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Mexico

Product Brief

The Mexican Market for Bakery Products

2000

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This report is for informational purposes only to assist exporters of U.S. produced food and agricultural products in their sales and promotional efforts in Mexico. The data in this report were collected from local trade and government sources and are not necessarily official U.S. Department of Agriculture (USDA) data. While every effort has been made to provide an accurate list of contacts, telephone and fax numbers change frequently in Mexico. Also, there may be other qualified firms in Mexico and the United States, and their exclusion from any lists or directories is unintentional. Neither the U.S. Agricultural Trade Office nor the USDA endorses any firm contained herein. U.S. exporters should take normal commercial cautions when dealing with any potential importer, including checking credit references.

1. PRODUCT DEFINITION

The products included in this report are bakery products. These products are those described in Sub-chapters 19.05 of the Mexican Tariff System.

2. MARKET SIZE

Production

Based on official data for Mexican production of bakery products, production, in dollar terms, increased from US\$1.502 billion in 1997 to US\$1.652 billion in 1999. The categories for local production are: sweet cookies, salty cookies, untoasted white wheat bread, untoasted white box wholemeal bread, industry-produced sweet cookies, industry-produced white box bread, pancakes, frosted pastry and wheat tortillas. See table 1.

Table 1
**MEXICAN PRODUCTION OF
 BAKERY PRODUCTS, 1997-1999**
 (U.S. Billion Dollars and Thousand Tons)

	1997		1998		1999	
	U.S. Dls.	000 Tons	U.S. Dls.	000 Tons	U.S. Dls.	000 Tons
Production	1.502	1,056.9	1.560	1,108.9	1.652	1,150.8

Source: Instituto Nacional de Estadística, Geografía e Informática-INEGI (National Institute of Statistics, Geography and Informatics) and own estimates.

All dollar values used in reporting Mexican data were calculated according to the average exchange rate of the peso against the dollar for each year: 7.9, 9.2 and 9.7 pesos per one U.S. dollar for 1997, 1998 and 1999, respectively.

Imports

Mexican imports of bakery products increased from US\$47.0 million in 1997 to US\$76.2 million in 1999.

Table 2
**MEXICAN IMPORTS OF
 BAKERY PRODUCTS, 1997-1999**
 (U.S. Million Dollars)

	1997	1998	1999
Bakery Products	47.0	70.1	76.2

Source: Banco Nacional de Comercio Exterior-BANCOMEXT (National Bank of Foreign Trade)

U.S. Exports To Mexico

Table 3
**U.S. EXPORTS TO MEXICO OF
 BAKERY PRODUCTS, 1997-1999**
 (U.S. Million Dollars)

Import Code Numbers	1997	1998	1999
1905.1001-Crispbread	0	0	0
1905.2001-Spice bread	0.1	0.1	0.1
1905.3001-Sweet cookies such as wafers and waffles; communion wafers (except the sealing type), including ice cream wafers	6.4	7.9	10.3
1905.4001-Toasted bread and similar toasted products	0.1	0.8	0.7
1905.9099-Other bakery products	28.1	42.9	37.0
Total	34.7	51.7	48.1

Source: Banco Nacional de Comercio Exterior-BANCOMEXT (National Bank of Foreign Trade)

In a random store check conducted in the Mexico City Metropolitan Area, the following bakery product brands/suppliers from the United States were identified: PIZZAS: Pizza Ent. Inc., K.W. Foods; FROZEN PASTRIES AND BREAKFAST PRODUCTS: Sara Lee, Pillsbury, McCain, Continental Mills, Kellogg's, Tofutti Brands, Pepperidge Farm Inc.; COOKIES: World Finer Foods Inc., Wege, Delicious Frookie Co. Inc., Gourmet Award, Keebler Co., Sunshine Biscuits Co., Burns & Ricker Inc., Ace Baking Co., Murray Biscuit Co.; Stauffer Biscuit Co.

Other Foreign Competitors

Official Mexican import statistics listed 59 other countries as exporting bakery products to Mexico during the 1997-1999 period. Export sales, by principal countries, and their respective market shares are listed below. See table 4.

