





PRO MEXICO
Trade and Investment



What is ProMéxico?

New Mexico's Trade & Investment Agency

- Strongest board ever
- Aligned to actor's incentives
- Coordinated
- Proactive
- Presence in 32 states & in 141 countries through Ministry of Foreign Affairs, Sagarpa, Economy and Promexico offices.
- + States and Private Sector





Mexico's natural advantages

- Population of over 107 million.
 - Average age: 27 years.
 - Key geo-strategic position.
 - 3,219 km of land border with the USA.
 - 11,000 km of coast line.
 - 38 commercial ports.
 - Balance of Trade 2010*:
 - Exports **24 996.4** millions of US dollars.
 - Imports **25 336.9** millions of US dollars.
- Source: INEGI "Mexico's Balance of Trade" June 2010.



Mexican Automotive Industry Profile Agenda

1. AMIA's Report.
2. ANPACT's Report.
3. Overview.
4. Global Perspective.
5. Auto Industry Localization (OEM's & Auto Parts Suppliers).
6. Investing Incentives.
7. Automotive Platforms & Projects.
8. Government Strategy.
9. Opportunities in Mexico.



AMIA's Report 2009 vs. 2010

Period	Total Production	Exports	Domestic Sales
Jan – July 09	711,357	575,561	412,732
Jan – July 10	1,257,734	1,031,393	432,926
Difference %	76.8 %	79.2 %	4.9 %
Total Difference	546,377	455,832	20,194

- Recovery in the industry is starting to take place.
- The big companies are implementing new business strategies:
 - Product specialization.
 - Flexible platforms.
 - Design, Research and Development in Mexico.



AMIA's Annual Report: July 2010

Period	Total Production	Exports	Domestic Sales
July 09	108,897	90,872	56,443
July 10	180,083	143,521	61,959
Difference %	65.4 %	57.9 %	9.8%
Total Difference	71,186	52,649	5,516



ANPACT'S Report 2009 vs. 2010

Period	Total Production	Exports	Domestic Sales
June 09	5,129	3,840	1,879
June 10	7,110	4,916	2,570
Difference %	38.6%	28%	36.8%
Total Difference	1,981	1,076	691

Period	Total Production	Exports	Domestic Sales
Jan – June 09	26,466	19,194	11,003
Jan – June 10	47,411	34,979	15,274
Difference %	79.1%	82.2%	38.8%
Total Difference	20,945	15,785	4,271



Autoparts demand in Mexico (Billions of dollars)

	2009	2008
Production	41.2	58.3
Exports	25.5	35.9
Domestic Sales	15.7	22.4
Imports	18.7	28.4
TOTAL	59.7	86.7

Autoparts exports represent around 11% of Mexico's total exports.

