








# CROSS-BORDER PACESETTERS

COMPANY / COUNTRY INDUSTRY	EMPLOYEES	1996 SALES* MILLIONS	NET PROFIT MILLIONS	SALES		MAJOR SHAREHOLDERS	STRATEGY
				FOREIGN	DOMESTIC		
<b>ARCOR</b> / Argentina Candy and foods, packaging CEO: Luis A. Pagani	10,000	\$914 ▲ 3%	\$40 ▼ 20%**			Pagani, Maranzana, Seveso, and Brizio families, 100%	Lower costs to compete globally by investing 90% of profits in technology and integrating vertically
<b>BIMBO</b> / Mexico Baked goods CEO: Daniel Servitje Montull	45,000	\$1,920 ▲ 16%	\$108 ▲ 165%			Servitje and Mata families, 13 other families	Use homegrown distribution expertise to expand throughout Latin America
<b>CEMEX</b> / Mexico Cement CEO: Lorenzo Zambrano	20,500	\$3,390 ▲ 5%	\$981 ▲ 3%			Zambrano family, 30%	Adapt world-class technology to manufacturing in diverse markets from U.S. to Philippines
<b>ENERGIS</b> / Chile Electricity distribution CEO: José Yuraszek	14,300	\$2,730 ▲ 48%	\$249 ▲ 2%			Chilean pension funds, 33.4%; Endesa (Spain), 26%	Win 20% of regional electricity market by aggressive acquisitions with partners
<b>ITAU</b> / Brazil Banking CEO: Roberto Setubal	31,400	\$31,000*** ▲ 31%	\$579 ▲ 58%			Parent company Itausa, controlled by Villela and Setubal families, owns 77.6%	Expand at home and in Argentina by stressing service such as first ATM card usable in both countries
<b>PROVIDA</b> / Chile Private pension fund CEO: Gustavo Alcalde	5,100	\$5,400† ▲ 13%	\$23.8 ▼ 5%††			CorpGroup, 38%; Bank of New York, 35.3%	Earn 35% of profits from abroad within 5 years, by launching funds in other Latin countries
<b>SIDERCA</b> / Argentina Seamless pipe CEO: Paolo Rocca	3,900	\$729 ▲ 8%	\$175 ▲ 440%			Techint Group, 76%; public, 24%	Exploit synergies within \$5.5 billion Techint Group, including Italian and Mexican subsidiaries

● Publicly traded

\*Current market exchange rates. Mexican data at yearend 1996 rate








\*\*Large investments required in 1996 to meet rising competition in Argentina; expect 12% profit gain in 1997

\*\*\* Assets

† Funds under management

†† One-time rebates under pension law raised 1995 profit

# MASS-MARKET PIONEERS

COMPANY / COUNTRY INDUSTRY	EMPLOYEES	1996 SALES* MILLIONS	NET PROFIT MILLIONS	SALES		MAJOR SHAREHOLDERS	STRATEGY
				FOREIGN	DOMESTIC		
<b>CARSA</b> / Peru Sales of appliances & homebuilding materials CEO: Guido Lucioni Chirinos	4,500	\$433 ▲ 19%	-\$6** ▼			Lucioni family, 100%	Win lifelong customers by selling on credit to the poor
• <b>ELEKTRA</b> / Mexico Appliances, home furnishings, money transfers CEO: Pedro Padilla Longoria	10,300	\$557 ▲ 20%	\$78 ▲ 58%			Salinas Price and Salinas Pliego families, 80%	Use knowhow in retailing to poor to tap other markets such as insurance; expand abroad
• <b>GEO</b> / Mexico Low-income housing CEO: Miguel Gómez Mont	2,380	\$174 ▲ 27%	\$18 ▲ 40%			Luís Orvañanos Lascurain, Miguel Gómez Mont, and 5 other directors, 45%	Use innovative design and low costs to expand into South America and U.S.
• <b>INTERAMERICANA DE ENTRETENIMIENTO (CIE)</b> / Mexico Live entertainment, advertising, telemarketing CEO: Alejandro Soberón Kuri	2,500	\$47 ▲ 2%	\$8 ▲ 81%			Group of 16 investors led by Soberón, 60%	Integrate all levels of busi- ness from operating stadiums to telemarketing; do same with partners abroad
<b>NATURA</b> / Brazil Cosmetics CEO: Antonio Luiz Seabra	3,000***	\$580 ▲ 22%	\$20.4 ▼ 17%†			Antonio Luiz Seabra, 38%; Guilherme Peirão Leal, 36%	Expand in Latin American and Asian markets; boost Brazilian market share with new factory
• <b>ROSSI RESIDENCIAL</b> / Brazil Homebuilding CEO: José Paim de Andrade Jr.	1,090	\$126 ▲ 49%	\$34 ▲ 122%			Trusts controlled by João & Edmundo Rossi Cuppoloni, 73%	Sell apartments priced from \$27,000 to lower middle class for 100 monthly installments
• <b>SARAIVA</b> / Brazil Publishing, bookstore chain CEO: Jorge Eduardo Saraiva	1,650	\$145 ▲ 23%	\$16 ▲ 58%			Saraiva family, 96% of voting shares	Cash in on rising literacy; attract young customers to bookstores with Internet cafés








