

EXPO AGRO SINALOA 2010

Culiacan, Sinaloa – February 3-6, 2010

Market Information
Trade Show Details
Application Information



The International Office of the Iowa Department of Economic Development (IDED) is coordinating Iowa participation in **Expo Agro Sinaloa** (<http://www.expoagro.org.mx>), one of the premier agricultural trade shows in Mexico, February 3-6, 2010.

Read further for more information or contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowalifechanging.com.

Market Information



Mexico is a familiar trading partner for both the United States and Iowa. Since 2003, Mexico has been the second largest market for Iowa exports with over US\$1.9 billion exported in 2008 which was over 16 percent of Iowa exports. Exports have increased at least 20% each of the last five years, although numbers are reduced in 2009 given current economic issues. Given the magnitude of the trade between the United States and Mexico, there are still abundant opportunities for U.S. firms in Mexico.

Mexico is a natural market because of the tremendous receptivity it extends to U.S. suppliers. However it can be difficult to capitalize upon its full potential due to issues such as its size and diversity, legal and banking systems, regulations and standards, and language and culture.

Culiacan is the capitol of the state of Sinaloa, located in the northwestern part of the country. The primary industries in Sinaloa are agriculture, fishing, livestock breeding, commerce and industry. Products are sold locally and nationally. Agricultural products include tomatoes, beans, corn, wheat, sorghum, potatoes, soybeans, sugarcane and squash. The livestock industry produces meat, sausages, cheese and milk. The population of Culiacan is over 600,000 in the city (census of 2005), and nearly 800,000 in the municipality, making it one of the largest cities in the country.

Mexico has a stable democracy, well-managed economy, an increasingly educated workforce and a developed infrastructure. While the official language is Spanish, other languages such as English and German are present in most urban centers. Mexico has a good transparency rating that continues to improve. Its legal systems differ from US legal systems and most often require

skilled Mexican legal advice when conducting business.

While Mexicans are a diverse and independent people, U.S. standards, business practices, and consumer styles are embraced in Mexico, especially by the large segment of the population that is under the age of 25 years. However it can be difficult to capitalize upon its full potential due to issues such as its legal and banking systems, regulations and standards, and language and culture. Mexico's size and diversity are often under appreciated by exporters as it can be difficult to find a single distributor or agent to cover this vast market.

Mexico is, for many companies, a natural extension of their sales program in the U.S. Thanks to the North American Free Trade Agreement (NAFTA), U.S. exporters often enjoy competitive advantages when exporting to Mexico. And the proximity of Mexico can mean that U.S. exporters have significantly lower logistics costs, especially for larger items, than their Asian and European competitors.

Since the signing of NAFTA in 1993, Mexico has continued to expand its manufacturing base considerably. And bilateral trade between the U.S. and Mexico has grown over 200% in the last 12 years. Mexico's industrial GDP has grown 5% per year for the past 6 years and shows little sign of slowing down. Over half of its industrial output, or some \$100 billion, was exported to the U.S. last year. At the same time, Mexican manufacturers tend to buy their inputs, their manufacturing equipment, and their services from the U.S.

Mexico faces the same challenges from lower cost producers elsewhere in the world that the U.S. manufacturing sector confronts. Mexican manufacturers realize they can no longer compete solely on the basis of low-cost labor. This represents significant opportunities for U.S. providers of goods and services that have competence in the areas of energy costs, labor costs, raw materials/input costs, logistics costs, access to capital, and increasing product design capabilities.

Additional market background information is available at:

[U.S. Country Commercial Guide for Mexico](#)

[U.S. Department of Commerce Market Research Library](#)

[U.S. Department of State Background Notes](#)

Trade Show Details

Expo Agro Sinaloa (<http://www.expoagro.org.mx/>) is the premiere agricultural trade show in Mexico. It is organized by Fundación CAADES, A.C., an association committed to promote and develop agricultural exhibitions, and to introduce new technologies to producers. Expo Agro Sinaloa allows exhibitors to demonstrate their products, equipment, machinery and technology inside the biggest market for agricultural supplies within the country, which comprises nearly 30% of national market demand. Abundant water and fertile soil make the state of Sinaloa one of Mexico's top agricultural producers. The main crops are grains and vegetables, which are used in local processing plants. The planted area of grains surpasses 350,000 hectares during the fall/winter season. Sinaloa holds first place at the national level in tons per hectare of production. More than 500 exhibitors participate in Expo-Agro with approx. 40,000 visitors expected from 27 countries. IDED will coordinate Iowa participation for those attending or exhibiting.