Table 4
MEXICAN IMPORTS OF BAKERY PRODUCTS BY COUNTRY, 1997-1999
 (U.S. Million Dollars and Percentage)

COUNTRIES	1997	1998	1999
United States	\$34.7	\$51.7	\$48.1
Percentage Market Share	73.8	73.8	63.1
Brazil	\$2.4	\$7.3	\$8.9
Percentage Market Share	5.1	10.4	11.7
Canada	\$2.9	\$5.0	\$6.6
Percentage Market Share	6.2	7.1	8.7
Italy	\$1.6	\$1.6	\$1.5
Percentage Market Share	3.4	2.3	2.0
Other Countries	\$5.4	\$4.5	\$1.1
Percentage Market Share	11.5	6.4	14.5
Total	\$47.0	\$70.1	\$76.2

Source: Banco Nacional de Comercio Exterior-BANCOMEXT (National Bank of Foreign Trade)

Domestic Consumption

Mexican consumption increased from US\$1,508.2 million in 1997 to US\$1,661.7 million in 1999. Local production is the main source of supply for consumption, and imports during this period have maintained a discrete presence in the market. Imports in 1997 represented 3.1 percent of local consumption, and only slightly increased their share of supply at 4.6 percent in 1999. See table 5.

Table 5
**MEXICAN CONSUMPTION OF
 BAKERY PRODUCTS, 1997-1999**
 (U.S. Million Dollars)

	1997	1998	1999
Production (1)	1,502.8	1,560.4	1,652.4
Imports (2)	47.0	70.1	76.2
Exports (2)	41.6	48.2	66.9
Consumption	1,508.2	1,582.3	1,661.7
Imports as % of consumption	3.1	4.4	4.6

Sources: (1)- INEGI

(2)- Banco Nacional de Comercio Exterior-BANCOMEXT

3. DOMESTIC COMPETITION

The Mexican food processing industry is composed of approximately 95,000 companies, according to the Industrial Census of 1994, the last year for which there are official figures. Official GDP figures indicate that the "Food, Beverages and Tobacco" sector grew 10 percent in 1997, 7.4 percent in 1998 and 3.9 percent in January-September of 1999. In general, the food-processing sector is one of the principal industrial activities in Mexico, and in the listing of the top 500 companies, the food-processing sector has the strongest presence, with 93 companies registered.

The Mexican bakery industry is considered to be mostly an artisan trade composed of neighborhood bakeries and regional bakeries. Mexican bakery companies range in size from one-family micro companies to multi-national, internationally recognized corporations. Micro companies represent around 80-90 percent of the number of companies, but less than 40 percent of the total production value. Some of the principal brands/companies producers of bakery products in Mexico include Grupo Industrial Bimbo (white bread, pastries), Pasteleria Francesa (pastries), Grupo Mac' ma (cookies), Tia Rosa (pastries), Continental De Alimentos (white bread), Productos Marinela (pastries), Suandy (cakes and cookies), Lily Ann (cakes and pies) and Daly & Bagel (bagels). Mexican bakery producers have made large investments in equipment and production but, in general, still lag far behind in modernizing their operations.

Local producers are the principal suppliers to this market and the main competitor to the United States. Driven by the competition from imported bakery products, Mexican companies have improved their technology in recent years. For example, many domestically processed food products of good quality are now available in retail outlets at competitive prices that are, in some cases, lower than those of comparative U.S. products. U.S. exporters should remember that Mexico is traditionally a price driven market and price is still a very important factor in many food purchases.

Local competition is strong, but high transportation and finance costs, as well as an increasing

reliance by food processors, in general, to import raw materials for the manufacture of their products, represents a weak position in their competitiveness. For example, from 80 to 90 percent of raw materials in this industry are sourced domestically, while about 30-40 percent of production machinery and control equipment is imported from the United States and Europe.

The Mexican food processing sector has been a favorite industry for direct foreign investment which, according to the latest figures, has attracted around US \$6 billion in foreign investment over the last five years, which represents about 25 percent of total investment.

The trade chamber for this sector is the Camara Nacional de la Industria Panificadora y Similares de Mexico-CANAINPA (National Chamber of the Bakeries Industries of Mexico), which has a membership of more than 22,000 bakeries. Other related processing trade organizations include: The Coordinating Council for the Food Industries of the CANACINTRA, and the Association of Food Technologists of Mexico. See section nine for contact information.

4. IMPORT REQUIREMENTS

Tariffs

Mexican import duties are classified according to the Standard International Harmonized System, as established under the provisions of the North America Free Trade Agreement (NAFTA). Sub-Chapter 19.05 of the Mexican Tariff System contains the duties for bakery products. In total, there are four specific tariff codes and one general tariff code related to this product category that are used for imports. U.S. exporters should take note that Mexican foreign trade data for frozen processed foods does not necessarily correlate with U.S. trade data.

