EXECUTIVE SUMMARY

This research is intended to analyze the international competitiveness of agro-industrial products of the State of Michoacan, since our State is the country's largest producer of fruits with a total two million tons per year. In the area of agricultural industrialization representative, Michoacan ranked 18th, a situation which has led various actors in the sector to join forces to try to boost competitiveness. The results that are obtained will serve as the basis for specific public policies for agriculture, the agroindustry subsector, and, even more importantly, the lower-output system.

Key words: International competitiveness, Agroindustry, Competitiveness factor, Michoacan, product-system

INTRODUCTION

Agriculture is a vulnerable sector in our country, and therefore in our state, so development represents an economic and social balance. To the extent that the quality, price, technological innovation, environmental management, market, and public policy impact the competitive development of the state, the agribusiness companies will be more profitable and the sector will be constantly growing. The daily markets become more demanding and regulations coupled with quality are a challenge for local supply (FAO, 2007). This research seeks to understand the degree of competitiveness with exporting companies of Michoacan and to see how it has impacted the sector (ASERCA, 2008).

It begins by showing how agribusiness is developed in the state of Michoacan, as it represents the exportable supply that operates in international markets, specifies which are the industrialized agricultural products for export within the state, shows the characteristics of the sector, and later measures their international competitiveness (Amezquita, 2006). You can extract from the theory of competitive advantage the value that a company can create for the consumers (Porter, 1990), starting with the most competitive prices offered by the competition, analyzing substitute products, or manufacturing differentiated products where revenues exceed costs.

Later the research shows the different indexes of competitiveness that have been formed and proposes a methodology to measure international competitiveness in the agro exports (Iglesias, 2002). In this first part of the research, the methodological design will be established, and in the second part it will be applied and then the results will be analyzed to the competitiveness performance

AGRIBUSINESS IN MICHOACAN

Agribusiness represents the possibility of higher returns derived from agricultural products produced in the region. Michoacan's economy consists primarily of commerce, steel, agriculture, and fisheries (Agrointernet, 2009). The participation of each of these in the state Gross Domestic Product is 42% for social, community, hotel business, and trade; 15% for financial services and real estate; 14% manufacturing, especially basic metal industry; and agriculture and fishing