

CA1
EA616
95B76
ENG
c.1
DOCS

Canada



OPPORTUNITIES IN MEXICO: BUS AND RAIL PRODUCTS AND SERVICES



Market Profile – Mexico

Opportunities in Mexico: Bus and Rail Products and Services was developed jointly by the Department of Foreign Affairs and International Trade (DFAIT) and Prospectus Inc. This market profile was made possible through the support of the Toronto office of Baker & McKenzie.

This market profile is designed to provide an overview of the market for **Bus and Rail Products and Services** in Mexico. Although efforts have been made to avoid errors and inaccuracies in this document, it is not intended to be used as the only source of market information on this sector. We encourage the reader to use this publication as one of several resources for commercial dealings with Mexico.

Any errors, omissions or opinions found in this market profile should not be attributed to the Government of Canada nor to Baker & McKenzie. Neither the authors, the publishers nor the collaborating organizations will assume any responsibility for commercial loss due to business decisions made based on the information contained in this book.

Copyright © Minister of Supply and Services, September 1995
Catalogue No. E73-9/35-1995E
ISBN 0-662-23180-5

All rights reserved. No part of this publication may be reproduced, reprinted, stored in a retrieval system or transmitted in part or whole, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the publishers and the Crown.

Published by Prospectus Inc.

Printed in Canada.

Disponible en français.

OPPORTUNITIES IN MEXICO:

RAIL AND BUS EQUIPMENT, URBAN TRANSIT

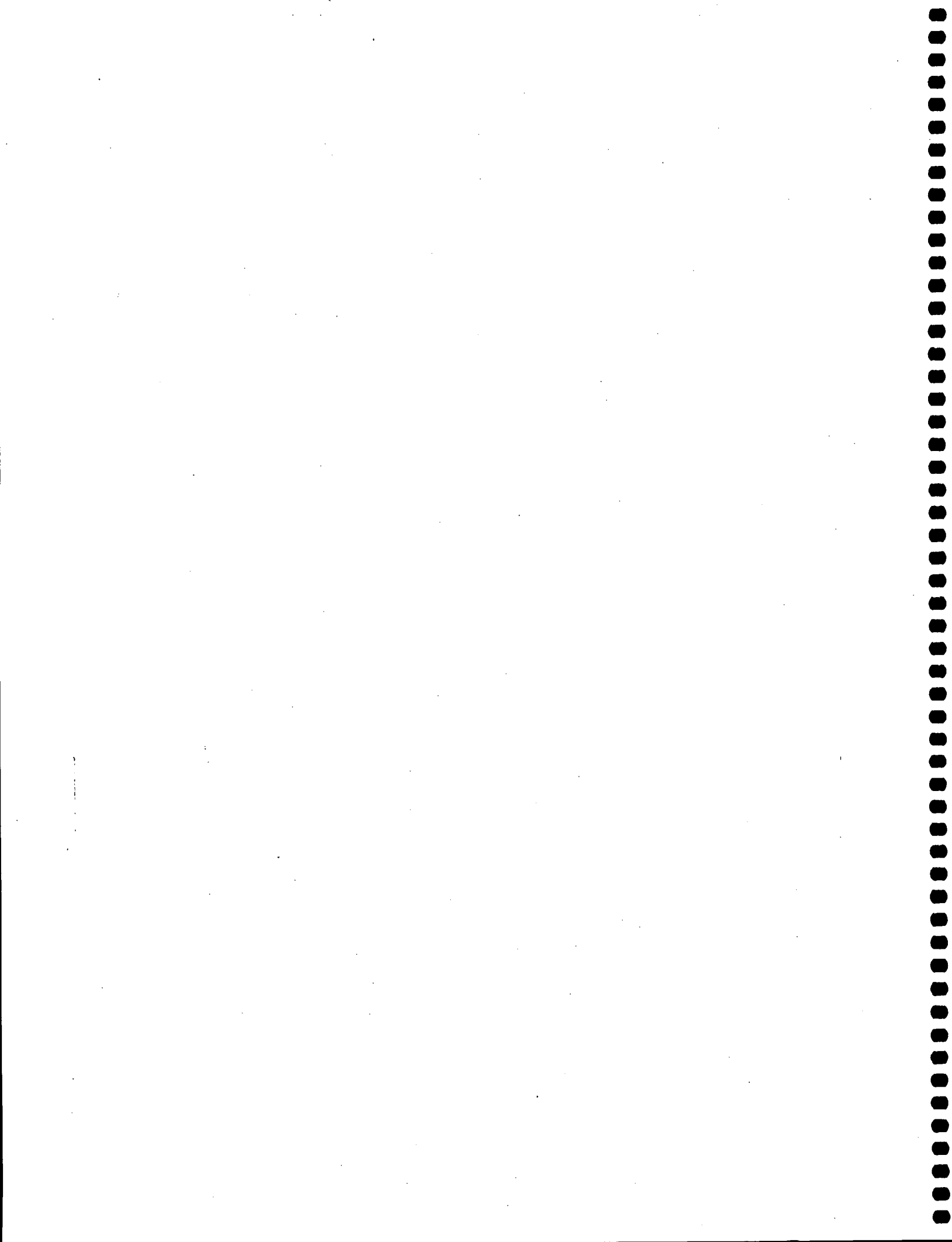
Dept. of External Affairs
Min. des Affaires extérieures

SEP 10 1996

RETURN TO DEPARTMENTAL LIBRARY
RETOURNER A LA BIBLIOTHEQUE DU MINISTERE

Export
MEXICO

43 277 301



FROM BAKER & MCKENZIE, BARRISTERS & SOLICITORS

With more than fifty offices in 27 countries, Baker & McKenzie is the largest law firm in the world. In Mexico, the firm has had a very significant presence since 1961. In Mexico City, the firm operates locally under the name *Bufete Sepulveda* and in all other locations in Mexico the firm is known as Baker & McKenzie. The firm currently has offices in the cities of Juárez, Mexico City, Monterrey, and Tijuana, with expansion plans to the other growing industrial regions in Mexico. A substantial percentage of all foreign companies establishing operations in the *maquiladora* regions have retained the services of Baker & McKenzie to assist them in all aspects of their endeavours in this regard.

The lawyers in the firm combine expertise in Mexican law with an understanding of the business environment and governmental process in Mexico. The firm enjoys an excellent reputation in business and government circles as one of the leading Mexican firms dealing with international and domestic business transactions. The lawyers from the four Mexican offices regularly meet with their Canadian counterparts to discuss coordination of business activities in the North American context and to encourage trade and investment activities between Canada and Mexico. Partners from the Mexican offices serve on a number of domestic and international bodies as representatives of both national business organizations and the Mexican government. Partners from the Mexican offices regularly advise the Mexican government on international business matters including the recent NAFTA negotiations.

The Toronto office, in existence since 1962, is an integral part of the North American practice of the firm which includes nine offices in the United States and four in Mexico.

The areas of firm's expertise in Canada and Mexico include:

- Administrative Law
- Banking and Finance
- Corporate and Commercial
- Customs
- Environmental Law
- Foreign Investment and *Maquiladora* Law
- Health Law
- Immigration
- Intellectual Property
- International Trade
- Labour and Employment Law
- Real Estate, Tax and Transportation
- Tax Law

The Baker & McKenzie offices in Canada and Mexico work to assist Canadian companies to find the right partner to enable them to establish or expand business activities in Mexico. Whether a company's objective is to raise capital, establish a joint venture or strategic alliance, or begin exporting to the Mexican market, Baker & McKenzie offers a coordinated approach to ably facilitate entry to the Mexican market.



Bill Watson
(416) 865-6910

Allan Turnbull
(416) 865-6923

Roy Kusano
(416) 865-6903

Paul Burns
(416) 865-6912

Mexico



THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)

The NAFTA expands Canada's free-trade area of 270 million people into a market of 360 million — a market larger than the population of the 15 countries of the European Union and one with a total North American output of \$7 trillion.

Mexico is Canada's most important trading partner in Latin America. Two-way merchandise trade with Mexico exceeded \$5.5 billion in 1994 and is expected to exceed \$7 billion by the end of the decade.

Canadian direct investment in Mexico is growing rapidly, increasing from \$452 million in 1992 to over \$1.2 billion in 1994.

This guide has been prepared with the problems inherent to the new exporter in mind. However, it is not exhaustive. The differing circumstances, interests and needs of individual companies will influence their strategies for the Mexican market.

Further assistance can be obtained by addressing requests to the International Trade Centres (see Where To Get Help) or contact the InfoCentre at:

Tel: 1-800-267-8376 or (613) 944-4000
Fax: (613) 996-9709
FaxLink: (613) 944-4500
InfoCentre Bulletin Board (IBB):
1-800-628-1581 or (613) 944-1581

TABLE OF CONTENTS

PUBLIC TRANSIT IN MEXICO	7
MEXICO'S TRANSPORTATION INFRASTRUCTURE	8
History	8
Roads	9
Railways	10
Urban Transit Systems	10
THE BUS AND RAIL SECTOR	11
Intercity Rail	12
Urban Rail	12
Mexico City	13
Monterrey	14
Guadalajara	14
Urban Bus Systems	14
Mexico City	14
Monterrey and Guadalajara	17
Bus Services In Other Cities and Rural Areas	18
Intercity Bus System	18
THE ROLE OF IMPORTS	19
CUSTOMERS	20
Intercity Rail Customers	20
Mexican National Railway	20
The Atchison, Topeka and Santa Fe Railway Company	21
Union Pacific Railroad	21
Southern Pacific Lines	22
Urban Rail Customers	22
Subway System in Mexico City	22
<i>Grupo Mexicano de Desarrollo-Rioboo-Bombardier-Concarril</i>	23
Commission for Urban Transportation Works	23
Electrical Transportation Authorities of Mexico City	23
Guadalajara Urban Transit Authority	24
Monterrey Public Transit Authority	24
Bus Customers	24
Mexico City's Urban Bus System	25
Private Bus Concessions in Mexico City	26
School and Fleet Buses	26
COMPETITION	26
Mexican Bus Producers	26
<i>Mexicana de Autobuses</i>	27
<i>Diesel Nacional</i>	27
<i>Mercedes-Benz de México</i>	28
Body Manufacturers	28
Mexican Rail Product Producers	29
<i>Bombardier-Concarril</i>	29
<i>Construcciones y Auxiliar de Ferrocarriles (CAF)</i>	29

Foreign Competitors	29
Bus Sector	29
Urban Rail	30
Intercity Rail	30
OPPORTUNITIES FOR CANADIAN COMPANIES	32
Bus Sector	32
Urban Buses	33
Intercity Buses	34
Rail Sector	34
Urban Rail	34
Intercity Rail	34
Privatization of the Mexican National Railway	35
Partnership Opportunities	36
Consulting Opportunities	36
THE REGULATORY ENVIRONMENT	37
Government Policies	37
Domestic Content	37
Finance	37
Procurement	38
Product Standards	38
MARKET ENTRY STRATEGIES	39
Moving Into Mexico	39
After-sales Support	40
Trade Shows	40
WHERE TO GET HELP	41
Canadian Government Departments and Services in Canada	41
Department of Foreign Affairs and International Trade (DFAIT)	41
Department of Industry (DI)	43
Revenue Canada	44
Canadian International Development Agency (CIDA)	45
Atlantic Canada Opportunities Agency (ACOA)	45
Western Economic Diversification Canada (WD)	45
Export Development Corporation (EDC)	46
National Research Council (NRC)	47
Key Contacts in Canada	47
Sponsoring Organizations	47
Business and Professional Associations	47
Mexican Government Offices in Canada	48
Mexican Banks with Offices in Canada	49
Canadian Government Departments and Services in Mexico	49
Key Contacts in Mexico	50
Mexican Government Departments	50
Business and Professional Associations	51
Mexican Companies	51

PUBLIC TRANSIT IN MEXICO

Car ownership in Mexico is one-fifth of Canada's level, so the vast majority of the people are dependent on public transportation.

Mexico is rapidly becoming urbanized. According to government estimates, the 1993 population of 86 million was 62 percent urban, with 11 percent being semi-urban. The nation now has 15 cities with more than one million people and roughly 100 cities between 200,000 and 1 million. The four largest cities, Mexico City, Guadalajara, Monterrey and Puebla, have one-third of the population but about 90 percent of the gross domestic product (GDP). Mexico City alone is home to eight million people and there are 20 million in the metropolitan area.

Automobile ownership in Mexico is a luxury that is not available to the bulk of the population. About 80 percent of Mexican families have annual incomes below \$10,000 pesos. Even before the devaluation, that was less than C \$2,000. According to official government statistics, about 29 percent of the population is classified as *popular*, with incomes below \$1,000 pesos. Although the clogged streets of Mexico City might suggest otherwise, there are only about 10 million registered passenger vehicles in the whole country, compared to 15.5 million in Canada. On a per capita basis, Mexico has only one-fifth as many cars.

Public transit, on the other hand, is relatively inexpensive. The average urban transit fare in Mexico City in early 1995 was only \$0.40 pesos. Although an increase to one peso later in the year was large in proportionate terms, and provoked much protest, the fare is still very low by Canadian standards. For these reasons, public transit is used by the vast majority of Mexicans. Fuel prices are expected to rise rapidly under the 1995 stabilization plan, and this can only increase public transit ridership.