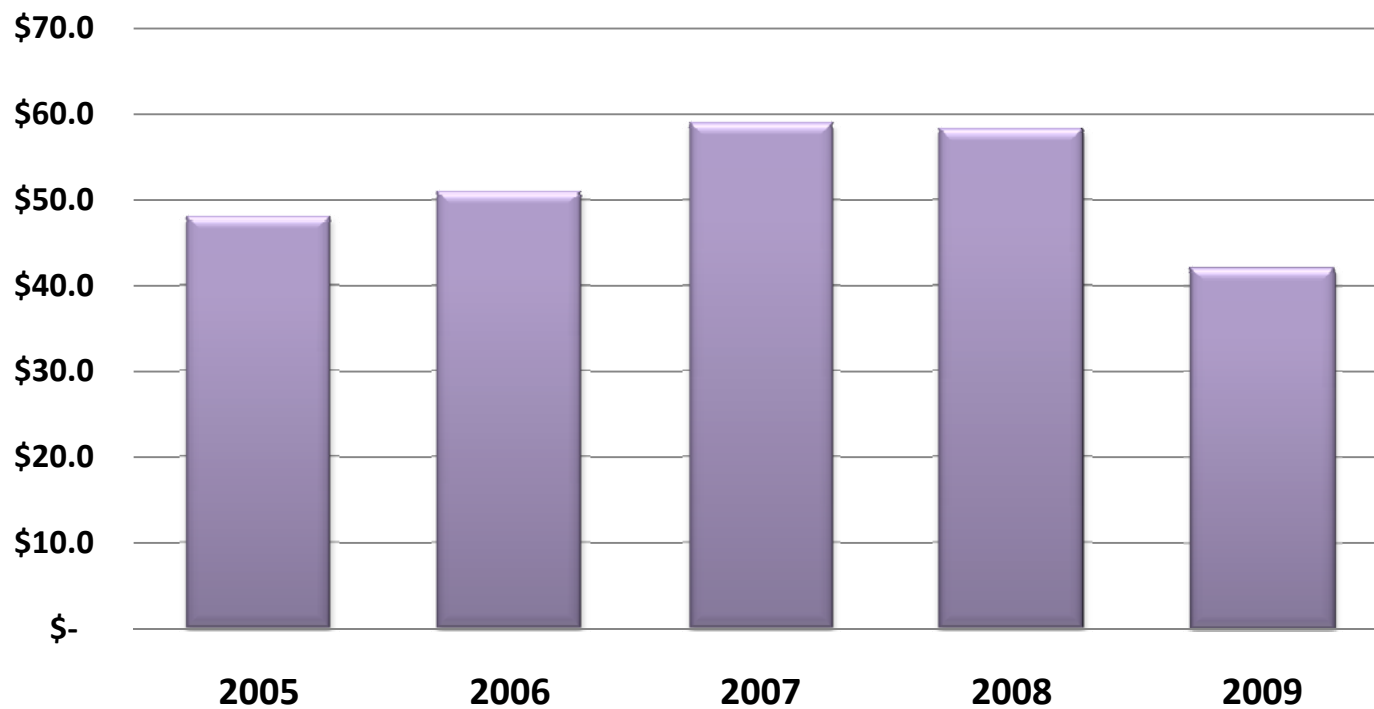
90% of autoparts production is for the US market.

Mexico remains as the US autoparts supplier # 1.



Autoparts Production* (Billions of dollars)