As part of the NAFTA agreement, the products which have reached zero tariffs and are no longer subject to import duties are the following:

Tariff Code	Bakery Products
1905.1001	-Crispbread
1905.2001	-Spice bread

The following products, for 2000, are assessed with a three percent import duty, which will reach zero duties as of January 1, 2003:

Tariff Code	Bakery Products
1904.3001	-Sweet cookies such as wafers and waffles; communion wafers (except the sealing type), including ice cream wafers
1905.4001	-Toasted bread and similar toasted products
1905.9099	-Other bakery products

Mexico also has a fifteen percent value-added tax (VAT, or IVA in Spanish). Mexican Customs collect the VAT on foreign transactions upon entry of the merchandise into the country. As of July 1999, Mexican Customs used to charge a nominal customs processing fee of 0.08 percent, which has been eliminated as part of the NAFTA agreement. The following example illustrates how these duties are calculated as compared to a locally produced item.

	<u>Imported Products</u>	<u>Domestic Products</u>
F.O.B. Invoice value	\$100.00	\$100.00
Ad-Valorem duty (6 percent)	<u>6.00</u>	<u>N.A.</u>
Sub-total	\$106.00	\$100.00
Value-added tax (15 percent)	<u>15.90</u>	<u>15.00</u>
Total	<u>\$121.90</u>	<u>\$115.00</u>

Customs brokers use this total figure to calculate their fees which usually is 0.5 percent on the average plus any storage and handling fees if any.

The basic Mexican import document is the Pedimento de Importacion (customs entry document), which should be presented to Mexican Customs together with the commercial invoice in Spanish, a bill of lading and the Sanitary Import Notice. Products qualifying as "North American" must use the NAFTA certificate of origin to receive preferential treatment. This form is available from the U.S. Customs Service, freight forwarders, local U.S. Chambers or State Department of Agriculture and does not have to be validated or formalized. Mexican Customs Law is very strict regarding proper submission and preparation of customs documentation. Errors in paperwork can result in fines and even confiscation of merchandise as contraband. Exporters are advised to employ competent, reputable Mexican importers or custom brokers.

Sanitary Requirements

Under NAFTA, Mexican imports of bakery products do not require import permits or sanitary certificates.

Labeling

Labeling is also subject to a NOM requirement. The principal and specific NOM for labeling is NOM-051-SCFI-1994, published in the Diario Oficial (Official Gazette) on January 24, 1996. This Mexican standard applies to bakery products, both from local production and foreign sources. The general requisites of this NOM specify that labels must contain the following information in Spanish: name of product, list of ingredients clearly specified, net content; name and fiscal address of importer; country of origin; production lot and expiration date. Information on nutrition values is voluntary and only becomes obligatory when these values are enhanced either in a quantitative or qualitative form.

For additional information on NOMS on labeling, interested exporters can review NOMS: 002-SCFI (Prepackaged products; net content; tolerances and verification methods); 008-SCFI (General system of measurement units) and 030-SCFI (Commercial information-quantity statements and specifications in labels). The Mexican Government has issued 900 NOMS in total since its conception in 1992 of which 76 are for food products.

The Health Ministry has an address in the Internet [Http://ww.ssa.gob.mx/nom/index.html](http://ww.ssa.gob.mx/nom/index.html) where more information on these NOMs can be obtained.

Cargo Unloading, Transport and Storage Fees

Cargo unloading fees vary depending on the weight, number of pieces, type of merchandise and

location. These fees are usually charged according to pre-established tables. However, whenever possible, shippers should compare prices between service providers. In general, cargo unloading fees in Mexico are slightly higher than those in the United States for comparable services.

Trucks are the most reliable method of delivery within Mexico, accounting for approximately 60 percent of cargo volume. Rail and maritime shipping is more widely used for bulk commodities, and air freight is only used for highly perishable items. Trucking companies cannot bring merchandise directly from the United States to Mexico. A U.S. trucking company drives the shipment to the border and transfers its trailer to a Mexican rig. The best way to ship by truck is to use an internationally bonded carrier that has relationships with Mexican carriers. Mexican trucking companies generally determine their fees by mileage or distance, weight and type of merchandise. Practically all transport companies freight forwarders offer a basic insurance plan which cover transport and handling of cargo. When selecting a transporter it is recommended to check their claim history and complaints they might have received. While shippers will find that truck transportation is more expensive than "Container in Flat Car" (COFC) or "Trailer Flat Car" (TOFC), in general, transport fees are lower in Mexico by as much as 10 percent. The ability to ship by truck to Mexico gives the United States an advantage in shipping costs over third-country competitors. The main Mexican highways run north to south.