The large cities have publicly-operated mass transit systems. Mexico's *metro*, as the subway system is known, is more than 25 years old. It carries more than 4.5 million passengers daily. More recently, Guadalajara and Monterrey have built light rail transit lines, and a new rapid transit system for Puebla is in the planning phase. Urban buses are operated mainly by private concessionaires, although Mexico City also has a subsidized public system called *Ruta 100* that carries three million passengers daily. The system was rocked by scandal in early 1995, when the incoming government conducted financial audits and there were allegations of corruption on the part of the system's trade union. It was subsequently forced into bankruptcy and is now operated by non-union employees at one-third of its former cost. Recent developments suggest that *Ruta 100* will be privatized.

Intercity passenger transit is almost entirely by bus. A fleet of 39,000 buses, owned by some 700 bus companies operate under licence on the federal road system. The largest of these carriers has 7,500 buses. The national rail system, owned by the federal government, carries mostly freight.

The sharp devaluation of the peso in December 1994, and the economic crisis that followed, continues to produce mixed effects. On one hand, it will slow down government infrastructure development plans. On the other hand, it will accelerate privatization efforts, as governments turn to the private sector for both finance and expertise. Large build-operate-transfer (BOT) concessions for both urban and intercity rail lines have already been let and the precedent has been set for much higher fares on private systems. Under BOT contracts, fares are part of the bidding process and are not otherwise regulated by the government. The use of market prices allows BOT operators to offer upgraded services to compete with the automobile on major commuter routes.

For companies able to adopt a medium-term strategy, the Mexican bus and rail sector offers many interesting opportunities, especially in niche markets where many Canadian companies have technical expertise.

MEXICO'S TRANSPORTATION INFRASTRUCTURE

Only the three largest cities have modern mass transit systems, but a trend to build-operate-transfer (BOT) financing will soon bring light rail transit (LRT) systems to smaller centres.

HISTORY

Mexico's first railway concession was granted in 1887, to link Mexico City with Veracruz. In 1910, *Ferrocarriles Nacionales de México (FNM)*, the national railway, was formed in association with the Wells Fargo Company. At that time there were some 20,000 kilometres of railroad in operation. *FNM* was nationalized in 1937 and expanded in 1951, when it purchased the Southeast Railroad. In 1977, the remaining five private railroads were integrated into the national railway system.

Marine transportation in Mexico has a long history, and most of its modern port facilities date back to the turn of the century. After World War II, Mexico became a major exporter of petroleum and most of its port activities are devoted to petroleum shipments and other cargo.

The first paved road was constructed in 1926 and federal concessions for other highway routes were granted in 1932. In 1959, the *Secretaría de Comunicaciones y Transportes (SCT)*, Secretariat of Communications and Transportation, was founded. Its responsibilities included overseeing Mexico's transportation development.

Commercial airline service began in Mexico in 1921. The Mexico City Airport was built in 1929, and the legal framework for the air transportation network was set between 1930 and 1940. By 1936, 12 private national companies provided airline service. Airline travel remains beyond the means of most Mexicans, however. In 1991, there were fewer than 700 commercial aircraft in use in Mexico.

ROADS

Road transportation is by far the most important mode for intercity passenger transportation, with about 97 percent of the market. The comparable figure for cargo is 59 percent.

The national road network consists of about 250,000 kilometres. This includes about 8,000 kilometres of toll roads. Other major roads include about 46,000 kilometres of federal trunk roads, mostly two-lane paved highways that cross state boundaries. There are also more than 60,000 kilometres of state roads of which just over half are fully paved.

Government plans call for the construction of a network of 12,000 kilometres of toll roads running the length of Mexico. The administration of former President Carlos Salinas concluded that the rapidly growing need for multi-lane highways could not be met through public resources. It initiated a concession program, which allowed private investors to build roads and temporarily operate them through tolls to recover their investment. A total of 6,000 kilometres of new private toll roads, mostly four-lane highways, was built between 1989 and 1994.

A large proportion of public road transportation consists of buses operating under the jurisdiction of the Federal Public Motor Transportation Service. It includes a large number of concessioned carriers operating on federal roads. The service carried more than 2 billion passengers and 318 million tons of cargo in 1991. In that year, the federal fleet included almost 700 bus companies, and about 3,500 trucking companies. The combined fleet was 39,000 passenger buses and 256,000 freight vehicles. At that time, routes were allocated by the government, and cargo shippers did not have a choice of carriers, but recent changes in legislation have encouraged competition.

RAILWAYS

Ferrocarriles Nacionales de México (FNM), the national railway, is primarily in the freight business. In 1993, it consisted of more than 25,000 kilometres of freight routes. Only about 1,000 of its 40,000 railway cars are for passengers and it has close to 1,500 locomotives. In response to the North American Free Trade Agreement (NAFTA), *FNM* has been concentrating on developing freight transportation capabilities, particularly multimodal systems. Total 1993 freight volume exceeded 30 billion tonne-kilometres

Passenger services have been cut back and are limited mainly to parts of the country with no alternative service. Currently *FNM* accounts for less than one percent of all passenger traffic.

FNM has recently expanded its trans-border connections with three American railroad companies. They include Union Pacific, Santa Fe and Southern Pacific. A fourth, Burlington Northern, serves Mexico by a barge crossing out of Galveston. All of these companies report substantial increases in traffic since the NAFTA implementation.

URBAN TRANSIT SYSTEMS

Urban transit in Mexico is primarily by bus, light rail transit (LRT) and subway. The three largest cities, Mexico City, Guadalajara and Monterrey, all have rapid transit systems and Puebla has one in the planning stages.

The quality and style of public transit service delivery has three distinct levels, broadly reflective of the socio-economic characteristics of the country.

- Mexico City has a large integrated transit system, incorporating subways, LRT, a trolley bus system, a public bus system and a large network of private bus concessionaires. Annual ridership exceeds five billion, which is about 250 rides per capita.
- Guadalajara and Monterrey operate modern LRT systems. Guadalajara's "Line 1" carries 70,000 passengers daily. The new "Line 2", opened in July 1994, is projected to carry 130,000 daily. Puebla is planning a new rapid transit system. These services are supplemented by private bus concessions, but there is little integration.
- Service in the remaining cities and rural areas is provided almost entirely by private bus concessions. Most of them operate out-of-date equipment and do not generally interconnect.

THE BUS AND RAIL SECTOR

On a per capita basis, Mexico has four times as much urban transit ridership as Canada and more than one hundred times the intercity bus ridership.

Except for the railway system, and to a lesser degree the intercity bus network, statistics pertaining to public transit system operations outside of the four largest cities are sketchy and incomplete. Ridership, revenue, bus fleet and employment figures are either not kept or are inaccurate. This reflects the private, contract nature of transit operations.

Unless stated otherwise, the estimates provided in this document have been compiled from interviews with industry observers and reviews of business periodicals and unpublished research reports. Sources are specified for data taken from published sources.

BUS AND RAIL INFRASTRUCTURE, 1994

	Mexico	Canada
Buses (units)		
30 to 60 foot	43,000	12,000
Mini- and midi-buses	40,000	2,000
Intercity	43,000	3,000
School	7,000	50,000
Rail cars (units)		
Urban metro	2,500	1,400
Urban LRT	120	550
Intercity passenger	1,000	1,100
Freight	32,000	112,000
Locomotives	1,400	3,500
Rail miles	16,000	44,000
Annual ridership (millions)		
Urban transit	18,000	1,400
Intercity rail	11	3
Intercity bus	2,072	5.5

Source: Interviews with industry experts.

INTERCITY RAIL

Mexico's intercity rail sector is small relative to its population. *Ferrocarriles Nacionales de México (FNM)*, the national railway, has about 1,000 passenger rail cars but only about 200 are operational. In contrast, Canada has roughly 1,000 operational passenger cars to serve one-third of the population.

FNM has been neglected for many years. Railway transportation is not competitive with bus and truck freight and *FNM*'s market share has fallen steadily. The proportion of Mexico's freight traffic that was moved by rail fell to 13 percent in 1993 from 23 percent in 1970.

The Salinas administration restructured *FNM* in the early 1990s, and tried to promote the use of rail freight. It spent about US \$330 million on railway development in 1994 alone. In 1993, the French bank, Paribas, approved a US \$20 million loan to *FNM* for expansion and modernization projects planned through 1995. The modernization plans are primarily oriented towards multi-modal freight.

Recent legislative changes permit certain *FNM* operations to be privatized. Several maintenance shops have already been taken over by private companies. As this trend progresses, *FNM* is expected to further modernize its freight operations, particularly in the area of intermodal systems. Passenger operations, however, are more likely to be left to the private sector.

The first private-sector intercity, passenger service is already in the contracting phase. This is for a new, electrified intercity rail line, completely separate from *FNM*, linking the cities of León, Guanajuato and Celaya north of Mexico City. The system is known as the *Tren Regional Interurbano Guanajuato (TRIG)*, Guanajuato Regional Transit System. The consortium CANAC, made up of Bombardier and G-MAT of Montreal, is about to sign a build-operate-transfer (BOT) agreement with the Mexican government. The project will cost C \$800 million and will use between 65 and 70 cars, similar to ones being built by Bombardier for the Deux Montagnes line in Montreal. The cars will be built in Canada.

URBAN RAIL

Three Mexican cities have urban rail systems: Mexico City, Guadalajara and Monterrey. Tijuana is in the process of contracting a build-operate-transfer (BOT) concession to private-sector companies for the construction of an light rail transit (LRT) system there. Puebla is considering a rapid transit system.

URBAN ELECTRIC TRAIN SYSTEMS IN MEXICO

System	Train Type	Trains	Cars per Train	Length (km)	Stations
Mexico City <i>Sistema de Transporte Colectivo Metro (STC)</i>	Steel wheel metro	20	6	17	10
	Pneumatic wheel metro	152	9	141	135
<i>Sistema de Transporte Eléctrico (STE)</i>	Articulated light train	12	2	15	14
Guadalajara <i>Sistema de Tren Eléctrico Urbano (SITEUR)</i>	Articulated light train	16	2	15.5	19
	Línea 2	32	2	8.5	10
Monterrey <i>Sistema de Transporte Colectivo (Metrorrey)</i>	Articulated light train	48	2	17.5	18
	Línea 2	11	2	5	6

Source: James S. Wright & Associates. *Mexico Bus and Rail Market Opportunities*. Mexico City: Canadian Embassy, April 1994, p. 10. Updated from *Railway Age*, December 1994.

MEXICO CITY

The backbone of the Mexico City public transit system is the subway, the *Sistema de Transporte Colectivo (STC)*, more commonly known as the *metro*. Mexico has the largest urban rail system in North America, with a daily ridership of almost five million. The *STC* was formed by the federal government in 1967, and the first 12.5-kilometre rapid-transit system opened in 1970.

The *metro* was built with French assistance using the rubber-tired technology of the Paris metro, also used in Montreal. The system has been steadily expanded, using this same technology. A ninth line, extending 17 kilometres, opened in 1991, and employs steel wheel technology with an overhead current collection.

A tenth line went into service in July 1994. It returned to rubber-tired technology and employs advanced signaling equipment. This brought the total "route-miles" to 178 kilometres, with 132 stations.

Work began in October 1994 on a new 20-kilometre line known as *Tren Metropolitano Línea B*, which will run east and northeast from *Buena Vista* Station to *Ciudad Azteca*, the city of Azteca.

MONTERREY

The *Sistema de Transporte Colectivo Metrorrey*, Monterrey Subway Authority, completed the first 5-kilometre phase of its new north-south subway "Line 2", in October 1994. It intersects the original 18-kilometre elevated east-west line at Cuauhtémoc.

GUADALAJARA

On July 1, 1994, "Line 2" of Guadalajara's *Sistema de Tren Eléctrico Urbano (SITEUR)*, Guadalajara Urban Transit Authority, was officially opened, two months ahead of schedule. This ten-station, 8.5 kilometre east-west subway intersects *SITEUR*'s original 15-kilometre north-south "Line 1" at Juárez.

URBAN BUS SYSTEMS

Mexico is heavily dependent on buses for the transportation of people. There are large fleets of both urban and intercity buses, a large proportion of which are privately owned. Small 10- to 15-passenger vehicles are common although the government has been encouraging a shift to larger vehicles. Fares are low, and a large proportion of buses are owned by small owner-operators. As a result, relatively old, low-technology designs predominate. School buses are uncommon and limited mainly to private schools.

MEXICO CITY

Mexico City has a large public bus transportation system, that includes many terminals on the *metro*. In addition, there is a network of privately-owned buses.

RUTA 100

Ruta 100 is the city bus system owned by the *Departamento del Distrito Federal (DDF)*, Department of the Federal District. It includes 216 routes, 90 percent of which link to the *metro* and it carries three million people daily. The system is highly subsidized, and most of the routes serve low-income areas. The system's revenue to cost ratio is less than 33 percent. By comparison, Toronto operates at 68 percent; most other Canadian cities are in the range of 50 to 55 percent.

Ruta 100 has almost 4,000 vehicles. Most of them are 9- to 11-metre, 40- to 50-passenger, diesel-powered units manufactured by *Mexicana de Autobuses (MASA)*. It has recently purchased 170 articulated buses from *MASA*. *Ruta 100* also operates a large number of 30- to 35-foot body-on-chassis buses purchased in recent years.

Mexico City is one of the world's most polluted cities and *Ruta 100* takes special measures to reduce emissions from its buses. A Mexican-developed system called *DKT-4* claims to reduce emissions of smoke and harmful gases to almost zero.