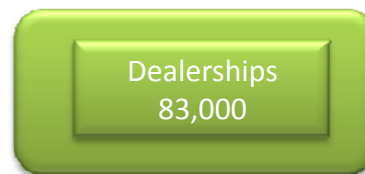
Overview





There are around 1 million employees related to the Mexican Automotive Industry

Overview





Free Trade Agreements Network

Global Perspective

FTA Japan



FTA
Honduras
El Salvador &
Guatemala

FTA
Costa Rica

FTA
Nicaragua

FTA Bolivia

FTA Chile

NAFTA

FTA
Colombia

FTA EU

MERCOSUR:
- Brazil
- Argentina
- Uruguay
- Paraguay

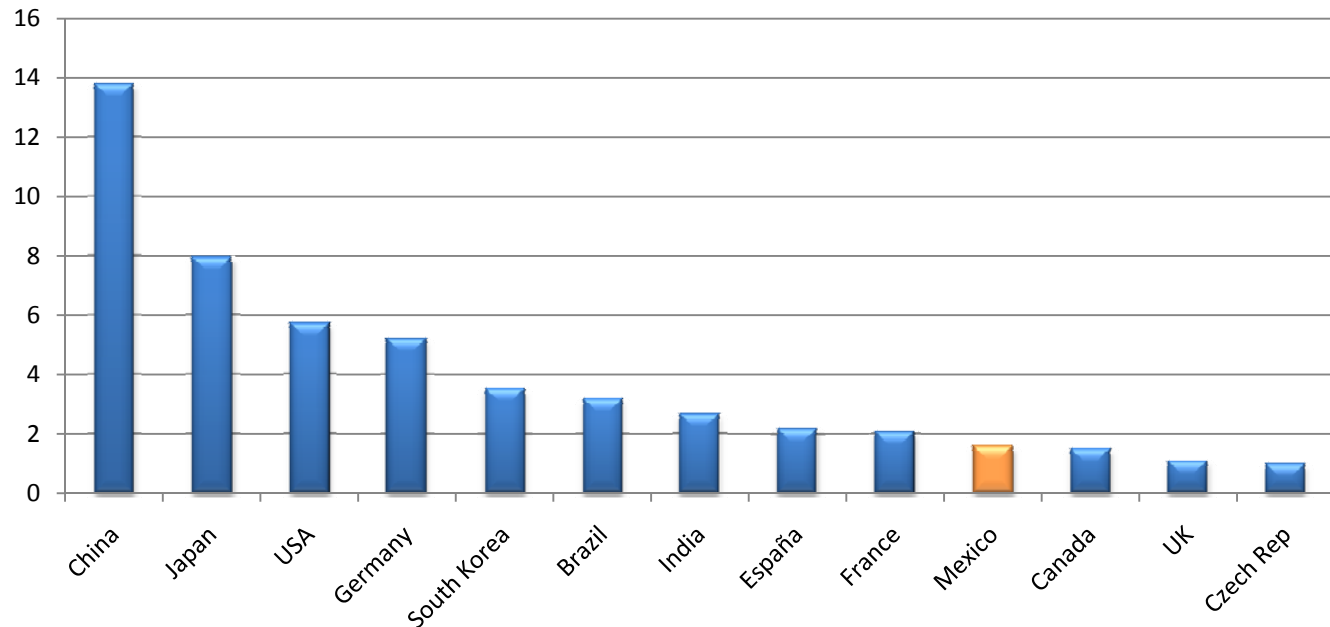
FTA Israel

- The world's largest free trade agreements network (12 FTAs).
- Preferential Tariff Access to 44 countries.
- Automotive business opportunities in three continents (America, Europe, Asia).
- Competitive advantages in: High qualified labor force, logistics, low country risk, economic stability, business environment.



World wide automotive manufacturing (Million of units)

Global Perspective



Mexico is number 10th in the word wide automotive manufacturing ranking

Source: International Organization of Motor Vehicle Manufacturers (OICA) and Ward's Auto Info Bank, figures to 2009.



Who is producing in Mexico?

Passenger vehicles

- GM
- Ford
- Chrysler
- Nissan
- Honda
- Toyota
- Volkswagen
- BMW

Commercial vehicles

- Freightliner
- Scania
- Volvo
- Mercedes Benz
- Kenworth
- International
- Volkswagen
- Giant Motors

