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A N I N T E R V I E W W I T H

**Jaime Comtesse, Sales Director,
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SQM Mexico, subsidiary in Mexico of SQM Nitratos in Chile, officially started activities on July 16, 1992. In 1996 SQM formed a joint venture with Fertilizantes Olmeca to directly participate in a distribution net for the central zone of Mexico. In 1997, the construction of a soluble solid NPK fertilizer plant in Guadalajara is completed. Under the global agreement between SQM and Hydro Specialties, SQM Mexico has taken over in 2002 the imports, sales, distribution and marketing of Hydro's specialty products. Finally, in 2003 SQM bought the Mexican partners shares in Fertilizantes Olmeca and merged the administrations of both companies.

“From the total amount of fertilizers sold in Mexico (slightly below 4,000,000 MT), the Mexican Specialty Fertilizer Market is still proportionally low (approx. 260,000 MT, 6.5%). But this area has been increasing at a higher ratio than any other fertilizer type. SQM Mexico has introduced in Mexico more developments and technical activities than any other fertilizer company in

the country, focusing in massive activities such as crop technical seminars, national and international road shows, extensively training sales forces and giving more than 1,000 technical talks throughout the country.

Almost all major raw materials for the Specialty Soluble Fertilizers can be found in the Mexican market. In Soluble Potassium Nitrate SQM has 50% of the Mexican Market, which is approximately 45,000 MT. On prilled Potassium Nitrate, from roughly 25,000 MT sold in Mexico, SQM accounts for 80%. In Calcium Nitrate 70% of the product sold in the country is through SQM. There is an increasing use of soluble NPK formulas and brands; among these, our Ultrazol dominates the market with more than 70% market share. To date, SQM Mexico sales are approximately US\$ 90 million and it is expected to continue growing at rates over 10%, focusing its effort on the development of soluble fertilizers for crops with drip irrigation.

The increase in drip irrigation and in greenhouse areas will be one of the major changes because water

shortages are very common as well as disease and insect problems. Also, it will help to get a better window opportunity for quality field products in the market. New areas in tropical regions with no previous drip irrigation systems will come into production to increase even more the Soluble Specialty Fertilizers. Lately, important areas of non-traditional crops in fertigation such as agave, sugar cane and potatoes, also are coming to drip systems. On soluble NPKs, the demand for tailor-made formulas has increased due to their better fit in soils, water analysis use and easiness of application.

In the future, technical Service, product diversification and product support will be the key factors to maintain a high market share in an increasingly competitive market.”

ing on the spot. For example, SQM has invested in Mexico in Bulk Blend Plants, Water Soluble NPK Plants, Port Warehouses, different production facilities and even a retail Company, Fertilizantes Olmeca, which distributes all types of fertilizers in 16 states of Mexico. North American

manufacturers, and even some large US distributors also have a presence, in particular those based in the States just North of the border. Altogether the market, whose total is estimated to be 140-160,000 mt (240-260,000 mt when including speciality field fertilizers such as

blends with NOP/SOP, etc) has become extremely competitive.

Almost all major types of soluble fertilizers can be found in the market (see table 6). The main fertilizers used (apart from urea and ammonium sulphate that are also widely used), are