Until recently, the *Ruta 100* bus drivers, mechanics and other employees belonged to a strong union, called *Sindicato Unico de Trabajadores de Ruta 100 (SUTAU 100)*. The union was accused of widespread corruption during an audit in early 1995, and the system was subsequently forced into bankruptcy. It is presently operating using non-union workers. Most observers believe that the system will be privatized. From one to four drivers are permanently assigned to each bus. Fares are based on a zone system and are deposited by the passenger in a collection box. Many drivers insist on correct change. Free passes are issued by a number of city agencies, but none are for sale. There are no electronic collection systems.

Small garages are situated on each route for routine maintenance, in which the drivers take part. Four large facilities, each capable of servicing 15 buses at a time, are available for major repairs.

PRIVATE BUS SYSTEM

Outside of the *Ruta 100* system, the *Departamento del Distrito Federal (DDF)*, Department of the Federal District, issues concessions to companies or individuals to operate private bus routes. These are generally owner-operated vehicles, but some groups own three or four buses.

There are 120 private bus routes in the city. Over a period of several years, beginning in 1988, the government forced a move to larger vehicles by renewing licences on a two-for-one basis. A large fleet of ten-passenger Volkswagen Combis was replaced by approximately 40,000 microbuses (10 to 14 passengers). In the early 1990s, the *DDF* implemented a policy of replacing the microbuses with mini-buses (15 to 24 passengers). This policy was motivated by safety, pollution and traffic considerations. By early 1994, most of the microbuses had been replaced, leaving a fleet of approximately 15,000 mini-buses and a few thousand microbuses. Nonetheless, there are reports of much larger numbers of small buses, including some remaining Combis. Some observers suggest that there are a large number of unregistered operators.

The owner-operators of private buses often perform their own maintenance or have it done at small garages. In most cases, drivers collect fares according to a zone system, and will make change. Fares are set by the *Dirección General de Transportes Urbanos*, Management of Urban Transportation. Scheduling is done manually on a line-by-line basis.

There is presently considerable debate in Mexico City concerning the plan to replace the minibuses fleet with even larger vehicles. The government would like to replace the entire fleet with buses with a capacity of 40 seated passengers or more, during the six-year term of the federal government, which began in December 1994. Plans are to begin implementing this policy with a limited licence renewal program beginning in June 1995.

The objective of this policy is to improve safety and reduce pollution and traffic congestion, but it has been strongly opposed by the concessionaires. Most private buses are kept on the road for longer than five years. Two industry associations are spearheading opposition to the government's new policy.

TROLLEY BUSES

In the 1960s, trolley buses replaced the street cars that had been in service since the 1890s. The trolley buses gradually fell into decline because of competition from the motor operators. In 1990, however, the *Servicio de Transporte Eléctrico del Distrito Federal*, Electrical Transportation Authority of Mexico City, a public agency, began to refurbish the system. Between 1990 and 1994, service was expanded and ridership grew from 3,000 passengers daily to 40,000. The agency reconstructed 450 trolley buses. The vehicles are manufactured by Siemens and assembled in Mexico. Maintenance is performed by *Bombardier-Concarri*. Bombardier is reportedly planning to add vehicles of its own manufacture to the growing fleet.

The *Servicio de Transporte Eléctrico del Distrito Federal*, also operates a light-rail trolley line which runs from *Tasqueña*, on the southern side of the city to *Xochimilco*, a suburban area. This line was begun in 1990. It was shut down for a few years because of technical problems and low ridership, but it has recently been re-started.

SCHOOL AND FLEET BUSES

About 50 companies provide school and fleet bus service in the Mexico City area. The public schools do not use buses, and these companies cater mainly to private school students and industrial personnel. They also offer excursions on weekends and holidays.

There have been a number of attempts to design buses specifically for this application. The operators need cheap seating for many children that can be converted to more comfortable seating for a smaller number of adult tourists. The reason is that revenue from school transport is not sufficient to cover costs, and some secondary use is necessary. Also, the *Departamento del Distrito Federal (DDF)*, Department of the Federal District, imposes a variety of standards on buses.

MONTERREY AND GUADALAJARA

All bus services in Monterrey and Guadalajara are privately operated by concessionaires, with no funding from the public. These systems use mostly low-technology, body-on-chassis, manual transmission, diesel-powered vehicles. They are typically 10.75 metres long, with a capacity of 30 to 40 seated passengers. There is no integration of fares or service between routes or operators. The government plans the routes and administers contracts with the operators.

In Monterrey, minibuses have been replaced by mini-buses by renewing concession contracts on a two-for-one basis. The city is now licensing larger 39- to 41-passenger buses on premium fare routes. This is an attempt to provide incentives for better quality and safer buses and also to introduce "cross-town" routes requiring no transfers.

The experience in Monterrey is similar to the other larger cities. All routes are independently run, each with its own fare and no transfer privileges. Therefore, the only way the authorities can introduce no-transfer routes is to allow a premium fare.

BUS SERVICES IN OTHER CITIES AND RURAL AREAS

In most other parts of Mexico, buses are privately operated by concessionaires, many of which are single-bus owners and operators. The buses used are usually either older school or minibus types. Fares are low — typically approximately \$0.40 pesos — and this restricts investment in higher quality buses. Routes are planned and controlled by state or municipal governments.

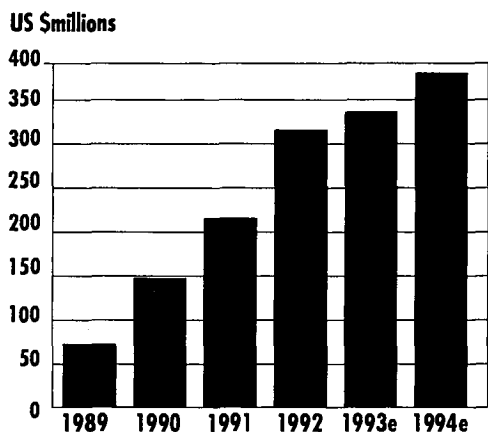
INTERCITY BUS SYSTEM

Buses are the predominant mode of public intercity travel. More than two billion trips on intercity buses were taken in 1992. This represents 95 percent of all intercity passenger travel. The air travel share was 4 percent, with rail being 1 percent during the same year.

There are approximately 700 intercity bus companies with the largest company having 7,500 vehicles. Bus types include high-quality 40-foot integral designs with air suspension, air conditioning, reclining seats and washrooms. There are also many low-cost body-on-chassis buses, mini-buses and modified vans. There is a system for fare and service interlining, but it applies only to the largest operators.

THE ROLE OF IMPORTS

BUS AND RAIL TRANSPORTATION PRODUCTS — MEXICAN IMPORTS



Note: "e" denotes estimated figures.
Source: Statistics Canada World Trade Database.

Brazil is Mexico's principal supplier of bus-related products, while the United States continues to dominate the rail subsector.

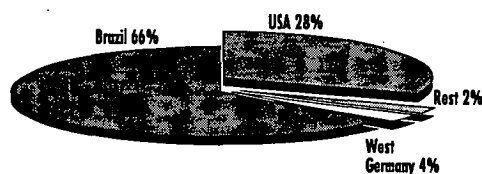
Imports of public-type passenger motor vehicles rose steadily to reach US \$223 million in 1993. In the same year, US \$93 million worth of railway vehicles and associated equipment was imported. Total imports of both categories for 1994 were projected at about US \$390 million. These data exclude bus components, such as engines and chassis, because bus components cannot be distinguished from truck components in the statistics. The major producers make both buses and trucks, and may use the same components in both.

More than 90 percent of Mexico's bus-related imports originate in Brazil. The only other significant suppliers are the United States and North Korea. The United States is also a major supplier of truck and bus components.

The United States dominates the market for rail-related products, with a 79 percent import market share in 1992. Germany had a 14 percent share. France, Brazil, Italy, Spain and Sweden were the other suppliers, with relatively small sales volumes.

Canada did not record any exports of bus or rail vehicle products to Mexico in 1992. In 1991, there were bus-related exports of about US \$531,000, but no rail exports. In 1990, there were no bus exports, but US \$138,000 in rail-related exports. Canada's exports totalled C \$888,172 in 1993. In short, Mexico has not traditionally been a significant market for Canada, at least as far as manufactured products are concerned. Exports of services are not recorded in the international trade data.

RAIL AND BUS TRANSPORTATION PRODUCTS — MEXICAN IMPORT SHARES 1992



Source: Statistics Canada World Trade Database.

MEXICAN IMPORTS FROM CANADA BUS- AND RAIL-RELATED PRODUCTS, 1993

Commodity	US \$
Railway cars, open, non-removable sides	360,668
Railway freight cars, not self-propelled	224,641
Diesel electric locomotives	160,154
Airbrakes and parts thereof	71,861
Hooks, other coupling devices and buffers	40,962
Axles, wheels and parts for rail vehicles	24,008
Motor vehicles for transporting more than ten persons	5,878
Total	888,172

Source: Secretaría de Comercio y Fomento Industrial (SECOFI), Secretariat of Commerce and Industrial Development.

CUSTOMERS

The most important potential customers for Canadian producers are the larger mass transit systems, both public and private.

INTERCITY RAIL CUSTOMERS

MEXICAN NATIONAL RAILWAY

Ferrocarriles Nacionales de México (FNM), the national railway, has the exclusive constitutional right to operate intercity railway services in Mexico. *FNM* has been neglected by the government for many years, and the length of the principal network was increased by only 1.5 percent in the ten years ending in 1992. The number of locomotives and available horsepower actually decreased over the same period. The system now totals just over 25,000 kilometres, half of which is in need of urgent maintenance.

FNM imports most of its equipment from the United States. General Electric and General Motors supply locomotives, and Westinghouse and GRS supply signal equipment. The railway also imports US \$10 million worth of rails each year.

In 1993, *FNM* decided to privatize ten of its 18 general workshops through a concession program. Seven concessions have already been awarded to three consortia of private companies that will provide repair and maintenance services. The three conglomerates, each comprised of Mexican companies with foreign partners, agreed to invest about \$320 million pesos to upgrade the repair centres. These companies are potential customers for a wide range of products, including equipment, tools and parts.

In early March 1995, *FNM* rejected all bids from private companies for concessions to manage the last three locomotive and rail car repair and maintenance facilities included in its privatization plan. This was the third time in the past 12 months that *FNM* has solicited bids for these facilities and then rejected all offers. *FNM* officials would say only that the proposals did not fully comply with the terms of the Public Works Acquisition Law. The three facilities are located in Jalisco, Yucatán and Sonora.

Passenger rail operations have been gradually reduced over the past several years. Recent announcements suggest that this trend will be reversed. Nonetheless, knowledgeable observers predict that this will be slow to develop and no purchases of new intercity passenger rail cars are anticipated for the immediate future.

Domestic capability for the manufacture of freight rolling stock is limited to only the most basic types of cars. The modern car designs that will be required in the future will probably be obtained from foreign manufacturers. The private companies with contracts to maintain the freight car fleet, are expected to play a role in purchasing decisions. These contractors will also manage purchases of locomotives.

FNM PRIVATIZED WORKSHOPS

Workshop	Private Operator
San Luis Potosí	Morrison Knudsen Corporation
Acámbaro	Morrison Knudsen Corporation
Valle de México	GEC Alstrom Transporte
Monterrey	GEC Alstrom Transporte
Torreón	VMV Enterprise y La Sierrita
Chihuahua	VMV Enterprise y La Sierrita
Jalapa	GEC Alstrom Transporte

Source: United States Department of Commerce.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY

The Atchison, Topeka and Santa Fe Railway Company has a transborder connection in El Paso, Texas. This connection handled 40,000 cars to and from Mexico in 1992. Traffic is about 70 percent hopper cars and 30 percent box cars and flatcars. The railway projects a 15 percent annual increase in freight movement between the United States and Mexico.

UNION PACIFIC RAILROAD

The Union Pacific Railroad operates an intermodal freight terminal in Laredo, Texas. The company is represented in Mexico by *Union Pacific de México*.

It handles about 100,000 trailers annually. The trailers arrive in Laredo by road and are transferred to rail cars, including double stack, and are then hauled to various locations in Mexico. The railway also has transborder connections at El Paso and Brownsville, Texas.

SOUTHERN PACIFIC LINES

Southern Pacific México is the Mexican representative of Southern Pacific Lines. It has gateways between the United States and Mexico at El Paso, Eagle Pass, Laredo, Brownsville, Nogales and Calexico. The most important routes are a double stack system between Chicago and Mexico City, and a Los Angeles-Long Beach-Pantaco connection. Southern Pacific Lines is collaborating with *Ferrocarriles Nacionales de México (FNM)*, the national railway, to develop intermodal terminals and to assist in modernization and training programs.

URBAN RAIL CUSTOMERS

SUBWAY SYSTEM IN MEXICO CITY

The *Sistema de Transporte Colectivo Metro (STC)*, Mexico City Public Transit Authority, manages the subway system of Mexico City, known as the *metro*. The system handles more than 4.5 million trips per day.

The vehicle fleet includes more than 2,400 rubber-tired vehicles. The initial fleet was supplied by France's Alstom, with Bombardier providing some of the cars. *Bombardier-Concarril* is now the major supplier of rapid transit cars in Mexico. The most recent order of 135 cars for "Line 8" went to Spain's *Construcciones y Auxiliar de Ferrocarriles (CAF)*. *Bombardier-Concarril* is currently refurbishing 234 of the original cars dating from 1967.