Engines

- Detroit Diesel
- Man
- Cummins

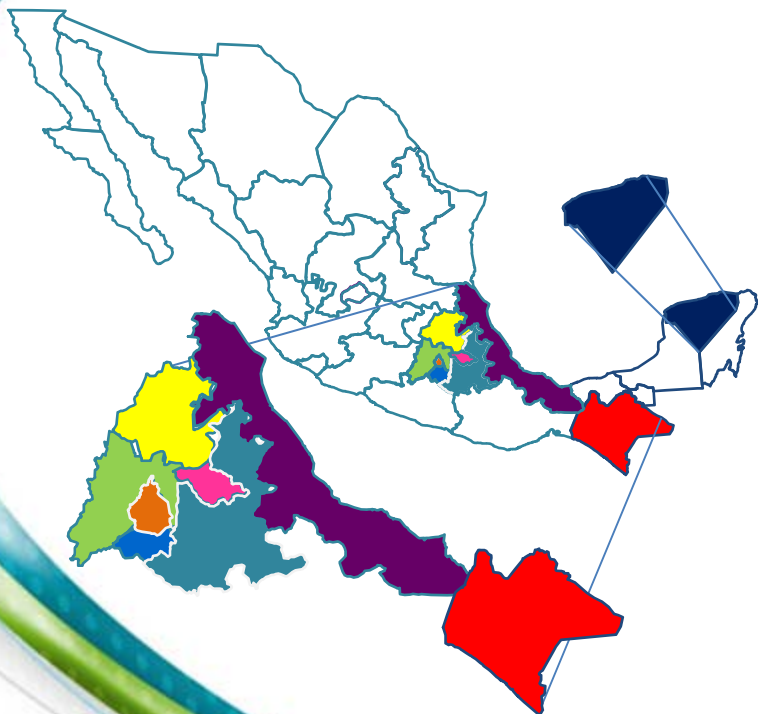


Mexican Automotive Industry Geographic Location





Central & South



MORELOS

BERU
BRIDGESTONE
FIRESTONE
FREUDENBERG-NOK DE MEX
SAINT-GOBAIN SEKURIT
TEMIC

VERACRUZ

AVON RUBBER P.L.C
SIEMENS
TAMSA

YUCATAN

AIR SYSTEM
AIR TEMP
AXA YAZAKI

CHIAPAS

AXA

HIDALGO

CITSA PPG

TLAXCALA

ARCOMEX
AUNDE TEXEL
CONDUMEX
EMPRESAS CA-LE DE TLAXCALA
EUWE EUGEN WEXLER
FORJAS SPICER
GRAMMER AUTOMOTIVE
IDEAL ESTÁNDAR
JOHNSON CONTROLS
KEIPER
SIANT-GOBAIN
VMS FLOCKTECHNICK DE MEX

ESTADO DE MEXICO

ABB MEXICO
ANSORGE
ALVAREZ AUTOMOTRIZ
AUTOSEAT
BARDAHL
BASF
BOSCH
CLEVITE
CRISTALES INASTILLABLES DE MEX
DANA HEAVY AXLES
EAN SA
EATON
ECHLIN
FEDERAL MOGUL
FPA
GABRIEL DE MEXICO
GATES RUBBER
GOODYEAR TIRE & RUBBER
HAYES LEMMERZ
HAYES WHEELS ACERO
HELLA KG HUECK & CO
HENKEL KGAA
INDUSTRIAS TAMER
KRUPP HOESCH
LEAR CORPORATION
LIBERTY MEXICANA
LORD DE MEXICO
MAGNA INTERNACIONAL
MECASA
PARKER HANNIFIN
PERKINGS INDUSTRIES
SARNAMOTIVE BLUE WATER
SEALED POWER MEXICANA
SKD DE MEXICO
TI AUTOMOTIVE
TRELLEBORG YSH
VALEO SYLVANIA
ZF HOLDING

PUEBLA

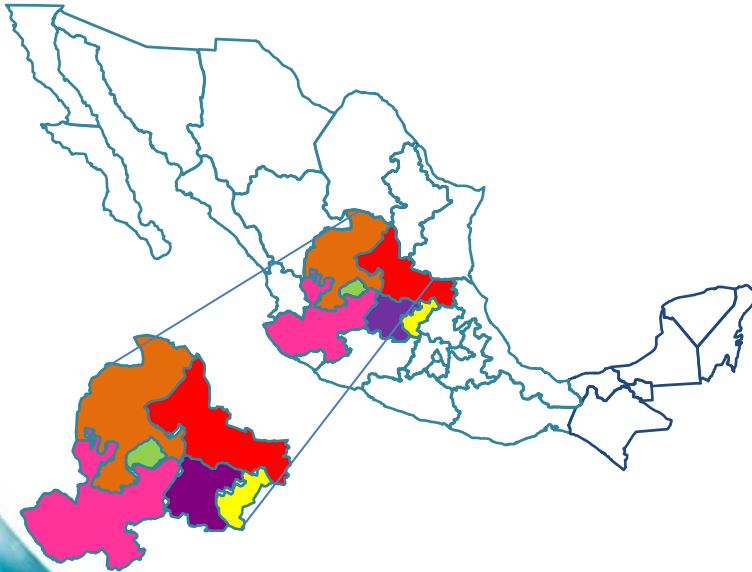
AUTOCRISTALES DE ORIENTE
AUTOTEK
BENTELE
BREMBO RASSINI
FEDERAL MOGUL
FTE MEXICANA
HP PELEZER AUTOMOTIVE SYSTEMS
JOHNSON CONTROLS
KAUTEX TEXTRON
KIEKERT DE MEXICO
LAGERMEX
LUK
PARKERHANNIFIN
PLASTIC OMNIUM
SIEMENS
SKF
SOMMER ALLIBERT INDUSTRIES DE MEX
TENNECO
THYSSENKRUPP METALURGICA
THYSSENKRUPP PRESTA
TRW SISTEMAS DE DIRECCIONES