Warehousing costs vary depending on the space required and any specific product needs, such as refrigeration. Warehousing fees follow general market trends of supply and demand; however, it is advisable to compare prices, facilities and reputation, and negotiate before contracting. The three most important industrial centers are located in Mexico City where average warehouse rental fees around US\$3.90 m², per month; US\$ 3.00 in the Guadalajara area and approximately US\$ 5.80 per m² in Monterrey and surrounding areas. The Mexico City Metropolitan Area has six major industrial corridors (Iztacalco/Iztapalapa; Los Reyes/Tlahuac/Tlalpan; Naucalpan; Tlanepantla; Toluca/Lerma and Vallejo); Guadalajara has five (Guadalajara; El Salto; Periferico; Old Industrial and Belenes/San Juan Ocotlan) and Monterrey has five (Apodaca/Miguel Aleman; Santa Catarina; San Nicolas; Guadalupe/La Silla and Escobedo). Average rental fees per month in other important locations are: Tijuana US\$5.90; Puebla US\$ 3.90; Queretaro US\$3.40 and State of Mexico US\$2.70. In-bond storage facilities are a popular storage method used by exporters by which duties are paid on the items stored until they are released from the facility for distribution in the market. Any merchandise placed in a warehouse should be insured. A basic insurance policy can be secured from the warehouse administrator or a more comprehensive policy from a private insurance company.

5. WHO BUYS IMPORTED PRODUCTS IN MEXICO

The principal buyer of bakery products is the retail sector.

Retail Sector

The Mexican retail sector is the most significant buyer of bakery products in Mexico. Roughly 70-80 percent of all bakery products sales are made through major retail chains, and 25-15 percent are sold through the Central de Abasto/mom and pop store (abarrotes) stores. The remaining five percent is sold via hotels and restaurants. The organized part of this sector is represented by the large retail chains and convenience stores, which for the most part are well organized, use modern retailing and marketing techniques and face fierce domestic competition, and represent around 50 to 55 of total retail sales in Mexico. The leading retail companies are members of the Asociacion Nacional de

Tiendas de Autoservicio y Departamentales-ANTAD (National Association of Retail and Department Stores). The other part of this sector is comprised by the "mom and pop stores" which represent the traditional retail system which sells approximately around from 50 to 45 percent of total retail sales, and is a viable distribution channel for bakery products.

During the first three months of 2000, retail sales (same number of stores) grew 3.1 percent over the same period of last year. The increase in sales during the same period last year was only 0.4 percent. The promotions and discounts continue to be the sector's main strategy, which is compensated by more efficient operations, better distribution methods and costs savings, in general.

Sector analysts estimated total retail sales in Mexico in 1999 at US\$ 80-85 billion, and it is projected will reach US\$100 billion by 2000. Sales by large retail chains, estimated at US\$19.2 billion, represent about 4.5 percent of overall GDP. The "mom and pop" stores represent around US\$20 billion and the remaining balance, US\$40.8 billion, are sales by the informal segment or street vendors.

During 1999 the retail sector experienced limited sales growth. Total sales growth was estimated at slightly above five percent but as measured "same store sales" this index is estimated will reach 1 or 1.5 percent.

ANTAD announced that in 1999, the companies in the sector invested close to US\$1.5 billion, in expansion projects. ANTAD represents the top 100 chains in the sector, of which 45 are in the retail business, 23 are department stores and 32 are classified as specialized stores (sports, gifts, etc.). In total, ANTAD has 4,466 members of which 1,077 are in the retail business and represent the leading firms in terms of sales and product coverage.

At the national level, Cifra, Comercial Mexicana and Gigante are the most important retail chains. At the regional level, Organización Soriana, Grupo Chedraui and Casa Ley are the leading organizations.