\* Current market exchange rates. Mexican data at 1996 yearend rate.

\*\*\*Plus 160,000 part-time salespeople

\*\*Loss due to startup costs in Colombia and Bolivia

† Profit decline due to costs of sales-force buildup and preparation for push abroad

# ENTREPRENEURS & INNOVATORS

COMPANY / COUNTRY INDUSTRY	EMPLOYEES	1996 SALES* MILLIONS	NET PROFIT MILLIONS	SALES		MAJOR SHAREHOLDERS	STRATEGY
				FOREIGN	DOMESTIC		
<b>COTEMINAS</b> / Brazil Textiles & garments CEO: Josué Christiano Gomes da Silva	5,350	\$211** ▲ 45%	\$63** ▲ 21%			Gomes da Silva family, through holding company, 75%	Boost market share by under-selling Asian imports of garments such as T-shirts
<b>EMBRAER</b> / Brazil Aircraft manufacturing CEO: Maurício Novis Botelho	3,400	\$415 ▲ 15%	-\$40*** ▲			Bozano, Simonsen investment bank, 29%; Sistel pension fund, 28.7%; Previ pension fund, 27.9%	Launch 37-seat jet to fatten \$2.5 billion order book for 50-seaters, battling Canada's Bombardier globally
<b>EXCEL ECONOMICO</b> / Brazil Banking CEO: Ezequiel Nasser	7,000	\$4,230 ▲ 202%	\$26 ▼ 68% †			Nasser family, 57%	Lure customers with innovations such as credit cards allowing preferred seats in theaters
<b>INEPAR</b> / Brazil Infrastructure equipment & finance CEO: Atilano de Oms Sobrinho	4,500	\$184 ▲ 6%	\$34 ▲ 244%			56.5% of voting shares owned by parent company in which Oms family holds 62%	Combine engineering and investment banking in infrastructure ventures; operate cable TV & telecoms
<b>INTERNACIONAL DE CERAMICA</b> / Mexico Ceramic tiles CEO: Victor Almeida G.	3,100	\$164 ▲ 23%	\$12 ▲ ††			Almeida family, 35%	Establish brand name through exclusive stores; maintain strong U.S. presence; invest in technology
<b>SOFTTEK</b> / Mexico Software, technology consulting CEO: Gerardo López García	1,800	\$30 ▲ 88%	\$4.3 ▲ 104%			Gerardo López García, 27%; five partners, 5% each	Become provider of custom-designed software to leading U.S. firms
<b>SONDA</b> / Chile Customized software, computer retailing CEO: Andrés Navarro	2,150	\$213 ▲ 40%	\$15 to 20††† NA			Andrés & Pablo Navarro, 60%; Digital Equipment Corp., 40%	Push abroad following pension-fund clients; target other users from banks to traffic managers

