel Méndez to provide designs for its stores. This arrangement expands the resources available to the designer, and ensures the retailer both exclusivity and access to design expertise.

### SOME NOTABLE NAMES IN MEXICAN DESIGN

Manuel Méndez	Sergio "Keko" Demichelis	Giselle Anaya
Gene Matouk	Armando Mafud	Victor Camarena Rojo
More Martínez	Fabian Vergara	Julián Maceda
Victor Alfaro	Ramón Guerrero	Manuel García de Alba
Enrique Martínez	Ana Lucía de Teresa	Oscar León

### TECHNOLOGY

Most firms in Mexico's apparel sector use a relatively low level of technology. The highly-integrated textiles and apparel producers, as well as some of the large apparel manufacturers are the main exceptions.

Much of the technology in use is considered obsolete. According to interviews with officials from the *Cámara Nacional de la Industria del Vestido (CNIV)*, National Chamber of the Apparel Industry, a shortage of capital is the main reason. Internal capital is scarce as a result of the economic crisis instigated by the devaluation of the peso, and because foreign competition has kept earnings low in recent years. External capital is hard to obtain and very expensive, especially for firms with no export earnings. Annual interest on peso loans was more than 40 percent in mid-1995. Companies that can borrow in American dollars pay interest in the 10 to 15 percent range.

The fragmented industrial structure and a perception that cheap labour is a substitute for modern technology have also been impediments to modernization. In addition, many companies, especially the smaller ones, have difficulty obtaining modern equipment which is hard to find in Mexico.