Table 6
MEXICAN RETAIL SECTOR BY PRINCIPAL UNITS-1999
 (Companies and Number of Units)

ORGANIZATION NAME	NUMBER OF UNITS
(National Coverage)	
Gigante	<u>184</u>
Tiendas Gigante	117
Bodegas Gigante	40
Super G	26
Grupo Cifra	<u>191</u>
Bodegas	63
Sam`s	30
Wal-Mart	27
Aurrera	33
Superama	36
Comercial Mexicana	<u>154</u>

Comercial Mexicana	81
Bodegas	26
Megas	14
Price	16
Carrefour	<u>17</u>
Government stores	<u>226</u>
Northern Mexico	
Casa Ley (State of Sinaloa)	<u>80</u>
Soriana (City of Monterrey)	<u>91</u>
Gulf States	
Chedraui (State of Veracruz, Tamaulipas, Quintana Roo)	<u>47</u>
Mexico City	
Sumesa - (Comercial Mexicana)	<u>17</u>
Retail Stores – SUBTOTAL	702
Convenience Stores	
Cadena Comercial OXXO	<u>748</u>
Seven Eleven	<u>237</u>
Convenience Stores SUBTOTAL	<u>1,900</u>
GRAND TOTAL	2,564

Source: ANTAD; and own estimates

The Cifra Wal-Mart group has 410 establishments of which 191 are retail outlets (Bodegas Aurrera, Sam's, Wal-Marts, Aurrera and Superamas). The floor space for Cifra's retail outlets is by far the largest in Mexico with 1.4 billion square meters (12.2 billion square feet). During the first three months of 2000, same store sales, increased 5.8 percent (or 11 percent gross), above the 0.2 percent registered during the same period last year. For 1999, Cifra's investments were US\$250 million opening 43 new outlets, 15 of which will be retail stores. For the year 2000 an additional US\$350 million will be channeled in building new stores and increasing floor space by 14 percent through the construction of 30 new retail units. Cifra currently has a 42 percent share of the market and operates in 33 cities. Cifra buys through direct purchasing. The basic indicators for the Cifra Group are as follows:

BASIC INDICATORS-CIFRA GROUP, 1998

Ranking in Top 500 Companies	Sales 1998	Sales Increase over 1997	Origin of Foreign Capital	Number of Employees	Year Established
5	US\$5.6 Billion	31.9	U.S., Stock Exchange	61,145	1958

Source: Expansion, number 770, July 21, 1999.

Comercial Mexicana has 189 establishments, of which 154 are retail stores. The retail stores under this group are: Comercial Mexicana, Bodegas, Mega, Sumesa & Price Costco. During 1998, this group invested US\$80 million and opened eight outlets of which five were for their retail business. For 1999, Comercial Mexicana invested US\$80 million building nine new stores and plan to invest

US\$120 million in the year 2000 for 11 new stores. This group has 959.7 thousand square meters of floor space (10.3 million square feet). Comercial Mexicana has 19 percent of the market share and does some of their buying through direct purchasing. The basic indicators for the Controladora Comercial Mexicana Group are as follows:

**BASIC INDICATORS-
CONTROLADORA COMERCIAL MEXICANA, 1998**

Ranking in Top 500 Companies	Sales 1998	Sales Increase over 1997	Origin of Foreign Capital	Number of Employees	Year Established
14	US\$2.6 Billion	10.3	U.S., Stock Exchange	31,389	1930

Source: Expansion, number 770, July 21, 1999.

The Gigante Group has 285 outlets of which 184 are retail stores. The stores in this group include: Tiendas Gigante, Bodegas Gigante and Super G, with 812.4 thousand square meters (8.7 million square feet) of floor space. During 1999, this group invested US\$132 million remodeling 14 retail stores and opened three new stores, of which two were located in the United States in California. Gigante has 16 percent of the market share and buys through direct purchasing. Gigante will also invest US\$150 million (US\$120 million in 1999) in 14 new units in 2000 increasing six percent their floor space. Analysts expect their sales to increase 3.5 same store sales or around 9 percent with new stores.

BASIC INDICATORS-GIGANTE, 1998

Ranking in Top 500 Companies	Sales 1998	Sales Increase over 1997	Origin of Foreign Capital	Number of Employees	Year Established
19	US\$2.1 Billion	-4.2	N.A., Stock Exchange	31,298	N.A.

Source: Expansion, number 770, July 21, 1999.