DISTRITO FEDERAL

ASSOCIATED SPRING
BOCAR
BOSCH
CALSONIC
EATON
FIRESTONE
GONHER
GOODYEAR-OXO
HITCHINER MANUFACTURING
MANN HUMMEL
METALDYNE
MICHELIN CORPORATION
MODINE MEXPAR
MORESA INDUSTRIAL
NAL. DE CONDUCTORES
VITRO



Central West Coast



QUERETARO

ABC.GROUP Canadá
 AMERICAN CAR EQUIPMENT
 ARNESES ELECTRICOS AUTOMOTRICES
 ARVIN DE MEXICO
 ASPERMEX
 AUMA-TEC
 AUTOLIV
 AUTOPARTES WALKER
 BROSE
 BTICINO DE MEXICO
 BYPASA (SAN LUIS RASSINI)
 CLARION
 COLLINS & AIKMAN GROUP
 CORDA CORPORATION
 DELBAR PRODUCTS
 DELPHI
 DURA AUTOMOTIVE SYSTEMS
 EATON
 FORJAS SPICER
 FRENOS Y MECANISMOS
 GRAMMER INDUSTRIAL
 GUARDIAN INDUSTRIES
 HARADA INDUSTRIES
 HBA CAST PRODUCTS
 HI-LEX
 INTERIORES PRINCE (JCI)
 IRIZAR
 JOHNSON MATTHEY
 K.S.B MEXICO
 KOSTAL
 MAGNA MIRROW SYSTEMS DE MEXICO
 MERITOR MEXICANA
 NEW HOLLAND
 NIHON PLAST
 NORANDA
 OMNI MANUFACTURING
 PPG INDUSTRIES
 ROCKWELL
 SIEMENS
 TRE MEC
 TRW SISTEMAS DE DIRECCIONES

VALEO MATERIALES DE
 FRICCION
 VAN ROB STAMPINGS
 VISTEO CLIMATE SYSTEMS
 WOCO

SAN LUIS POTOSI

A. SHULMAN
 ALFRED ENGELMANN DE MEXICO
 ARVIN DE MEXICO
 CONTINENTAL AG
 CONTITECH
 CUMMINS DIESEL
 DANA HOSE & TUBING
 DANA LONG MANUFACTURING
 DELCO REMY COMPONENTS
 DELCO REMY REMANUFACTURING
 EAGLE-PICTURE INDUSTRIES
 EATON
 EDSCHA
 INDUSTRIAL BLAJU
 ROBERT BOSCH
 THYSENKRUPP SASA
 VALEO SISTEMAS ELECTRICOS
 VALEO TERMICO

AGUASCALIENTES

BOSCH
 BUSSCAR
 CALSONIC
 COOPER STANDARD
 COROPLAST
 FORJAS Y MAQUINAS
 FRENADOS MEXICANOS
 GESTAMP
 INDUSTRIA DE ASIENTO SUP
 JATCO
 K & S MEXICANA
 KANTUS
 MARCOPOLO
 MORESTANA
 MOTO DIESEL
 NABCO MEXICANA
 OYAMSA
 POLO MEX
 RESORTES MONTICELLO
 SANOH INDUSTRIAL
 SEALED POWER MEXICANA
 SIEMENS
 UNIPRESS MEXICANA
 YOROZU