Mexico City's master plan calls for an eventual expansion of the *metro* to a 315-kilometre network of 15 lines. Plans will be refined according to a detailed ridership study being conducted by the *Instituto Nacional de Estadística Geografía e Informática (INEGI)*, National Institute of Statistics, Geography and Informatics.

The next major line to be built will be the *Tren Elevado Santa Mónica*, which will be a build-operate-transfer (BOT) operation, separate from the *metro* system. One of the objectives of this first use of the BOT approach is to provide higher quality service to people who normally commute by automobile. Fares will be considerably higher than for the *metro*. The new line services a relatively high-income area, and is considered a prototype. Some observers believe that as many as 100 kilometres of private rail systems could be feasible in the Mexico City area.

PROCUREMENT PROCEDURES FOR THE MEXICO CITY METRO

Beginning in 1995, the Mexico City's *metro* system will implement a new procurement process. In the past, the utility has issued sole-source invitations to tender to joint-venture companies involving a Mexican construction firm and a foreign partner. Gec Alsthom and Bombardier have been among the most favoured foreign suppliers.

In January 1995, about 40 invitations to tender were issued to meet the equipment requirements for a new line being added to the system. This is considered an advantage for American firms, which have not been major participants in this market so far. The *metro* is expected to double in size to about 400 kilometres by the year 2010.

In addition to materials needed for expansion, the system's inventory of more than 2,400 cars will be refurbished at up to 7 percent of the total units per year.

GRUPO MEXICANO DE DESARROLLO-RIOBOO-BOMBARDIER-CONCARRIL

Grupo Mexicano de Desarrollo-Rioboo-Bombardier-Concarril, is a consortium of three Mexican companies associated with Montreal-based Bombardier. In December 1993, the group was awarded the concession to build and operate a new Mexico City light rail transit (LRT) line to be operated separately from the *metro*.

This 21-kilometre combined subway and elevated system will have 27 stations from Bellas Artes north to Santa Monica. The original proposal was to use articulated LRT equipment similar to that supplied by *Bombardier-Concarril* to the City of Monterrey. The final contract, signed in November 1994, accepted the alternative of advanced rapid transit (ART) Mark II technology, similar to the Sky-Train in Vancouver.

COMMISSION FOR URBAN TRANSPORTATION WORKS

The *Comisión de Vialidad y Transporte Urbano (COVITUR)*, Commission for Urban Transportation Works, is the government agency responsible for all construction for the Mexico City *metro* and light rail transit (LRT) systems. This organization is also responsible for the *metro's* master plan.

COVITUR is divided into two major divisions. The first, Civil Engineering Works, uses primarily Mexican suppliers and materials. The other division, Electro-Mechanical Works, is mainly dependent on French technology. The French government provides soft loans with repayment periods of up to 50 years. In addition, the pneumatic system, also used in Montreal, is considered safe and environmentally appropriate.

ELECTRICAL TRANSPORTATION AUTHORITIES OF MEXICO CITY

The *Servicios de Transportes Eléctricos del Distrito Federal (STE)*, Electrical Transportation Authority of Mexico City, is responsible for operating the trolley bus and light rail urban transportation services, except those that have been privatized. The system includes 30.3 kilometres of rail and 17 light rail train sets, covering six routes. The *STE* also operates 350 trolley buses on 13 routes covering 361 kilometres.

The *STE* has its own maintenance facility, and it occasionally puts out international bids for railway maintenance services.

GUADALAJARA URBAN TRANSIT AUTHORITY

The *Sistema de Tren Eléctrico Urbano (SITEUR)*, Guadalajara Urban Transit Authority, is the public utility that operates Guadalajara's subway system. In July 1994, it opened a new east-west line which added 8.5 kilometres to the original 15.5 kilometre north-south light rail transit (LRT) line.

"Line 1", which includes 19 stations, was built by Siemens Transportation Systems on a turnkey basis and opened in 1989. *Concarril* supplied the 16 articulated light rail vehicles which were built under licence from Duewag. The line carries 70,000 passengers daily. Siemens also built the new "Line 2", which is a ten-station subway. The 32 new vehicles were supplied by *Bombardier-Concarril*.

Expansion plans call for a seven-line, city-wide (LRT) metro system of some 128 kilometres early in the next century. The next phase is likely to be "Line 3", a 7.5-kilometre 8-station branch line running north from Avila Camacho station on "Line 1". Another priority is for a two-station westward extension of "Line 2" to Minería. The fourth line will be in the southwest part of the city.

MONTERREY PUBLIC TRANSIT AUTHORITY

The *Sistema de Transporte Colectivo Monterrey*, Monterrey Public Transit Authority, has two subway lines. The original 18-kilometre east-west line was supplemented by the first five kilometres of a new north-south line in 1994. The original cars have been purchased in roughly equal proportions from the *Constructora Nacional de Carros de Ferrocarril (Concarril)*, *Bombardier-Concarril* and most recently, Spain's *Construcciones y Auxiliar de Ferrocarriles (CAF)*. Electrical equipment came primarily from Mitsubishi.

The city has long-term plans for a 77-kilometre system with four main routes. The next priority will be an extension of "Line 2" about 7 kilometres to the north. "Line 3" will extend northward along *Avenida Félix Gómez*.

BUS CUSTOMERS

The only major public bus system in Mexico is the Mexico City *Ruta 100*. The rest of the market, including both urban and intercity services is dominated by private companies or individuals operating under concession. Private bus operators buy directly from domestic manufacturers for reasons of price. Purchases are made on the basis of price quotations based on an agreed upon vehicle specification.

MEXICO CITY'S URBAN BUS SYSTEM

The *Ruta 100* is the urban bus system owned by the *Departamento del Distrito Federal (DDF)*, Department of the Federal District. It includes 216 routes, 90 percent of which link to the *metro*. *Ruta 100* carries three million people daily, servicing mainly low-income areas.

In April 1995, *Ruta 100* was rocked by scandal. When the new government came to power in December 1994, it conducted a financial audit. According to a report presented to Mayor-elect Oscar Espinosa Villareal, the union-dominated service was covering only one-third of its costs from fares. Almost three-quarters of the subsidy was going to wages, and half of all wages were for overtime and holiday pay. On April 8th, *Ruta 100* was declared officially bankrupt and five leaders of the *Sindicato Unico de Trabajadores de Ruta 100 (SUTAUR 100)* union were jailed for fraud. The next day, the Secretary of Transport, Luis Miguel Moreno, was found shot to death.

The *DDF* is now faced with the task of reorganizing this highly inefficient operation. According to knowledgeable observers, the government would also like to reduce the power of the union. While previous attempts to do so have failed, many believe that the action of imposing bankruptcy will set the stage for breaking up the system. A major move towards privatization is considered highly probable.

The government has announced that the system that replaces *Ruta 100* will be a mixture of government and private services. The private concessionaires would operate central routes and the government would continue the heavy subsidization of perimeter routes that run through the city's poorest neighborhoods. There has already been one private proposal to replace *Ruta 100* with a new operation, involving a joint venture with *Mercedes-Benz de México*.

For a few weeks following the crisis, *Ruta 100* was operated on a fare-free emergency basis at about 40 percent of capacity. As of late May 1995, the system was being operated at nearly full capacity. Non-union labour is being used on routes within the city, about 40 percent of the buses, and six private concessionaires in the neighboring State of Mexico are providing perimeter service. *SITAUR 100* has been offered a liquidation package including a payment of \$28,000 pesos to each driver, plus job offers on the subway system. The union has refused so far.

PRIVATE BUS CONCESSIONS IN MEXICO CITY

Outside of the *Ruta 100* system, the *Departamento del Distrito Federal (DDF)*, Department of the Federal District, issues concessions to companies or individuals to operate private bus routes. These generally use owner-operated vehicles, but some groups own three or four buses.

There are 120 private bus routes in the city. In the early 1990s, the *DDF* began a policy of replacing minibuses with mini-buses by renewing licences on a two-for-one basis only. By early 1994, the fleet had been restructured and there are now approximately 15,000 mini-buses with capacity in the 18- to 24-passenger range. The government would now like to replace the entire fleet with even larger buses with a capacity of 40 seated passengers or more.

SCHOOL AND FLEET BUSES

About 50 companies provide school and fleet bus service in the Mexico City area. The public schools do not use buses. These companies cater mainly to private-school students and industrial personnel. They also offer excursions on weekends and holidays.

Mexican producers offer tough competition in the bus market, but with the exception of *Bombardier-Concarril*, most rail competitors are international.

COMPETITION

MEXICAN BUS PRODUCERS

Traditionally, the Mexican bus sector has been dominated by two producers, *Mexicana de Autobuses (MASA)* and *Diesel Nacional (DINA)*. *TRAMOSA* has been a marginal producer with an output of about 250 units annually, and it is reportedly phasing out its bus production. In 1992, Mercedes-Benz moved into the Mexican bus market. Vehicles were initially imported, with assembly gradually being transferred to Mexico.

MEXICANA DE AUTOBUSES

Mexicana de Autobuses (MASA) manufactures urban and intercity buses of both integral and body-on-chassis design. It has an output of about 3,000 units per year.

Two *MASA* shareholders provide components for the body-on-chassis type. Oshkosh of the United States supplies chassis and Nielson of Brazil makes bodies. In the case of bodies, production is gradually being shifted to Mexico as part of a technology transfer agreement.

MASA's production capacity for intercity buses is eight units per day. The diesel engines are supplied by Cummins, Detroit Diesel and Chrysler among others. These buses are available in a range of technology levels. Top-of-the-line models are comparable to Canadian intercity buses.

MASA's urban buses include models of 9-, 11- and 12-metre lengths, as well as a 16-metre articulated design. The company is in the process of delivering 170 of the articulated models to Mexico City's *Ruta 100*, and 50 more to Sao Paulo, Brazil. A 12-metre trolley bus prototype is under development for eventual sale to the *Departamento del Distrito Federal (DDF)*, Department of the Federal District.

MASA has recently announced a joint venture with the American bus manufacturer, Flexible. The firm's former relationship with Motor Coach Industries International (MCII) is being terminated following the recent purchase of MCII by *Diesel Nacional (DINA)*.

DIESEL NACIONAL

Diesel Nacional (DINA) is a former *paraestatal*, state-owned company, purchased by Mexican investors in 1989. Navistar International owns a 7.5 percent interest in *DINA's* truck division, and it has since contributed to major technological upgrades of *DINA* products.

DINA claims a 37 percent share of the Mexican bus market, but sales fell off to 40 to 60 buses per month in 1994, compared with 150 per month in 1993. The slump was blamed on a corporate reorganization by its major client, the Mexico Intercity Bus Line.

DINA has acquired 51 percent of Phoenix-based Motor Coach Industries International (MCII), and a full merger is expected to follow. MCII is the largest manufacturer of intercity buses in both the United States and Canada.

DINA's urban transit models are primarily school type of bus body-on-chassis designs. Bodies are manufactured by other companies including *Capre*, *CASA* and *Alfa*. *DINA's* intercity bus models are of the integral type based on designs from Marco Polo of Brazil.

MERCEDES-BENZ DE MÉXICO

Mercedes-Benz de México manufactures urban and intercity buses. The company has built two new plants, one near Toluca and the other in Monterrey. These plants are expected to become fully operational in 1995. In 1993, *Mercedes-Benz de México* sold about 1,000 imported buses in Mexico.

BODY MANUFACTURERS

The major bus producers buy bodies and other components from a variety of Mexican companies, including the following:

- *Grupo Industrial Casa*, a major supplier of transit and intercity style bodies for conventional body-on-chassis type buses. Capacity is 3,500 bodies per year, but production is much lower.
- *Carrocercías Capre*, a leading manufacturer of urban and suburban transit bus bodies. Capacity is 3,500 bodies per year.
- *Carrocercías Toluca* is one of the oldest companies in the industry. They build 2,500 units per year.
- *Minibuses Alfa* manufactures mainly 15- to 20-passenger minibus bodies for use on Chrysler, GMC and Ford chassis. It also manufactures larger designs. Capacity is 4,500 bodies per year.
- *Eurocar México* manufactures intermediate size 30- to 40-passenger suburban-type bodies. Capacity is 2,200 bodies per year.

Two American bus body manufacturers, Thomas Built Buses and Bluebird, have recently decided to establish plants in Monterrey. Both firms manufacture conventional school type of bus bodies for modified truck chassis as well as a range of body-on-chassis urban transit buses. These plants are scheduled to open in 1995.

According to news reports, the Blue Bird Mexico plant, near Monterrey, will have a capacity of 3,000 units per year. The US \$10 million plant will produce intercity buses for sale in Mexico and Latin America.

MEXICAN RAIL PRODUCT PRODUCERS

There are no railway locomotive manufacturers in Mexico, but two companies produce the bulk of Mexico's requirements for urban and intercity rail cars. They are Canadian-owned *Bombardier-Concarril*, and Spanish-owned *Construcciones y Auxiliar de Ferrocarriles (CAF)*.

BOMBARDIER-CONCARRIL

Until 1992, the *Constructora Nacional de Carros de Ferrocarril (Concarril)*, was a *paraestatal*, a state-owned company. In 1992, it was purchased by Montreal-based Bombardier, one of the largest transportation companies in the world.