Among the regional chains, Soriana is the leading organization with 91 outlets, the majority of which are located in the northern and central parts of Mexico. Their plans for 1999 included opening 13 new stores, which added 17.5 percent to their current floor space of 685 thousand square meters (7.4 million square feet). For 2000 they have announced an investment program of US\$200 million to open 11 new stores. During the first three months of this year sales—same store sales increased 2.2 percent, less than the 2.6 percent during the same period in 1999. The Soriana group holds 13 percent of the market and buys through direct purchasing. During the first six months of 1999, this organization held the highest sales growth record and finished the year with very good results. The principal indicators for Grupo Soriana are as follows.

BASIC INDICATORS-GRUPO SORIANA, 1998

Ranking in Top 500 Companies	Sales 1998	Sales Increase over 1997	Origin of Foreign Capital	Number of Employees	Year Established
22	US\$1.8 Billion	17.4	N.A., Stock Exchange	23,730	1968

Source: Expansion, number 770, July 21, 1999.

The large U.S. retailer, HEB, has announced they will be opening 35 additional stores in the next five years. The company already has five stores in Monterrey in the state of Nuevo Leon and shortly will open an outlet in the City of Saltillo, Coahuila. The new stores are planned for the states of Tamaulipas, Chihuahua, San Luis Potosí, Aguascalientes and Guanajuato.

6. DISTRIBUTION OF PRODUCT IN MEXICO

Competition at the retail level in Mexico is critical since almost all sales are through this channel. The principal retail channels for consumer-ready food products are supermarkets, club stores, convenience stores, the terminal markets (Centrales de Abasto) and corner grocery stores known as abarrotes. However, only some of the retail chains are set up to import directly. This system of indirect purchasing or buying through local distributors/representatives is expected to somewhat change over the next few years but currently is the dominant business practice. The following retail organizations-- (Gigante, Cifra, Comercial Mexicana, Soriana, Casa Ley, Carrefour and 7/Eleven)-- have organized their own distribution centers and are importing directly to some degree. See section 8 for Key Contacts.

U.S. firms wishing to penetrate the Mexican market must have a locally based distributor/representative in order to operate and to establish a successful business relationship with domestic buyers. For the majority of small and mediums sized U.S. food companies, it is probably best to tap into a preexisting distribution network, either that of a distribution company or a Mexican food processor.

There are also the wholesale markets (Cental de Abasto) which are a very important distribution network found in almost every major city in Mexico. There are currently, more than 26 of these supply centers in Mexico. These terminal or central markets serve as a major source of supply for all types of food related businesses: supermarkets, wholesalers, corner grocers and restaurants. For example, the largest wholesale market in Mexico is the one found in Mexico City is Abasto which services the city's needs plus those of the cities in the four surrounding states. This is a well accepted form of business, and the principal way small and medium size food related establishments procure many of their food products. Also, the Central de Abastos is the best way to reach the traditional retail market known as the "abarrotes" market.

Traditionally, food products reach the end consumer through small corner grocers known as "abarrotes." There are over 400,000 of these types of stores in Mexico. They serve their immediate neighborhood and carry a limited range of goods. Only a limited number of imported bakery products are found in these outlets but represent important potential sales points. However, these small corner stores are increasingly being replaced by convenience store chains and small outlets which are using better facilities, offer a wider variety of products and also employ promotions and discounts. There are approximately 400,000 outlets which are serviced by 22,000 wholesalers (known as "mayoristas" or "medio-mayoristas"). They supply dry goods, refrigerated and frozen goods, baked goods, tobacco, dairy products and grains, among other items. The largest of these companies have their offices and warehouses in the Central de Abasto.

Competition for retail shelf space is also intense. Billboards, radio and TV are very popular and used for a great many products, in-store promotions, handouts, recipe cards and other form of direct merchandising are very important promotional tools, specially for new to market products.

7. TRADE EVENTS AND SPECIALIZED PUBLICATIONS

Trade Events

The leading events for the retail and foodservice sectors are:

- **"ANTAD,"** exhibition which is scheduled annually in March at Guadalajara. This event is organized by the National Association of Retail and Department Stores (Asociacion Nacional de Tiendas de Autoservicio y Departamentales, A.C.-ANTAD), which can be contacted at Tel: (011)(52) 5580-1772; Fax: (011)(52)5395-2610. The Agricultural Trade Office (ATO) in Mexico organizes a U.S. pavilion at ANTAD promoting business contacts with local distributors and buyers. American firms interested in participation should contact the ATO at: Tel: (011)(52) 5280-5291; Fax: (011)(52) 5281-6093.
- **"Expo Pan 2000,"** the ninth edition of this trade show of suppliers to the bakery industries which is organized every two years and is scheduled for August 18-21, 2000 at the Sports Palace in Mexico City. It is organized by Grupo Editorial Bravo; Contact: Sr. Roberto Hernandez, Tel/fax: (011)(525)682-8667, 523-1976 and 523-8664; E-mail: conexpro@data.net.mx.
- **"MexiPan,"** an annual trade show of suppliers for the bakery sector organized by the National Bakery Industries Chamber, contact: Ms. Olga Espinoza, Tel: (011)(525) 5789277.

