

PepsiCo, Nestle Announce Mexico Investments

NEW YORK (AP) — Mexico is getting a big cash infusion, with PepsiCo and Nestle saying they plan to boost their presence in the country.

The companies made their announcements Friday at the World Economic Forum in Davos.

PepsiCo said it plans to invest \$5 billion in the country over the next five years, with the funds going toward efforts such as the expansion of its production lines and delivery infrastructure, and the strengthening of research and development capabilities. It cited its "Global Baking Category Innovation Center" in Monterrey as an example.

Nestle meanwhile said it plans to invest \$1 billion in Mexico over the next five years. That will go toward building two factories — an infant nutrition plant in Ocotlan and a pet food plant in Silao. The money will also be used to expand its cereal factory in Lagos de Moreno.

Emerging markets have become increasingly important for food and beverage as growth in developed markets has slowed. Companies such as PepsiCo and Nestle see the growing middle-class populations in such regions as growth opportunities.

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