Bombardier completely overhauled the antiquated plant, and reportedly has restored production to the levels of five years ago with less than 20 percent of the labour force. The new company lost its first two bids to supply subway cars to Mexico City to *Construcciones y Auxiliar de Ferrocarriles (CAF)* of Spain. It has subsequently landed contracts to supply 23 light rail transit cars in Monterrey and 32 in Guadalajara, and to refurbish 234 Mexico City subway cars. *Bombardier-Concarril* is also part of the consortium that will build Mexico City's new elevated train system.

The company also expects to participate in projects to rebuild intercity railway cars by *Ferrocarriles Nacionales de México (FNM)*, the national railway. It currently imports laminated steel, stainless steel, brake systems, wheels and other parts from the United States.

CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES (CAF)

Construcciones y Auxiliar de Ferrocarriles (CAF), is a Spanish-owned firm recently established in Mexico to manufacture *metro* cars for Mexico City. The parent company won the bids for 135 cars for the Mexico City *metro* in 1992, and 22 articulated light rail transit (LRT) cars for Monterrey's subway system.

FOREIGN COMPETITORS

BUS SECTOR

The United States dominates the market for bus components such as engines, transmissions and axles. The value of these components can be as much as half of the value of a bus, but they cannot be identified separately in the trade statistics.

Over the past three years, as much as one-quarter of intercity bus sales have been vehicles imported by *Mercedes-Benz de México*, *Diesel Nacional (DINA)*, and *Mexicana de Autobuses (MASA)*, as part of technology transfer programs. Brazil has been the most important supplier.

URBAN RAIL

With Bombardier's purchase of *Constructora Nacional de Carros de Ferrocarril (Concarril)*, the opportunity for urban rail car exports to Mexico by other companies has diminished and is limited mainly to specialty products and sub-assemblies.

Most propulsion and control equipment for light rail transit cars (LRT) is imported from the United States, Japan or Germany. These components can account for up to 40 percent of the value of the car.

The technology used in the Mexico City *metro* was originally supplied by France and that country continues to provide about 70 percent of all imported equipment. The United States supplies measurement equipment, electronic spare parts and tools totaling about 25 percent of imports. The other 5 percent consists of pneumatics traction equipment, mostly from Japan, as well as wood parts and electronic equipment from Canada, and various railway components from Germany. Overall, imported components make up about 60 percent of procurements.

INTERCITY RAIL

With the downsizing of the rail freight fleet in recent years, there have been few new freight car purchases. *Bombardier-Concarril* is the market leader, with some competition from American suppliers.

Passenger rail service has also been reduced significantly over the past five years. The most recent purchase of new passenger cars in 1989 was from *Concarril*. A previous rail car order for 200 units in 1978 was filled by the Urban Transportation Development Corporation (UTDC) of Ontario.

Locomotives are imported from the United States and Canada. This situation will continue since there is no domestic manufacturer.

AMERICAN COMPANIES THAT ARE ACTIVE IN THE MEXICAN RAIL MARKET

Company	Product
A.B.C. Rail Corporation	Steel wheels
Chrome Crankshaft Co.	New and rebuilt crankshafts
Anbel Corp.	New and rebuilt wagons
Advance Car Mover Co. Inc.	Tools and equipment
Templeton, Kenly and Co.	Tools and equipment
Fluid Mechanics Inc.	Injectors and accessories
Helm Financial	Spare parts for tractor motors
Kershaw Manufacturing Co. Inc.	Building and maintenance machinery
L.B. Foster Co.	Rail, track and equipment accessories
Microphor Inc.	Toilet and sewage systems
Midland Manufacturing Corp.	Valves and floaters for tank cars
Miner Enterprises Inc.	Draft gears, hand brakes and door sets for containers
Owatonna Tool International Co.	Presses and tools for roller bearings
Penn Machine Co.	Wheels for trains and subways
Power Parts Co.	Spare parts for locomotives
Precision National Corp.	Locomotive rebuilding and leasing
Railcar Specialties Inc.	All railcar specialties
Railquip Inc.	Portable car washers and water recovery systems
Schaefer Equipment Co.	Forgings for brake systems
Sloan Valve Co.	Slack adjusters and valves for air brakes
Standard Car Truck Co.	Trucks for railroad cars, stabilizers and odometers
Stone Safety Corp.	Air conditioning and electrical generation equipment
VMV-Paducahbilt	Remanufactured locomotives
Henry Miller Spring and Manufacturing Co.	Springs
Luminator	Electronic signs
Burlington Northern	Car repairs, maintenance and transportation services

Source: United States Department of Commerce.

OPPORTUNITIES FOR CANADIAN COMPANIES

As in many other sectors, niche markets, especially for consulting and other services, are the best prospects for Canadian companies.

BUS SECTOR

The expectations that incomes will gradually rise suggest that transit fares will also rise, giving bus operators the ability to purchase higher-quality buses. The domestic industry is positioning itself, through alliances with foreign companies, to meet this expected future demand.

Canadian bus manufacturers will have difficulty selling complete buses in Mexico because of competition from lower-cost domestic producers. Also, American, Brazilian and European competitors have entrenched positions in the market for major components. The opportunities, therefore, lie mainly in joint ventures or technology-licensing arrangements. The provision of specialty products and expertise is also a possibility.

PROJECTED BUS SALES IN MEXICO

Year	Urban	Intercity
1993	6,255	4,318
1994	8,055	2,446
1995	8,941	2,544
1996	10,014	2,671
1997	11,216	2,805
1998	12,674	2,973
1999	14,195	3,151

URBAN BUSES

The demand for body-on-chassis urban buses will exceed the current capacity of domestic manufacturers after 1995. These designs are likely to account for the large majority of units sold. Integral urban-type bus demand is limited to Mexico City, and possibly Puebla and Guadalajara. The projected annual demand of about 1,000 units for these cities is well within the capacity of the domestic industry.

For body-on-chassis buses, the conventional school type of bus will continue in high demand due to the need for low-cost, easy-to-maintain vehicles. There is, however, an emerging trend towards higher-quality, body-on-chassis vehicles for premium fare services. This demand is likely to increase in the future, as Mexican transit utilities attempt to compete with automobiles on major routes. This trend may also translate into a moderate demand for lower-cost, medium-size integral buses.

Although domestic urban bus manufacturers have the basic manufacturing capabilities and technology to meet current demand, there are selected areas where assistance may be required:

- alternate fuel systems, primarily condensed natural gas;
- fibre-glass and composite material products and production methods;
- on-board electronic information systems;
- vehicle structure stress analysis;
- seating;
- safety features including brakes, door controls and interlocks;
- electronic information equipment (destination signs, communications equipment) for transit vehicles and operations management;
- fare collection equipment and systems; and
- transit consulting services, including personnel and driver training.

The reorganization of *Ruta 100* is also likely to lead to important opportunities for Canadian companies. There are specific opportunities in planning, systems and transport equipment. The *Departamento del Distrito Federal (DDF)*, Department of the Federal District, is receptive to foreign transportation planners, but considering the political environment in which *Ruta 100* operates, a partnership with a well-connected Mexican company would be essential. Companies that participate in the planning of the new system will find long-run opportunities. Once the concessions are awarded, the private contractors will need help planning effective routes and schedules. They will need transportation software and operating systems which Canadian companies can supply. They will also need vehicles to replace the obsolete equipment that makes up a large part of the fleet.

INTERCITY BUSES

The demand for intercity buses is well within the capacity of the domestic industry. Mexican manufacturers have the vehicle designs, manufacturing expertise and, in most cases, the technology to meet customer expectations. Their products have been strengthened through strategic and technological alliances with foreign companies, mostly from Brazil.

Nonetheless, there are a number of niche markets where Canadian companies may have a competitive advantage. The possibilities include:

- high quality, luxury vehicles for up-scale, premium-fare services. These vehicles have specifications not unlike those found in Canada; and
- refurbished lower-end used vehicles as an alternative to new vehicles.

RAIL SECTOR

The domestic manufacturers, *Bombardier-Concarril* and *Construcciones y Auxiliar de Ferrocarriles (CAF)*, have the capacity and technical capability to meet most of the future needs of the Mexican urban rail car market. Demand growth will be modest.

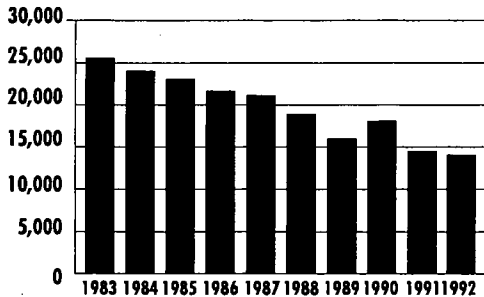
URBAN RAIL

Extensions to the Guadalajara and Monterrey subway systems are planned. New light rail transit (LRT) systems in Tijuana and one or two other cities are a possibility. There will also be further expansions in Mexico City, two of which are currently underway. No major new expansions of the *metro* are expected for several years. There will, however, be a continuing program of rehabilitation of the existing fleet. Further additions to the system will probably be through build-operate-transfer (BOT) concessions. The concession arrangement allows fares to be set considerably higher than on the *metro*, allowing LRT systems to compete with automobiles on major commuter routes.

INTERCITY RAIL

Beginning in 1993, the government of Mexico implemented policies designed to rehabilitate *Ferrocarriles Nacionales de México (FNM)*, the national railway. The railway also privatized several of its maintenance facilities. As a result, rail transportation is slowly reclaiming lost traffic. Most of the gain is coming from the agricultural, mineral, petrochemical, paper and manufacturing industries.

**MEXICAN RAIL:
NUMBER OF PASSENGERS CARRIED**



Source: United States Department of Commerce.

Freight from the automotive industry alone is expected to grow by 13 percent for the same period. In March 1995, the "Big Three" American automakers reached an agreement with *FNM* to construct special platforms to handle automobile shipments at rail stations near their Mexican assembly plants.

FNM's passenger rail equipment is mostly obsolete. The railway allocated most of its scarce resources to freight, leaving passenger service to the private sector. As a result, passenger traffic fell by 40 percent in the ten years ending in 1992.

In spite of the government's initiatives, industry observers caution that the recovery of the railway system will be slow, because of the economic advantages enjoyed by highway carriers, including trucking companies and bus concessionaires.

Nevertheless, new freight cars are needed. Demand is projected at 4,000 over the next six years. The changing freight market will require the purchase of new freight car types such as tank cars, automobile carriers, multimodal and container flat cars. Now that rail maintenance is being privatized, some car acquisitions are likely to be handled by the consortia who have the maintenance contracts.

In the case of passenger vehicles, *FNM* officials suggest that there will be very little demand in the foreseeable future. Most rail passenger service is in the poorest regions of Mexico where the rail network is in poor shape and train speeds are very low. The main exception might be specialty passenger services similar to those operated through the Rockies in western Canada. Tourism is one of Mexico's largest industries, and there may be opportunities for privately-operated services.

PRIVATIZATION OF THE MEXICAN NATIONAL RAILWAY

On January 26, 1995, the Mexican Senate approved amendments to Article 28 of the Mexican Constitution that removed *Ferrocarriles Nacionales de México (FNM)*, the national railway, from the list of "strategic" enterprises protected by the Constitution. This suggests many new opportunities, not only in rail operations and maintenance, but also in communications and management.

When he presented the proposal to the legislature, President Ernesto Zedillo stressed that private investors could bring new capital and boost the efficiency of both enterprises "to best serve the needs of society". According to the *Journal of Commerce*, the Zedillo administration was seeking to attract about US \$14 billion in private investment for *FNM* in 1995.

The outright sale of *FNM* to foreign interests is likely to be strongly opposed and reportedly, a number of Mexican companies have expressed interest in taking over the railway. As with other large-scale infrastructure projects in Mexico, a domestic-foreign consortium is the most likely scenario if the privatization plan proceeds.

PARTNERSHIP OPPORTUNITIES

There has been a trend in Mexico towards the use of build-operate-transfer (BOT) contracts for infrastructure projects. Recently, urban transit systems have begun to be organized on a BOT basis. The new Tijuana rapid transit system and the *Tren Elevado* in Mexico City are examples.

Another example is a new, electrified intercity rail line, completely separate from *Ferrocarriles Nacionales de México (FNM)*, the national railway, linking the cities of León, Guanajuato and Celaya north of Mexico City. The system is known as the *Tren Regional Interurbano Guanajuato (TRIG)*, Guanajuato Regional Transit System. A consortium called *Tren Nacional Urbano Guomaya*, which includes Bombardier of Montreal, is about to sign a BOT agreement with the Mexican government. The project will cost C \$800 million and will use between 65 and 70 cars, similar to ones being built by Bombardier for the Deux Montagnes line in Montreal. The cars will be built in Canada.

CONSULTING OPPORTUNITIES

The government of Mexico began an initiative called the *Programa de las 100 Ciudades*, 100 Medium-sized Cities Program, in 1993, with assistance from the World Bank. This five-year program is designed to improve the quality of life in Mexico's medium-sized cities. These cities will be the focus of Mexico's population growth over the next 25 years. At present, few if any of them are structurally prepared for such growth.

The program focusses on infrastructure development in five areas, including urban transportation. The World Bank and the Mexican federal government have each allocated US \$200 million to the project, which will operate for five years. So far, 22 of the largest target cities have completed the planning stages and now are implementing solutions.

Most of the remaining 78 cities represent opportunities for Canadian transportation and city planning experts. Beyond the study phase, all of these cities will have considerable budgets to invest in new transportation systems. A typical purchase will be 15 percent financed by the municipality and 35 percent by state and federal governments. The remaining financial support will come from the World Bank. Participation in these projects will almost certainly require a local partner.