\* Current market exchange rates. Mexican data at yearend 1996 rates

\*\* Restated to include 1996 sales and profits of Wentex, taken over in 1997










\*\*\* Loss reduced from \$300 million in 1995; breakeven forecast in 1997 with 81% sales increase to \$750 million

† Profit reduced by costs of Banco Econômico takeover

†† \$24 million loss in 1995

††† Estimate

# BLUE CHIPS ON THE MOVE

COMPANY / COUNTRY INDUSTRY	EMPLOYEES	1996 SALES* MILLIONS	NET PROFIT MILLIONS	SALES		MAJOR SHAREHOLDERS	STRATEGY
				FOREIGN	DOMESTIC		
<b>ALFA</b> / Mexico Steel, fibers, plastics, food, auto parts, telecoms CEO: Dionisio Garza Medina	28,700	\$3,300 ▲ 1%	\$500 ▲ 77%			Five branches of Garza Sada family	Focus on core manufacturing to become world-class producer; diversify into telecoms with AT&T
<b>CLARIN</b> / Argentina Newspaper publishing, cable TV, telecoms CEO: Héctor Horacio Magnetto	8,100	\$1,350 ▲ 23%	\$228 ▲ 144%			Ernestina Herra de Noble, Héctor Magnetto, José Antonio Laranda, Lucio Pagliario	Exploit synergies among businesses, including cable and satellite TV, cell phones, basic phone service
<b>FREIOS VARGA</b> / Brazil Auto parts CEO: Miguel Guazzelli de Araujo	3,000	\$290 ▲ 21%	\$9 ▲ 264%			Varga family, 66%; LucasVarity (U.K.), 34%	Solidify global supplier role with joint ventures and plants in U.S. & Argentina
<b>LA MODERNA</b> / Mexico Biotechnology, packaging CEO: Alfonso Romo	11,960	\$1,820 ▲ 20%	\$115 ▼ 5%**			Alfonso Romo, majority stake	Push into agro-biotechnology, financed by funds from sale of cigarette business
<b>MAVESA</b> / Venezuela Foods, cleaning products CEO: Jonathan Coles	3,150	\$295 ▲ 19%	\$30 ▲ 56%			Venezuelan families including Nicholasha group, 42%; ADR shareholders, 39.2%	Adapt product mix and company structure to launch investment push abroad
<b>PEREZ COMPANC</b> / Argentina Energy CEO: Oscar A. Vicente	2,570	\$1,410 ▲ 7%	\$328 ▲ 32%			Perez Companc family and foundation, 53%; Maipu Inversora, 8%	Integrate energy businesses across the region, investing proceeds from real estate sales
<b>SANLUIS</b> / Mexico Auto parts, mining CEO: Antonio Madero Bracho	6,500	\$236 13%	\$54 106%			Group led by Antonio Madero Bracho, 52%	Expand Rassini parts division, a leading Big Three supplier, into South America
<b>USIMINAS</b> / Brazil Steelmaking CEO: Rinaldo Campos Soares	8,860	\$1,600 ▼ 5%***	\$250 ▼ 28%***			Brazilian pension funds, 22.7%; Nippon Steel, 18.5%; employees, 18%; Vale do Rio Doce mining company, 15.5%	Tighten ties with clients by customizing top-quality steel products to their specifications
<b>YPF</b> / Argentina Oil & gas CEO: Roberto Monti	7,000	\$5,940 ▲ 20%	\$817 ▲ 3%			Public, 75%; Argentine government, 20%; Argentine provinces, 4%	Expand oil and gas investments in region and in U.S.; join Brazil's Petrobras in cross-border ventures

\* Current market exchange rates. Mexican data at yearend 1996 rates.

\*\* Sales of former tobacco subsidiary fell in 1996 as recession caused smokers to buy cheaper brands

\*\*\*1997 sales recovery projected to \$1,674, up 4%, and net profit of \$280 million, up 12%, following 1996 steel price drop