ZACATECAS

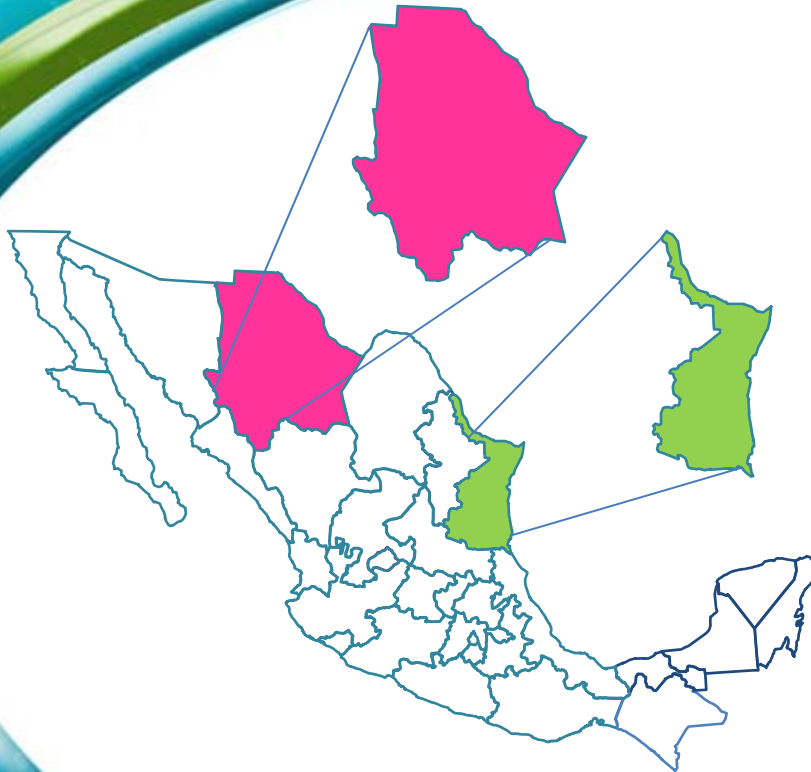
AXA YAZAKI
 DELPHI CABLEADOS
 ORO CONTROL

JALISCO

AP TECNOGLASS DE MEX
 AUTOPARTES ETR
 BORGWARNER MORSE TEC MEX
 CARBU-PARTS
 CAUSAMEX
 CR MEXICANA
 EQUIPO AUTOMOTRIZ HELLA
 GRUPO FERRAU
 INDUSTRIAS DE ASIENTO
 JABIL CIRCUIT DE MEXICO
 K & S WIRE HARNESS
 MODINE/MEXPAR
 PIONEER STANDAR
 ROCKWELL AUTOMOTIVE
 ROLAMEX
 S & Z ROLMEX
 SAARGUMMI
 SACHS BOGE
 SIEMENS VDO
 SUMIDA
 SUNNINGDALE
 SÚPER DIESEL
 TAKATA
 TECNOPARTS
 VOGT ELECTRONICS
 WEBB DE MEXICO
 YAMAVER