THE REGULATORY ENVIRONMENT

No regulatory obstacles stand in the way of Canadian bus and rail exports to Mexico.

The overall management of Mexico's transportation network is the responsibility of the *Secretaría de Comunicaciones y Transportes (SCT)*, Secretariat of Communications and Transportation. Two divisions of the Secretariat play especially important roles in regulating transportation. They are the Subsecretariat for Infrastructure and the Subsecretariat for Transportation.

Other important regulatory agencies include:

- *Transporte Aéreo Federal*, the federal transportation agency.
- *Ferrocarriles Nacionales de México (FNM)* the national railway, responsible for everything related to trains and the railway system. It now incorporates the General Railway Directorate of *SCT*.
- *Caminos y Puentes Federales de Ingresos y Servicios Conexos (CAPFISC)*, Federal Roads and Bridges Authority, the government agency responsible for the operation and maintenance of toll roads.
- *Instituto Mexicano del Transporte*, Mexican Institute of Transportation, responsible mainly for research and development.

GOVERNMENT POLICIES

DOMESTIC CONTENT

Mexico demands that there is 36 percent local content for vehicles sold in Mexico. This applies on a fleet basis, not to individual vehicles, so imports of complete vehicles are permitted. Under the North American Free Trade Agreement (NAFTA), this requirement will be phased out over several years. A transition period of approximately one-to-two years can be negotiated for firms building new plants in Mexico.

FINANCE

Except in the Federal District, there is no federal funding for the operation of public bus systems. This is unlikely to change. However, state and municipal governments may provide funding. The federal government will fund half of the capital cost of new light rail transit (LRT) lines. The trend, however, is toward private funding through build-operate-transfer (BOT) arrangements.



PROCUREMENT

Since all institutions in charge of urban and intercity rail systems are government institutions, they are obliged to follow Mexico's laws regarding bidding processes. For the most part, these bids are international. A separate handbook is available describing the bidding process for government secretariats and *paraestatales*, state-owned companies.



PRODUCT STANDARDS

Mexico has a system of official standards called *Normas Oficiales Mexicanas (NOMs)*. For motor vehicles they are comparable to Canadian motor vehicle safety standards (CMVSS). The relevant *NOMs* are the following:

- NOM-EM-012-SCT-1-1994
- NOM-014-SCT-2-1993

Vehicle and driver safety standards are likely to become tougher within the next two-to-three years. This will result in greater emphasis on safety features in new vehicle designs, as well as vehicle maintenance standards and driver training.

Mexican railway standards are identical to those of the American Association of Railroads (AAR) and thus are the same as those in Canada and the United States.

MARKET ENTRY STRATEGIES

A local presence is essential for Canadian companies that want to enter the Mexican bus and rail sector. Technological joint ventures offer especially interesting opportunities.

Bus and rail products are normally purchased directly from suppliers by the end users. Personal visits to potential buyers are the most common marketing method. Since there are relatively few end users, this in itself is not a problem. But because of language and cultural barriers, most Canadian exporters are represented in Mexico by agents.

The agent can facilitate introductions and accompany the suppliers' representatives to meetings with customers. Since bus and rail products tend to be relatively complex, purchases normally involve many technical specifications that the agent must fully understand. Therefore, the agent must be supported by trained technical personnel.

The larger transit systems have purchasing agents. Mexicans like to do business with people they know, and it is usually necessary to establish personal contacts before making a sale. In this respect, the Mexican purchasing process is not as formal as it is in Canada.

MOVING INTO MEXICO

The first step for most Canadian companies is to make contact with prospective local agents or joint-venture partners. This is often accomplished by attending trade shows. Focussed trade missions by Canadian companies can help to make contact with potential customers and gain greater understanding of the Mexican market. Consortia of Canadian companies can share development costs and present a wider range of expertise.

Visits to Canada by Mexican end users can be used to demonstrate Canadian products and expertise. A visit might include inspections of key Canadian transit systems. Technical seminars in Mexico are another good way to introduce new technologies.

Canadian products can also be distributed in Mexico through alliances with Mexican manufacturers or suppliers. This is most feasible where the Mexican and Canadian companies produce complementary products. Mexican companies are always looking for new technologies to keep them competitive. In return, they can offer established industry contacts and good knowledge of the market. In the current economic environment, however, Mexican companies expect their partners to bring capital as well as technology.

AFTER-SALES SUPPORT

After-sales support is essential for any technological good, and bus and rail products are no exception. Mexicans expect the same kind of support as Canadian customers. In general, this requires the establishment of a local office, either through an agent or a Canadian assigned to manage Mexican service. Either way, the ability to demonstrate staying power is essential.

TRADE SHOWS

Attending trade shows is a good way for Canadian companies to introduce their products and to make contacts with potential agents or customers.

- The *Asociación Nacional de Productores de Autobuses, Camiones y Tractocamiones, A.C. (ANPACT)*, National Association of Bus, Truck and Tractor-trailer Manufacturers, holds an annual meeting and trade show in Mexico City, usually in May or June.
- The *Asociación Latinoamericana de Metros y Subterráneos (ALAMYS)* has annual meetings in rotating venues in Latin America. The 1995 event was held in Mexico City.
- The *Asociación Mexicana de Ingeniería de Transporte, A.C.* has a regular meeting and a trade show every two years.

Several Mexican transit systems, including Mexico City, Monterrey and Guadalajara are members of the *Union International des Transport Publicos (UITP)* and the American Public Transit Association (APTA). These organizations have annual meetings and trade shows.

Ferrocarriles Nacionales de México (FNM), the national railway, is a member of the American Association of Railways, American Railway Engineering Association, *Asociación Congreso Panamericano Ferrocarriles (ACPF)* and *Asociación Latinoamericana de Ferrocarriles*. The associations have annual meetings in South America.

WHERE TO GET HELP

CANADIAN GOVERNMENT DEPARTMENTS AND SERVICES IN CANADA

DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE (DFAIT)

DFAIT is the Canadian federal government department most directly responsible for trade development. The InfoCentre should be the first contact point for advice on how to start exporting. It provides information on export-related programs and services, acts as an entry point to DFAIT's trade information network, and can provide copies of specialized export publications and market information to interested companies.

InfoCentre

Tel.: 1-800-267-8376 or (613) 944-4000

Fax: (613) 996-9709

FaxLink: (613) 944-4500

InfoCentre Bulletin Board (IBB):

1-800-628-1581 or (613) 944-1581

Internet: <http://www.dfait-maeci.gc.ca>

The Latin America and Caribbean Branch promotes trade with Mexico. There are several trade commissioners at the Embassy of Canada in Mexico City, as well as in the satellite offices in Monterrey and Guadalajara. Trade commissioners can provide a range of services including introducing Canadian companies to potential customers in Mexico, advising on marketing channels, assisting those wishing to participate in trade fairs, helping to identify suitable Mexican firms to act as agents, and compiling strategic business intelligence on potential foreign customers.

Latin America and Caribbean Branch

Department of Foreign Affairs and International Trade

Lester B. Pearson Building

125 Sussex Drive

Ottawa, ON K1A 0G2

Tel.: (613) 996-5547

Fax: (613) 996-6142

INTERNATIONAL TRADE CENTRES

International Trade Centres have been established across the country as a convenient point of contact to support the exporting efforts of Canadian firms. The centres operate under the guidance of DFAIT and all have resident trade commissioners. They help companies determine whether or not they are ready to export, assist firms with market research and planning, provide access to government programs designed to promote exports, and arrange for assistance from the trade commissioners in Ottawa and trade officers abroad. Contact the International Trade Centre nearest you:

Newfoundland

International Trade Centre

P.O. Box 8950

Atlantic Place

215 Water Street

Suite 504

St. John's, NF A1B 3R9

Tel.: (709) 772-5511

Fax: (709) 772-2373

Prince Edward Island

International Trade Centre

P.O. Box 1115

Confederation Court Mall

134 Kent Street

Suite 400

Charlottetown, PE C1A 7M8

Tel.: (902) 566-7400

Fax: (902) 566-7450

Nova Scotia

International Trade Centre

P.O. Box 940, Station M

1801 Hollis Street

Halifax, NS B3J 2V9

Tel.: (902) 426-7540

Fax: (902) 426-2624

New Brunswick

International Trade Centre

1045 Main Street

Unit 103

Moncton, NB E1C 1H1

Tel.: (506) 851-6452

Fax: (506) 851-6429

Quebec
International Trade Centre
5 Place Ville-Marie
Seventh Floor
Montreal, PQ H3B 2G2
Tel.: (514) 496-4636
Fax: (514) 283-8794

Ontario
International Trade Centre
Dominion Public Building
1 Front St. West
Fourth Floor
Toronto, ON M5J 1A4
Tel.: (416) 973-5053
Fax: (416) 973-8161

Manitoba
International Trade Centre
P.O. Box 981
330 Portage Avenue
Eighth Floor
Winnipeg, MB R3C 2V2
Tel.: (204) 983-4540
Fax: (204) 983-2187

Saskatchewan
International Trade Centre
The S.J. Cohen Building
119-4th Avenue South
Suite 401
Saskatoon, SK S7K 5X2
Tel.: (306) 975-5315
Fax: (306) 975-5334

Alberta
**Edmonton office is also responsible for Northwest Territories*
International Trade Centre
Canada Place
9700 Jasper Avenue
Room 540
Edmonton, AB T5J 4C3
Tel.: (403) 495-2944
Fax: (403) 495-4507

International Trade Centre
510-5th Street S.W.
Suite 1100
Calgary, AB T2P 3S2
Tel.: (403) 292-6660
Fax: (403) 292-4578

British Columbia
**Vancouver office is also responsible for the Yukon*
International Trade Centre
300 West Georgia Street
Suite 2000
Vancouver, BC V6B 6E1
Tel.: (604) 666-0434
Fax: (604) 666-8330

WORLD INFORMATION NETWORK FOR EXPORTS (WIN EXPORTS)

WIN Exports is a computer-based information system designed by DFAIT to help Canada's trade development officers abroad match foreign needs to Canadian capabilities. It provides users with information on the capabilities, experience and interests of more than 23,000 Canadian exporters. To register on WIN Exports, call (613) 996-5701, or fax 1-800-667-3802 or (613) 944-1078.

PROGRAM FOR EXPORT MARKET DEVELOPMENT (PEMD)

PEMD is DFAIT's primary export promotion program. It supports a variety of activities to help Canadian companies expand into export markets.

PEMD shares up to 50 percent of eligible expenses. Program financial assistance is a repayable contribution, not a grant, and must be approved in advance. Funded activities include:

- Market Development Strategies, which consist of a package of support for visits, trade fairs, and market support initiatives, under one umbrella of the company's marketing plan.
- New to Exporting Companies, which provides a vehicle for these companies to seek out individual export opportunities, either through a market identification visit or participation in an international trade fair.
- Capital Projects Bidding for specific projects outside Canada involving international competition/formal bidding procedures.
- Trade Association Activities undertaken by non-sales national trade or industry associations on behalf of their member companies.

Support is provided for certain types of government-planned activities, such as outgoing trade missions of Canadian business representatives and incoming missions to Canada of foreign business persons and officials who can influence export sales. For general information, call the InfoCentre at 1-800-267-8376. For applications for assistance, call the International Trade Centre nearest you.

INTERNATIONAL FINANCING

DFAIT helps Canadian exporters interested in pursuing multilateral business opportunities financed by international financing institutions (IFIs). Canadian exporters and trade associations can access market data, obtain a better understanding of the competition, and determine if an IFI-funded market opportunity is practical and worth pursuing. DFAIT can provide information and advice on the availability of Canadian government-funded assistance programs and can assist companies in developing effective export marketing. For further information, contact:

International Financing Division

Department of Foreign Affairs and International Trade
Lester B. Pearson Building
125 Sussex Drive
Ottawa, ON K1A 0G2
Tel.: (613) 995-7251
Fax: (613) 943-1100

TECHNOLOGY INFLOW PROGRAM (TIP)

Managed by DFAIT and delivered domestically by the National Research Council, TIP is designed to help Canadian companies locate, acquire and adopt foreign technologies by promoting international collaboration. The Department of Industry (DI) also helps in program promotion. TIP officers respond to requests to identify technology sources and opportunities for cooperation between Canadian and foreign firms. The Program also helps Canadian firms make exploratory visits abroad to identify and gain first-hand knowledge of relevant foreign technologies, as well as how to negotiate to acquire them. For information, call (613) 993-5326.