Specialized Trade Publications

There are trade magazines that are distributed among retail trade companies. These publications can be an effective tool to reach potential clients/agents/distributors or to conduct a direct mail campaign. The leading publications are:

- **"Pan,"** a monthly issue since 1953 directed to the companies in the trade published by Fuerza Editorial, S.A. de C.V. contact: Mr. Lazaro Bravo, Tel: (011)(525) 669 3712; Fax: (011)(525) 669-0413.
- **"El Mundo del Pan,"** published monthly by the National Bakery Industries Chamber, contact: Mr. Carlos Miranda, Tel: (011)(525)578-9988
- **Tecnologia de Alimentos,"** a monthly magazine of the Asociacion Nacional de Tecnologos en Alimentos de Mexico, A.C. (National Association of Food Technologists of Mexico), published by Servicios Editoriales para el Desarrollo; S.A. de C.V.; contact: Orlando Varela Cuoto, Director General, Tel: (011)(525) 575-5989; Fax: (011)(52)559-7907; e-mail: sed@data.net.mx
- **"Cadenas,"** a monthly directed to the Managers and Directors of the retail trade; published by Editorial Multicolor, contact: Javier Ortiz Camorlinga, General Manager, Tel: (011)(52) 5545-6960; Fax: (011)(52)5250-8824;

Some of the leading general business publications in Mexico are:

- **"Business Mexico,"** published monthly in English by the American Chamber of Commerce of Mexico-Tel: (011)(52) 5724-3800 ext. 3335, Fax: (011) (52) 5703-2911, contact: Ms. Diane Hemelberg de Hernandez, Editor or Ms. Cristina Bustos, Advertising Dept.;

- "MB," published monthly in English by Hemisphere Publishers Group Inc., contact: Ms. Lorena Jimenez, Advertising Director, Tel: (011)(52) 5540-7977 and Fax: 5202-8478.

8. KEY TRADE CONTACTS

As of February 1999, the number five was added to telephone numbers in the Mexico City area. However, for long distance calls from the United States this additional five is not dialed.

U.S. Embassy-Agricultural Trade Office-ATO, USDA

Jaime Balmes 8-201; Col. Los Morales Polanco

Mexico 11510

Mexico

Tel: (011)(52)5280-5291, 5280-5277, 5281-6586; Fax: (011)(52)5281-6093

<http://www.atomexico.gob.mx>

Contact: Chad R. Russell, Director

Office of the U.S. Department of Agriculture which assist U.S. firms in the promotion and market development of their agricultural, fishery and forestry products in Mexico.

Secretaria de Salud (Health Secretariat)

Sanitary Qualification Office

Donceles 39-PB

Mexico 06010, D.F.

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Contact: Dr. Jose Meljem Moctezuma, Director

Office of the Health Secretariat that regulates specific NOMS on health related issues.

Secretaria de Comercio y Fomento Industrial-SECOFI Direccion de Normas

(Secretariat of Commerce and Industrial Promotion, Norms Office)

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Edo. Mexico 53950

Mexico

Tel: (011)(52)5229-6100-X4158; <http://www.secofi.gob.mx>

Contact: Lic. Jorge Hernandez, Direccion de Normas.

The Secretariat of Commerce and Industrial Development (SECOFI) is charged with a wide range of duties including: registration of all licensing agreements; granting import licenses and controlling foreign trade; general investment incentive policies; authorization for plant construction; regulating consumer product labeling and advertising; and examinations necessary for patent and trademark grants. This office of SECOFI issues the norms on quality and labeling.

Secretaria de Comercio y Fomento Industrial-SECOFI

Informacion Comercio Internacional

(Secretariat of Commerce and Industrial Promotion, Foreign Trade Information)

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Office of SECOFI which provides general information related to NAFTA.

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A non-profit organization that groups U.S. companies in their business activities in Mexico.

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