

The best-known Mexican furniture is *rústico*, an imposing design from the colonial period made of hardwood, with traditional tar, wax and oil finishes. (Photographs of this style are available on the Internet at <http://www.orbinet.com.mx:80/rufie xsa/>.) *Equipal* is a pre-colonial style originating in Jalisco, made from rosewood and mesquite slats, with seats and backs of pigskin. Traditional furniture is also made from wrought iron and glass. Because these styles are popular throughout the south-western United States, a substantial export market has been created. By one estimate, 90 percent of the traditional furniture made in Mexico is exported; most of the rest is sold to foreigners living in Mexico and hotels catering to tourists.

Domestic consumers tend to prefer more contemporary designs, made from lighter wood such as pine, and having modern finishes. One industry expert says that poor domestic sales of traditional furniture are the result of economics, not taste. He points out that the *rústico* style works best when used for an entire house, whereas most Mexicans can afford to buy only one piece at a time.

Canadian furniture producers use advanced technology for the manufacture of both wood and metal furniture, incorporating laminates and other advanced materials. Office furniture and advanced kitchen systems are particular strengths.

These contrasting styles and strengths suggest opportunities for joint ventures. Canadian technology could be used to help Mexican companies to modernize their production methods while retaining traditional designs. Mexican-Canadian joint ventures could also produce contemporary office and kitchen furniture for the Mexican market. Co-marketing arrangements between Canadian and Mexican manufacturers to distribute each other's products are also a possibility.

## MEXICO WOOD FURNITURE INDUSTRY, 1993

Enterprises by size

| Employment Range | Establishments | Employees     | Average Employment |
|------------------|----------------|---------------|--------------------|
| 1 to 16          | 17,725         | 40,166        | 2                  |
| 16 to 50         | 604            | 16,214        | 27                 |
| 51 to 100        | 135            | 9,346         | 69                 |
| 101 to 250       | 94             | 14,088        | 150                |
| 251 or more      | 16             | 10,650        | 666                |
| <b>Total</b>     | <b>18,574</b>  | <b>90,464</b> | <b>5</b>           |

Source: Instituto Nacional de Estadística, Geografía e Informática (INEGI), National Institute for Statistics, Geography and Informatics, Censos Económicos, 1994.

## THE MEXICAN FURNITURE INDUSTRY

There are nearly 20,000 furniture manufacturers throughout Mexico, but they are mostly small-family owned companies. According to a 1995 study by *Banco Nacional de Comercio Exterior (Bancomext)*, Mexican Foreign Trade Commission, based on the most recent industrial census of 1993, more than 90 percent of these are micro-enterprises, with 15 or fewer employees.

For statistical purposes, companies in this sector are distinguished on the basis of whether their furniture is made of wood or metal, rather than the usual office/institutional vs. residential division in Canada. For the most part, metal furniture is for the office and institutional markets, but

there is considerable overlap between the two subsectors, especially considering the use of wrought iron for traditional residential furniture.

Taken together, the wood and metal furniture manufacturers employed only about 44,000 workers in 1993, an average of only 2.4 employees per establishment. About 96 percent of these companies specialized in wood furniture. Only 29 firms were classified as large, meaning that they employed more than 250 workers; in fact, these firms employed an average of 555 workers in 1993. Sixteen of these firms were producers of wood furniture, 13 specialized in metal furniture. On average, metal furniture manufacturers are larger than their counterparts who work in wood, reflecting the greater capital intensity of metal manufacturing methods.

## MEXICO METAL FURNITURE INDUSTRY, 1993

Enterprises by size

| Firm Size    | Establishments | Employees     | Average Employment |
|--------------|----------------|---------------|--------------------|
| 1 to 16      | 736            | 3,966         | 5                  |
| 16 to 50     | 187            | 5,068         | 27                 |
| 51 to 100    | 52             | 3,646         | 70                 |
| 101 to 250   | 38             | 6,261         | 165                |
| 251 or more  | 13             | 5,439         | 418                |
| <b>Total</b> | <b>1,026</b>   | <b>24,380</b> | <b>24</b>          |

Source: Instituto Nacional de Estadística, Geografía e Informática (INEGI), National Institute for Statistics, Geography and Informatics, Censos Económicos, 1994.