INVESTMENT DEVELOPMENT PROGRAM

The Investment and Technology Bureau (TID) promotes Canada as an attractive, competitive destination for business investment to potential foreign investors. It actively encourages investments that take the form of new plant and equipment, joint ventures or strategic partnerships. The Bureau is especially interested in attracting investment that introduces new technology into Canada, which is key to creating new jobs and economic opportunities. It also helps Canadian companies to find international investment partners and to access international sources of capital and technologies. TID provides support to the chief executive officers of Canadian subsidiaries of multinationals which are seeking to attract manufacturing and R&D mandates to Canada. It also monitors and analyzes investment trends and perceptions of Canada as an investment site. TID works

closely with the "geographic" branches of DFAIT and the investment counsellors at Canadian missions around the world, as well as with provincial and municipal authorities, and professional and business organizations. For more information, contact:

Investment and Technology Bureau (TID)

Department of Foreign Affairs and International Trade
Lester B. Pearson Building
125 Sussex Drive
Ottawa, ON K1A 0G2
Tel.: (613) 995-4128
Fax: (613) 995-9604

DEPARTMENT OF INDUSTRY (DI)

DI was created with a broad mandate to make Canada more competitive by fostering the growth of Canadian businesses, by promoting a fair and efficient marketplace for business and consumers, and by encouraging commercial ventures in scientific research and technology. In the area of small business, it has been given specific responsibility to:

- develop, implement and promote national policies to foster the international competitiveness of industry; the enhancement of industrial, scientific and technological development; and the improvement in both the productivity and efficiency of industry;
- promote the mobility of goods, services, and factors of production within Canada;
- develop and implement national policies to foster entrepreneurship and the start-up, growth and expansion of small businesses;
- develop and implement national policies and programs respecting industrial benefits from procurement of goods and services by the Government of Canada; and
- promote and provide support services for the marketing of Canadian goods, services and technology.

The regional offices of DI work directly with Canadian companies to promote industrial, scientific and technological development. They help clients recognize opportunities in a competitive international marketplace by providing services in the areas of business intelligence and information as well as trade and market development. DI also promotes and manages a portfolio of programs and services.

The following are areas in which DI regional offices have special competence:

- access to trade and technology intelligence and expertise;
- entry points to national and international networks;
- industry-sector knowledge base;
- co-location with International Trade Centres connected to DFAIT and Canadian posts abroad;
- client focus on emerging and threshold firms; and
- business intelligence.

For more information, call (613) 941-0222.

Advanced Manufacturing Technologies Directorate

Department of Industry
235 Queen Street
Tenth Floor, East Tower
Ottawa, ON K1A 0H5
Tel.: (613) 954-3249
Fax: (613) 941-2463

Business Service Centre

Department of Industry
235 Queen Street
First Floor, East Tower
Ottawa, ON K1A 0H5
Tel.: (613) 952-4782
Fax: (613) 957-7942

NAFTA Information Desk

Department of Industry
235 Queen Street
Fifth Floor, East Tower
Ottawa, ON K1A 0H5
Fax: (613) 952-0540

THE BUSINESS OPPORTUNITIES SOURCING SYSTEM (BOSS)

BOSS is a computerized databank that profiles over 25,000 Canadian companies. It lists basic information on products, services and operations of use to potential customers. The system was established in 1980 by the Department of Industry (DI) in cooperation with participating provincial governments. BOSS was originally established so that trade commissioners posted around the world by DFAIT could find Canadian companies that might be able to take advantage of foreign market opportunities. Today, more than

11,000 domestic and international subscribers use the system, not only to locate Canadian suppliers, but also to obtain market intelligence and identify market opportunities. The majority of subscribers are Canadian companies. For more information, call (613) 954-5031.

MARKET INTELLIGENCE SERVICE (MIS)

MIS provides Canadian businesses with detailed market information on a product-specific basis. The service assists Canadian companies in the exploitation of domestic, export, technology transfer and new manufacturing investment opportunities. The intelligence is used by Canadian businesses in decisions regarding manufacturing, product development, marketing and market expansion. A request for information can be custom-tailored to meet each client's particular need. Previously-published customized reports are also available on request. The database is updated quarterly and annually. MIS is offered free of charge by fax, letter or telephone. For more information, contact:

Strategic Information Branch

Department of Industry
235 Queen Street
First Floor, East Tower
Ottawa, ON K1A 0H5
Tel.: (613) 954-5031
Fax: (613) 954-1894

REVENUE CANADA

Revenue Canada, Customs Program Branch provides a NAFTA Help Desk telephone line with service available in Spanish. Revenue Canada publications and customs notices are available by calling or faxing the NAFTA Information Desk. For more information, contact:

NAFTA Spanish Help Desk

Tel.: (613) 941-0965

NAFTA Information Desk

Revenue Canada, Customs Programs Branch
191 Laurier Avenue West
Sixth Floor
Ottawa, ON K1A 0L5
Tel.: 1-800-661-6121, or (613) 941-0965
Fax: (613) 952-0022

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY (CIDA)

An important possible source of financing for Canadian ventures in Mexico is the special fund available through CIDA under the Industrial Cooperation Program (CIDA/INC). This program provides financial contributions to stimulate Canadian private-sector involvement in developing countries by supporting long-term business relationships such as joint ventures and licensing arrangements. INC supports the development of linkages with the private sector in Mexico by encouraging Canadian enterprises to share their skills and experiences with partners in Mexico and other countries. A series of INC mechanisms help enterprises to establish mutually beneficial collaborative arrangements for the transfer of technology and the creation of employment in Mexico.

There are five INC mechanisms that help eligible Canadian firms to conduct studies and that provide professional guidance and advice to potential clients. Where a project involves environmental improvement, technology transfer, developmental assistance to women, job training or job creation, early contact with CIDA's Industrial Cooperation Division is suggested. An important CIDA criterion is that the project creates jobs in Mexico without threatening jobs in Canada. In fact, most CIDA-assisted projects have produced net increases in Canadian jobs. For more information, contact:

Industrial Cooperation Division
Canadian International Development Agency
200 Promenade du Portage
Hull, PQ K1A 0G4
Tel.: (819) 997-7905/7906
Fax: (819) 953-5024

ATLANTIC CANADA OPPORTUNITIES AGENCY (ACOA)

Atlantic Canadian companies seeking to develop exports to Mexico may be eligible for assistance from the ACOA. The Agency works in partnership with entrepreneurs from the Atlantic region to promote self-sustaining economic activity in Atlantic Canada.

ACOA provides support to businesses as they look to expand existing markets through the development of marketing plans. Efforts include monitoring trade opportunities arising from global economic change, communications efforts to promote the region, trade missions and associated activities, as well as better coordination with federal and provincial bodies that influence trade and investment opportunities. For more information, contact:

Atlantic Canada Opportunities Agency
Blue Cross Centre
644 Main Street
P.O. Box 6051
Moncton, NB E1C 9J8
Tel.: 1-800-561-7862
Fax: (506) 851-7403

WESTERN ECONOMIC DIVERSIFICATION CANADA (WD)

WD is responsible for federal economic development activities in Western Canada. The Department works in partnership with the western provinces, business, industry associations and communities to stimulate the western Canadian economy.

WD's "New Directions" program will work to enhance the export position of western companies by boosting their competitiveness in domestic and global markets.

The Department no longer provides repayable loans to individual companies, but seeks new innovative partnerships within both the public and private sectors. These partnerships will address the needs of small- and medium-sized enterprises for information, business services and capital, particularly for high growth industries critical to Western Canada's economic diversification.

One of WD's new products focused on export development is the International Trade Personnel Program. This federal-provincial initiative links export-focused western firms with recent post-secondary graduates. The program accomplishes two important socio-economic goals: it gives companies the extra person-power they need to penetrate new markets, and it gives recent graduates valuable work experience. Under the new program, the length of export-development projects may vary from one to three years. Approved projects will be eligible for assistance ranging from C \$7,500 for one year, to a maximum of C \$37,500 per graduate over the 3 year period. For more information, contact:

Western Economic Diversification Canada
The Cargill Building
240 Graham Avenue
Suite 712
P.O. Box 777
Winnipeg, MB R3C 2L4
Tel.: (204) 983-4472
Fax: (204) 983-4694

EXPORT DEVELOPMENT CORPORATION (EDC)

EDC is a customer-driven, financial services corporation dedicated to helping Canadian businesses succeed in the global marketplace. EDC provides a wide range of risk management services, including insurance, financing and guarantees to Canadian exporters and their customers around the world.

EDC's products fall into four main categories:

- export credit insurance, covering short- and medium-term credits;
- performance-related guarantees and insurance, providing cover for exporters and financial institutions against calls on various performance bonds and obligations normally issued either by banks or surety companies;
- foreign investment insurance, providing political risk protection for Canadian investments abroad; and
- export financing, providing medium- and long-term export financing to foreign buyers of Canadian goods and services.

EDC has established relationships with leading commercial and public sector institutions in Mexico and Latin America. Exporters can call (613) 598-2860 for more information.

Smaller exporters, with annual export sales under C \$1 million, should call the Emerging Exporter Team at 1-800-850-9626.

Exporters in the information technology sector can call EDC's Information Technologies Team at (613) 598-6891.

For information on the full range of EDC services, contact any of the following EDC offices:

Ottawa Export Development Corporation
151 O'Connor Street
Ottawa, ON K1A 1K3
Tel.: (613) 598-2500
Fax: (613) 237-2690

Vancouver Export Development Corporation
One Bentall Centre
505 Burrard Street
Suite 1030
Vancouver, BC V7X 1M5
Tel.: (604) 666-6234
Fax: (604) 666-7550

Calgary

Export Development Corporation
510-5th Street S.W.
Suite 1030
Calgary, AB T2P 3S2
Tel.: (403) 292-6898
Fax: (403) 292-6902

Winnipeg

**office also serves
Saskatchewan*

Export Development Corporation
330 Portage Avenue
Eighth Floor
Winnipeg, MB R3C 0C4
Tel.: (204) 983-5114
Fax: (204) 983-2187

Toronto

Export Development Corporation
National Bank Building
150 York Street
Suite 810
P.O. Box 810
Toronto, ON M5H 3S5
Tel.: (416) 973-6211
Fax: (416) 862-1267

London

Export Development Corporation
Talbot Centre
148 Fullarton Street
Suite 1512
London, ON N6A 5P3
Tel.: (519) 645-5828
Fax: (519) 645-5580

Montreal

Export Development Corporation
Tour de la Bourse
800 Victoria Square
Suite 4520
P.O. Box 124
Montreal, PQ H4Z 1C3
Tel.: (514) 283-3013
Fax: (514) 878-9891

Halifax

Export Development Corporation
Purdy's Wharf, Tower 2
1969 Upper Water Street
Suite 1410
Halifax, NS B3J 3R7
Tel.: (902) 429-0426
Fax: (902) 423-0881

NATIONAL RESEARCH COUNCIL (NRC)

Canadian companies hoping to succeed in the Mexican marketplace may require additional technology to improve their competitiveness. The NRC works with Canadian firms of all sizes to develop and apply technology for economic benefit. The Council manages the Industrial Research Assistance Program (IRAP), a national network for the diffusion and transfer of technology.

The IRAP network supports the process of developing, accessing, acquiring, implanting and using technology throughout Canadian industry. IRAP has been in existence for 50 years and has acquired a reputation as one of the most flexible and effective federal programs. IRAP takes

advantage of an extensive network of more than 190 different locations within approximately 90 communities across Canada, including numerous provincial technology centres, the NRC's own laboratories and research institutes, federal government departments, and technology transfer offices in Canadian universities. For further information, contact:

Industrial Research Assistance Program

National Research Council
Montreal Road
Building M-55
Ottawa, ON K1A 0R6
Tel.: (613) 993-1770
Fax: (613) 952-1086

KEY CONTACTS IN CANADA

SPONSORING ORGANIZATIONS

BAKER & MCKENZIE

Baker & McKenzie is one of the largest international law firms with offices in 35 countries. They presently have four offices in Mexico, in the cities of Juárez, Mexico City, Monterrey and Tijuana. In addition to providing legal advice, the firm's offices in Canada and Mexico work to assist Canadian companies to find the right partner to enable them to establish or expand their activities in Mexico. For more information, contact:

Baker & McKenzie
Barristers & Solicitors
BCE Place
181 Bay Street
Suite 2100
Toronto, ON M5J 2T3
Tel.: (416) 865-6910/6903
Fax: (416) 863-6275

BUSINESS AND PROFESSIONAL ASSOCIATIONS

Canadian Urban Transit Association (CUTA)
55 York Street
Suite 901
Toronto, ON M5J 1R7
Tel.: (416) 365-9800
Fax: (416) 365-1295

Railway Association of Canada

800 René Lévesque West
Suite 1105
Montreal, PQ H3B 1X9
Tel.: (514) 879-8555
Fax: (514) 879-1522

Canadian Council for the Americas (CCA)

The Council is a non-profit organization formed in 1987 to promote business interests in Latin American as well as Caribbean countries. The CCA promotes events and programs targetted at expanding business and building networking contacts between Canada and the countries of the region.