GUANAJUATO

AMERICAN AXLE
 ARBOMEX
 ARNESES ELECTRICOS AUTMOTRICES
 AUTOENSAMBLES Y LOGISTICAS



CHIHUAHUA

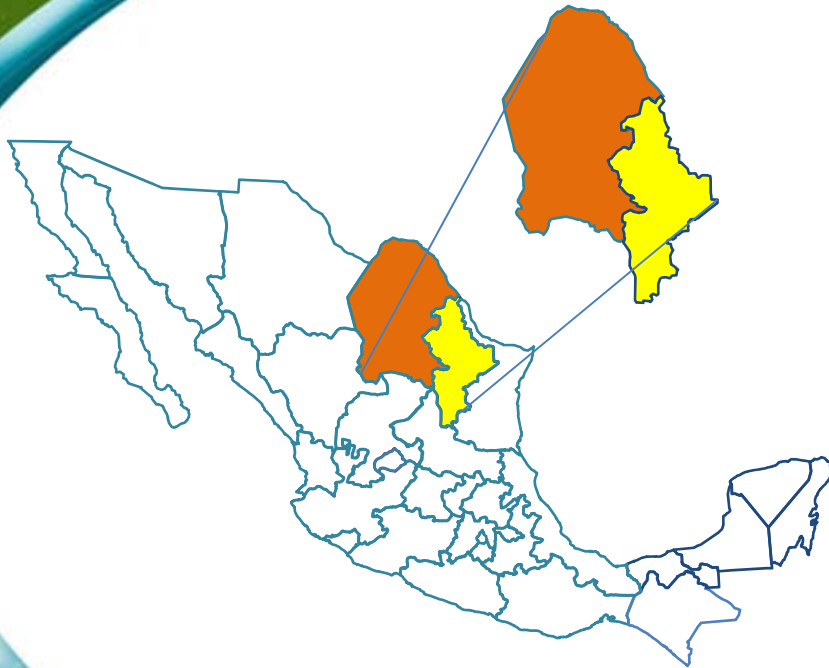
SUPERIOR INDUSTRIES
TDK USA CORP.
TRW OCCUPANT RESTRAINTS
TRW STEERING WHEELS SYSTEM
TYCO INTERNATIONAL
VALEO
VISHAY
VISTEON
WARNER
YAZAKI NORTH AMERICA

A.O SMITH CORP.
ALCOA FUJIKURA
AUMA
AVON AUTOMOTIVE
AVX CORPORATION
BERGEN CABLE
BREED TECHNOLOGIES
CAPSONIC AUTOMOTIVE
CARLISLE
COILCRAFT
COOPER INDUSTRIES
CRONI
CUMMINS DIESEL
DANA CORPORATION
DELMEX DE JUAREZ
DELPHI
EAGLE OTTAWA
EATON
ELECTRISOLA
FEDERAL MOGUL
GOOD YEAR TIRE & RUBBER
HAYES WHEELS ALUMINIO
HOMELITE
HONEYWELL
I.T.E.S.A.
ITT AUTOMOTIVE
JOHNSON CONTROLS
KENWOOD
KEY PLASTICS
LEAR CORPORATION
LEONI CABLE
LETT'S INDUSTRIES
MANESA
MORAINE
NICHIRIN COUPLER
ROBERT BOSCH
SATURN ELECTRONICS
SETON
SHELDAHL TECHNOLOGIES
SIEMENS
SSI TECHNOLOGIES INC
STONERIDGE
STRATTEC SECURITY
SUMITOMO

TAMAULIPAS

ALPINE ELECTRONICS
AMMEX PRODUCTS
BBB INDUSTRIES
BREED TECHNOLOGIES
BRONCO ELECTRONICS
CATERPILLAR
DELCO
DELPHI ALAMBRADOS AUTOM.
EATON
FERMAG
FUJITSU TEN
GLOBE MOTORS
GODAM
GSW MANUFACTURING
HAYES LEMMERZ INT
INVENSNYS
ITT AUTOMOTIVE
KIMKO
KONGS BERG AUTOMOTIVE
MATSUSHITA ELECTRONIC
MIKUNI TEXAS
MINNESOTA RUBBER
MODINE
NAFTEK
PARKER HANNIFIN
PRECISION CABLE MANUFACTURER
PULLMEX
SAINT-GOBAIN
SIEMENS
STANDARD MOTOR PRODUCTS
TELEFLEX
TENNECO AUTOMOTIVE
TI AUTOMOTIVE
TROSTEL
TRW ELECTRONICA ENSAMBLES
TRW VEHICLE SAFETY SYSTEMS
UNIROYAL CHEMICAL
UNITED TECHNOLOGIES
VALEO
VALEO SYLVANIA
VELVAC
VISTEON
WELLS MANUFACTURING





