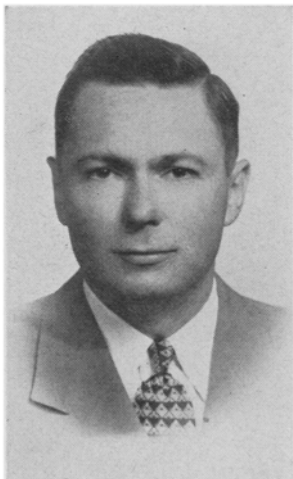


The Fat and Oil Industry of Mexico

DURING the past several years industrialization and increase of population have made Mexico dependent upon the import of fats and oils. These can be considered as commodities which are among the strategic raw materials that assist in making up the national economy of the country. There is every indication that this increased consumption of oils and fats will continue on the uptrend. However, if self-sufficiency is to be attained, cotton production and all other crops of oil-bearing seeds will have to be increased materially even though cottonseed oil in the last four years has assumed a very dominant position in the total supply of edible fats and oils produced in Mexico. This position has been gained only through the decrease in production of sesame seed and increased cotton production.



F. P. Khyrn

Recent surveys indicate that the supply of fats and oils required for Mexico for the 1954 year is 295,000 short tons. Domestic sources will supply approximately 83%. It is also indicated that approximately 185,000 tons will be consumed as edible products by 28,000,000 inhabitants, averaging 6.6 kilos *per capita*. It is extremely difficult to evaluate the trend in the consumption of edible fats in all forms although it has been estimated that approximately 75,000 tons will be used for shortening, 40,000 tons for cooking and salad oils, and 70,000 tons in the form of hog lard.

The soap industry has been growing steadily during the past few years. The *per capita* consumption of oils and fats in soap and other detergent products has been increasing for a long time. It has been conservatively estimated that approximately 60,000 tons of oleaginous materials are used annually in the manufacture of its products. Presently, there are about 225 soap manufacturing plants in operation throughout the Republic. The production capacities of these plants range from a fraction of a ton per day to approximately 100 tons per day. It has also been conservatively estimated

that 15 of the manufacturers represent approximately 80% of the total production capacity. Predictions are that the soap industry will soon take its place as one of the major industries in the Republic of Mexico. At the present time there are about 115 oil mills operating in Mexico, of which 24 are cottonseed crushers. The balance are as follows: 39 sesame oil, 13 peanut oil, 15 coconut oil, 15 linseed oil, 2 corn oil, and 7 olive oil.

THESSE mills have a crushing capacity ranging between the extremes of five tons to 250 tons of seed per day. It is estimated that the total crushing capacity for the 24 cottonseed oil mills amounts to approximately 4,000 tons per day. The amount of cottonseed crushed has ranged between 220,000 tons during the year of 1949 to a maximum of 561,000 tons during the 1952 year. In 1952 cottonseed oil made up nearly half of the vegetable oil supply, compared with less than one-fourth in 1949 and preceding years. Sesame, which prior to 1952 was the leading source of vegetable oil in Mexico, ranked third in 1952 and represented only 17% of the total fat supply from vegetable sources.

However, because of limited crop production of other oil-bearing seeds, the balance of the oil mills are only operating with an average of about 50% of their total capacity. Mexico in recent years has made great strides in the production of high quality finished products produced from edible fats and oils. The present generation of industrialists in this industry no longer accepts mediocre technical solutions. They insist on the best in order to be able to do their duty in the economic and social life of the nation. By means of this insistence the people may have the high standard of living which is wanted by all.

Presently, finished product plants are producing all-hydrogenated shortenings, blended shortenings, margarine, salad oils, cooking oils, mayonnaise, salad dressing, and peanut butter. All of these products are produced for consumption within Mexico with quality second to none.

Statistical data indicate that there is an excess production capacity in the fat and oil industry. When comparing local consumption with the amount of raw material produced in Mexico for processing, the economics of the industry have been threatened at various times. However Mexican production of cotton and copra is being encouraged to help alleviate the situation. It is believed by the trade that 100,000 tons of copra may be reached by 1955 or 1956.

In summarizing the situation of the fat and oil industry in general, it can be stated that the industry definitely has a future that will make it one of the outstanding industries in Mexico.

FRANKLIN P. KHYRN

General Superintendent, Finished Products Plant
Anderson, Clayton and Co., S.A. de C.V.,
Monterrey, N. L., Mexico