The Canadian Council for the Americas

Executive Offices
360 Bay Street
Suite 300
Toronto, ON M5H 2V6
Tel.: (416) 367-4313
Fax: (416) 367-5460

Canadian Exporters' Association

99 Bank Street
Suite 250
Ottawa, ON K1P 6B9
Tel.: (613) 238-8888
Fax: (613) 563-9218

Canadian Manufacturers' Association
75 International Boulevard
Fourth Floor
Etobicoke, ON M9W 6L9
Tel.: (416) 798-8000
Fax: (416) 798-8050

The Canadian Chamber of Commerce
55 Metcalfe Street
Suite 1160
Ottawa, ON K1P 6N4
Tel.: (613) 238-4000
Fax: (613) 238-7643

Forum for International Trade Training Inc.
155 Queen Street
Suite 608
Ottawa, ON K1P 6L1
Tel.: (613) 230-3553
Fax: (613) 230-6808

Language Information Centre
240 Sparks Street RPO
Box 55011
Ottawa, ON K1P 1A1
Tel.: (613) 523-3510

Open Bidding Service
P.O. Box 22011
Ottawa, ON K1V 0W2
Tel.: 1-800-361-4637 or (613) 737-3374
Fax: (613) 737-3643

Canadian Standards Association
178 Rexdale Blvd.
Rexdale, ON M9W 1R3
Tel.: (416) 747-4000
Fax: (416) 747-4149

Standards Council of Canada
45 O'Connor Street
Suite 1200
Ottawa, ON K1P 6N7
Tel.: (613) 238-3222
Fax: (613) 995-4564



MEXICAN GOVERNMENT OFFICES IN CANADA

The Embassy of Mexico and Mexican consulates can provide assistance and guidance to Canadian companies in need of information about doing business in Mexico. For more information, contact:

Embassy of Mexico
45 O'Connor Street
Suite 1500
Ottawa, ON K1P 1A4
Tel.: (613) 233-8988
Fax: (613) 235-9123

Mexican Consulate in Ottawa
45 O'Connor Street
Suite 1500
Ottawa, ON K1P 1A4
Tel.: (613) 233-6665
Fax: (613) 235-9123

OTHER MEXICAN CONSULATES GENERAL IN CANADA

Consulate General of Mexico
2000 Mansfield Street
Suite 1015
Montreal, PQ H3A 2Z7
Tel.: (514) 288-2502/4916
Fax: (514) 288-8287

Consulate General of Mexico
199 Bay Street
Suite 4440
P.O. Box 266, Station Commerce Court West
Toronto, ON M5L 1E9
Tel.: (416) 368-2875/8141/1847
Fax: (416) 368-8342

Consulate General of Mexico
810-1139 West Pender Street
Vancouver, BC V6E 4A4
Tel.: (604) 684-3547/1859
Fax: (604) 684-2485

MEXICAN FOREIGN TRADE COMMISSIONS

Banco Nacional de Comercio Exterior (Bancomext) is the Mexican Foreign Trade Commission and has offices in Canada. It offers credits, export guarantees and counselling services to Mexican companies seeking to do business in Canada.

Banco de Comercio (Bancomer)
The Royal Bank Plaza
South Tower
Suite 2915
P.O. Box 96
Toronto, ON M5J 2J2
Tel.: (416) 956-4911
Fax: (416) 956-4914

MEXICAN BANKS WITH OFFICES IN CANADA

Banco Nacional de México (Banamex), *Banco de Comercio (Bancomer)*, and *Banca Serfin* are private-sector banks which offer specialized services through their international trade information centres. The centres participate in a computerized communications network with access to numerous economic, governmental and financial databases throughout the world. These banks are located throughout Mexico and maintain offices in Toronto.

Banca Serfin
BCE Place
Canada Trust Tower
161 Bay Street
Suite 4360
P.O. Box 606
Toronto, ON M5J 2S1
Tel.: (416) 360-8900
Fax: (416) 360-1760

Banco Nacional de México (Banamex)
1 First Canadian Place
Suite 3430
P.O. Box 299
Toronto, ON M5X 1C9
Tel.: (416) 368-1399
Fax: (416) 367-2543

CANADIAN GOVERNMENT DEPARTMENTS AND SERVICES IN MEXICO

TRADE AND ECONOMIC DIVISION THE EMBASSY OF CANADA IN MEXICO

The Trade and Economic Division of the Canadian Embassy in Mexico can provide vital assistance to Canadians venturing into the Mexican market. The trade commissioners are well-informed about the market and will respond in whatever measures possible to support a Canadian firm's presence in Mexico.

Note: to telephone Mexico City, dial 011-52-5 before the number shown. For contacts in other cities in Mexico, consult the international code listing at the front of your local telephone directory for the appropriate regional codes.

Trade and Economic Division
The Embassy of Canada in Mexico
Schiller No. 529
Apartado Postal 105-05
Col. Polanco
11560 México, D.F.
México
Tel.: 724-7900
Fax: 724-7982

Canadian Consulate
Edificio Kalos, Piso C-1
Local 108-A
Zaragoza y Constitución
64000 Monterrey, Nuevo León
México
Tel.: 344-3200
Fax: 344-3048

Canadian Consulate
Hotel Fiesta Americana
Local 30-A
Aurelio Aceves No. 225
Col. Vallarta Poniente
44110 Guadalajara, Jalisco
México
Tel.: 616-6215
Fax: 615-8665

KEY CONTACTS IN MEXICO

MEXICAN GOVERNMENT DEPARTMENTS

Secretariat of Commerce and Industrial Development
Secretaría de Comercio y Fomento Industrial (SECOFI)
Subsecretaría de Comercio Exterior
Insurgentes Sur No. 1940 - P.H.Col. Florida
01030 México, D.F.
México
Tel.: 229-6560/6561/6100
Fax: 229-6568

**Secretariat of Commerce and Industrial Development
Bureau of Standards**
Secretaría de Comercio y Fomento Industrial (SECOFI)
Dirección General de Normas
Av. Puente de Tecamachalco No. 6
Col. Lomas de Tecamachalco
53950 Tecamachalco, Estado de México
México
Tel.: 729-9300
Fax: 729-9484

Secretariat of Communications and Transportation
Secretaría de Comunicaciones y Transportes (SCT)
Subsecretaría de Comunicación y Desarrollo Tecnológico
Av. Universidad y Xola, Cuerpo C, Piso 1
Col. Narvarte
03020 México, D.F.
México
Tel.: 519-5201
Fax: 559-8708

Department of the Federal District
Departamento del Distrito Federal (DDF)
Plaza de la Constitución
esq. Pino Suárez, Piso 1
Col. Centro
06060 México, D.F.
México
Tel.: 518-1100, 782-2088/3000
Fax: 524-1429

National Institute for Statistics, Geography and Informatics
Instituto Nacional de Estadística, Geografía e Informática (INEGI)
Edificio Sede
Av. Héroe de Nacosari No. 2301 Sur
Fraccionamiento Jardines del Parque
20290 Aguascalientes, Aguascalientes
México
Tel.: 918-6947
Fax: 918-6945

Federal Roads and Bridges Authority
Caminos y Puentes Federales de Ingresos y Servicios Conexos (CAPFISC)
Av. Plan de Ayala No. 629
Col. Lomas del Mirador
62350 Cuernavaca, Morelos
México
Tel.: 11-5400
Fax: 11-5347, 16-0519

Mexican National Railway
Ferrocarriles Nacionales de México (FNM)
Av. Jesús García Corona No. 140
Piso 13, Ala -A
Col. Buenavista
06358 México, D.F.
México
Tel.: 547-3556
Fax: 547-0959

Mexico City Subway Authority
Sistema de Transporte Colectivo Metro (STC)
Luis Moya No. 102 esq. Delicias
Col. Centro
06070 México, D.F.
México
Tel.: 512-4925, 627-4440/4497
Fax: 512-7580

Commission for Urban Transportation Works
Comisión de Vialidad y Transporte Urbano (COVITUR)
Av. Universidad No. 800
Col. Santa Cruz Atoyac
03310 México, D.F.
México
Tel.: 688-4475/8955
Fax: 604-1588

Electrical Transportation Authority of Mexico City
Servicios de Transportes Eléctricos del Distrito Federal (STE)
Municipio Libre No. 402, Piso 3
Col. San Andrés Tetepilco
09440 México, D.F.
México
Tel.: 539-6162/1584
Fax: 672-4758/539-2649

Monterrey Subway Authority
Sistema de Transporte Colectivo Metrorrey
Av. Pino Suárez No. 1123 Norte
Col. Centro
64000 Monterrey, Nuevo León
México
Tel.: 374-0199, 372-8521
Fax: 374-0195

Guadalajara Urban Transit Authority
Sistema de Tren Eléctrico Urbano de Guadalajara (SITEUR)
Federalismo Sur No. 217
Entre Madero y Prisciliano Sánchez
Sector Juárez
44100 Guadalajara, Jalisco
México
Tel.: 658-2952, 827-0512 ext. 2050
Fax: 613-4517

BUSINESS AND PROFESSIONAL ASSOCIATIONS

National Association of Bus, Truck and Tractor-trailer Manufacturers
Asociación Nacional de Productores de Autobuses, Camiones y Tractocamiones, A.C. (ANPACT)
Gabriel Mancera No. 114
Col. del Valle
03100 México, D.F.
México
Tel.: 682-2971/8508
Fax: 523-1828

American Public Transit Association (APTA)
1201 New York Avenue, NW
Washington, DC 20005
USA
Tel.: (202) 898-4000
Fax: (202) 898-4070

MEXICAN COMPANIES

Southern Pacific México, S.A. de C.V.
Paseo de las Palmas No. 735-1007
Col. Lomas de Chapultepec
11000 México, D.F.
México
Tel.: 202-6500
Fax: 520-5526

Union Pacific de México, S.A. de C.V.
Ruben Darío No. 281-1101
Col. Bosques de Chapultepec
11580 México, D.F.
México
Tel.: 628-8686
Fax: 628-8642

The Atchison, Topeka and Santa Fe Railway Company
Amberes No. 4-5
Col. Juárez
06600 México, D.F.
México
Tel.: 525-2515, 514-0969
Fax: 514-9564

Ingenieros Civiles Asociados, S.A. de C.V. (ICA)
Minea No. 145
Col. Escandón
11800 México, D.F.
México
Tel.: 272-9991
Fax: 272-9991 ext. 3868

Triturados Basálticos y Derivados, S.A. de C.V. (TRIBASA)
Bosque de Cidros No. 173
Col. Bosques de las Lomas
05120 México, D.F.
México
Tel.: 229-7485/7400
Fax: 229-7503

Bombardier-Concarril

Paseo de la Reforma No. 369, Mezzanine
Col. Juárez
06500 México, D.F.
México
Tel.: 729-9903
Fax: 525-0338

Construcciones y Auxiliar de Ferrocarriles (CAF)

Prolongación Uxmal No. 988
Col. del Valle
03310 México, D.F.
México
Tel.: 688-7543/3531, 604-1001
Fax: 688-1156

Diesel Nacional (DINA)

Margaritas No. 433
Col. Hacienda de Guadalupe
01050 México, D.F.
México
Tel.: 325-0927, 659-6997
Fax: 325-2110/2400

Mexicana de Autobuses, S.A. de C.V. (MASA)

Lago Guadalupe No. 289
Parque Industrial Cartagena
54900 Tultitlán, Estado de México
México
Tel.: 229-3712/3700/3729
Fax: 229-3707/3708

Mercedes-Benz de México, S.A. de C.V.

Kilómetro No. 23.7 Carretera la Marquesa a Tenango
Apartado Postal No. 1
52600 Santiago Tianguistenco
Estado de México
México
Tel.: 79-2400
Fax: 79-2493

HELP US TO SERVE YOU BETTER

We are interested in your views on this publication. Please take a few minutes to respond to the questions below.

1. What is your overall opinion of this publication?

- very useful
- useful
- moderately useful
- not useful

2. Please provide your assessment of each of the following aspects of this publication.

a) Quality of text discussion (mark one only):

- excellent
- good
- fair
- poor

b) Presentation of information (mark one only):

- excellent
- good
- fair
- poor

c) Use of graphics and other visual aids (mark one only):

- excellent
- good
- fair
- poor

3. If this publication were updated, revised and re-issued in the future, would you be interested in receiving a copy?

- yes, very interested
- probably interested
- no, not interested
- not sure

4. How did you find the structure and format of this publication?

- clear and easy to follow
- confusing and difficult to follow

5. For your purposes, did this publication provide a sufficiently complete treatment of the subject(s) reviewed?

- yes, definitely
- to some extent
- no
- can't say/don't know

6. This publication would have been more useful to me if it had (mark all that apply):

- provided more qualitative information
- provided less quantitative information
- made greater use of graphs, charts and tables
- contained a longer textual discussion
- contained a shorter textual discussion
- used more examples, case studies, company profiles

7. In your opinion, was there important information missing from this publication?

yes — please specify:

8. Are there any issues relevant to the subject of this publication that you would like to have seen covered in more detail?

9. Please offer any suggestions for improving the next version of this publication.

10. Will this publication assist you in your business development?

yes no

11. a) Does your company currently export?

- Yes, go to 11 b)
- No, go to 11 c)

b) If yes, to which foreign markets?

- U.S.A. Europe Japan
- Mexico Latin America
- Other (please specify) _____

c) If not, are you planning to export within the next 12 months?

- Yes, where?
 U.S.A. Europe Japan
- Mexico Latin America
- Other (please specify) _____

12. What is the approximate size of your company?

- under \$1 million
- \$1 to 5 million
- \$5 and \$10 million
- over \$10 million

To discuss this evaluation may we contact you? If so,

Name: _____

Company: _____


Address: _____

Tel.: _____ Fax.: _____

Please return the completed survey by fax to (613) 996-6142 or to the address below:

Latin America and Caribbean Branch
Department of Foreign Affairs and International Trade
Lester B. Pearson Bldg., 125 Sussex Drive
Ottawa, Ontario K1A 0G2



LIBRARY E / BIBLIOTHEQUE A E

3 5036 20084172 7

CA1 EA616 95B76 ENG c.1 DOCS
Opportunities in Mexico 43277301



Department of Foreign Affairs and International Trade
Ministère des Affaires étrangères et du Commerce international
Latin America & Caribbean Trade Division

InfoCentre

Fax: (613) 996-9709
FaxLink: (613) 944-4500

Toll free: 1-800-267-8376
Telephone: (613) 944-4000

Bulletin Board 1-800-628-1581
(IBB): (613) 944-1581