A summary of results from the 2009 edition of the show is available here: [\[PDF: 1032k\]](#)

Export Trade Assistance Program (ETAP Funding): ETAP funds are available on a first-come, first-served basis to qualified business applicants for the trade show. ETAP will reimburse 75% of an eligible company's direct expenses up to \$3,000 per pre-approved trade show. Eligibility requirements and eligible expenses for reimbursement can be viewed at http://www.iowalifechanging.com/business/intltrade/export_finance.aspx.



IDED Services: IDEP's representative in Mexico, Business Development Partners, S.A. de C.V. (BDP), will provide necessary support for trade show participants including coordination of show participation, hotel reservations, ground transportation and interpreters. All expenses are for the account of the participants.

IDED will hold a pre-mission briefing to acquaint the participants with all arrangements, travel requirements, travel/lodging arrangements, country background, etc.

Pre-show promotions, translated into Spanish and sent to targeted customers, importers or distributors prior to the show will promote the lowa participation and encourage them to visit your booth and to schedule meetings before, during or after show hours. Post-show follow up is available to help you qualify leads.

BDP staff will be on site during the exhibition to provide support.

Several options are available to enhance your trade show participation. An Industry-Market Analysis (IMA) is a customized market-industry overview covering market potential, competitors, competitive products/services, marketing channels, market characteristics and distribution, advertising and promotions, and requirements to conduct business in the market. The Sales Associate Search (SAS) identifies and pre-screens potential customers, agents, distributors or other sales associates based upon the industry-market parameters and criteria you provide. The research and screening process includes gathering current information from industry sources followed by interviewing potential candidates for a match with the criteria provided and compatibility with your market objectives. A **trade mission to Guadalajara** will follow the exhibition. The IMA, SAS and other individualized services are available under our **Mexico Trade Promotion Program**.

Passport/Visa Requirements: All Americans traveling by air outside the United States are required to present a passport or other valid travel document to enter or re-enter the United States. Upon arrival in Mexico, business travelers must complete and submit a form (Form FM-N) authorizing the conduct of business, but not employment, for a 30-day period. Travelers entering Mexico for purposes other than tourism or business or for stays of longer than 180 days require a visa and must carry a valid U.S. passport. For the latest entry requirements, contact the Embassy of Mexico web site at <http://portal.sre.gob.mx/usa/>



General Travel Information

The following web sites provide links to international travel and health information.

http://travel.state.gov/travel/travel_1744.html

<http://wwwnc.cdc.gov/travel/destinations/mexico.aspx>

Travel Insurance and Travel Health Insurance

U.S. medical insurance plans often do not provide coverage for health costs when traveling abroad, let alone allow for emergency expenses such as medical evacuation. Many companies offer supplemental policies. Resources for international medical emergency services, health insurance and health information is available upon request.

Application Information

Trade show application is made directly to the show organizers. In addition to the show web site at <http://www.expoagro.org.mx/> the following documents will be of assistance:

[Exhibition Map](#)

[Registration Form and Stand Prices \[MS Word: 183k\]](#)

[Bank Transfer Instructions \[MS Word: 29k\]](#)

IDED may require the following based on support services desired:

1. Traveler Information Sheet [[MS Word: 285k](#)] [[PDF: 847k](#)]
2. Company/product description for promotional purposes
3. Electronic version of relevant marketing materials

If you intend to apply for financial assistance under the Export Trade Assistance Program (ETAP), an application and supporting documents are required:

4. ETAP Application Form, if eligible [[MS Word: 63k](#)] [[PDF: 1MB](#)]

Submit application materials via e-mail and/or mail to:

[Peggy Kerr](#)

Iowa Department of Economic Development
200 East Grand Avenue
Des Moines, IA 50309

Contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowalifechanging.com with any questions.

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