COHAUILA

A. O SMITH
ALCOA FUJIKURA
ALLIED SIGNAL-HONEYWELL
AUTOTEK INDUSTRIAL DE MEX
BENTELER
BROWN CORPORATION
CASTECH
CATERPILLAR
CIFUNSA
CITATION TOOLS
CNI. INC
COOPER STANDARD
DELPHI DIESEL SYSTEMS
DOUGLAS & LOMASON
FEDERAL MOGUL
FINDLAY INDUSTRIES
FLAMBEAU PLASTICS
FOAMEX CORPORATION
GENERAL DE CABLE MEX
GM PROCESSING
IRVIN AUTOMOTIVE
JOHN DEERE
JOHNSON CONTROLS
KAY AUTOMOTIVE
LARGERMEX
LEAR SEATING
LINAMAR
MAGNA INTERNATIONAL
MAGNA SEATING SYSTEMS
MAHLE PISTONES
MANNESMANN-SACHS AG
MASCO TECH
METALDYNE
OXFORD AUTOMOTIVE
PILOT INDUSTRIES
PLASTIC OMNIUM
PSA WIRING PRODUCTS
SAN LUIS RASINNI
TAKATA
TECHNOTRIM
TENN-MEX
TEXTRON-AUTOMOTIVE
TWB
VEHYCO

NUEVO LEON

A. O SMITH CORP.
ABB MEXICO
ACCURIDE
AISIN SEIKI
ALCOA FUJIKURA
ALLIED SIGNAL
AMERICAN WHEELS
ANCHORLOK
ARNECOM
ARVIN MERITOR
AUTOCLIMAS
AUTOM. WIRE HARNESSSES
CAMISA
CARPLASTIC
CARUSI
CATERPILLAR
CNW
DANA
DELPHI
DENSO
DONNELLY
ENERTEC MEXICO
GOODMANS
GOODYEAR
GUNTNER
HAYES LEMMERZ INT.
HOLLANDER
HUSSMAN
JOHN DEERE
KEY PLASTICS
LEAR CORP
LORD CORP
METALSA
MITSUBA
MISTSUBISHI
MOTO REDUCTORES US
NEMAK
PARKER ZENITH
PIOLAX
PIONEER
SIEMENS
SUMITOMO
TAKANISHI
TAKATA
TAPEX
TEKNIK
THOMAS & BETTS
THOMAS BUILT BUSES
TI AUTOMOTIVE
TOKIO ELECTRICA
TOYOTA TSUSHO
VEGE DE MEXICO
VISTEON-CARPLASTIC
VITRO



BAJA CALIFORNIA

AMERICAN EAGLE WHEELS
 AMERICAN RACING
 ATC DSITRIBUTION GROUP
 AUTOLIV
 BOSCH
 COTO TECHNOLOGIES
 COVERCRAFT INDUSTRIES
 ECO-AIR PRODUCTION
 ENERGY LABS
 FURUKAWA ELECTRIC
 GONHER
 HIKAM ELECTRONICA
 HONEYWELL
 HOOKER INDUSTRIES
 HYUNDAI TRANSLEAD
 INTERNATIONAL RECTIFIERS
 ISOCLIMA América
 KAMITA INTERNATIONAL
 KYOCERA
 LEVITON
 MANIK MOTORS
 MARKO FOAM PRODUCTS
 MATSUSHITA-AROMAT
 MORGAN POLIMER SEALS
 NKS SAFETY TECHNOLOGY
 PARKER HANNIFIN
 PILKINGTON
 PIONEER
 PRIME
 QUALITY POLISHING INTERNATIONAL
 THE BUDD COMPANY
 THOMSON INDUSTRIES
 TT ELECTRONICS
 VISHAY ELECTRONICS
 WABASH TECHNOLOGIES
 WATKINS MANUFACTURING

SONORA

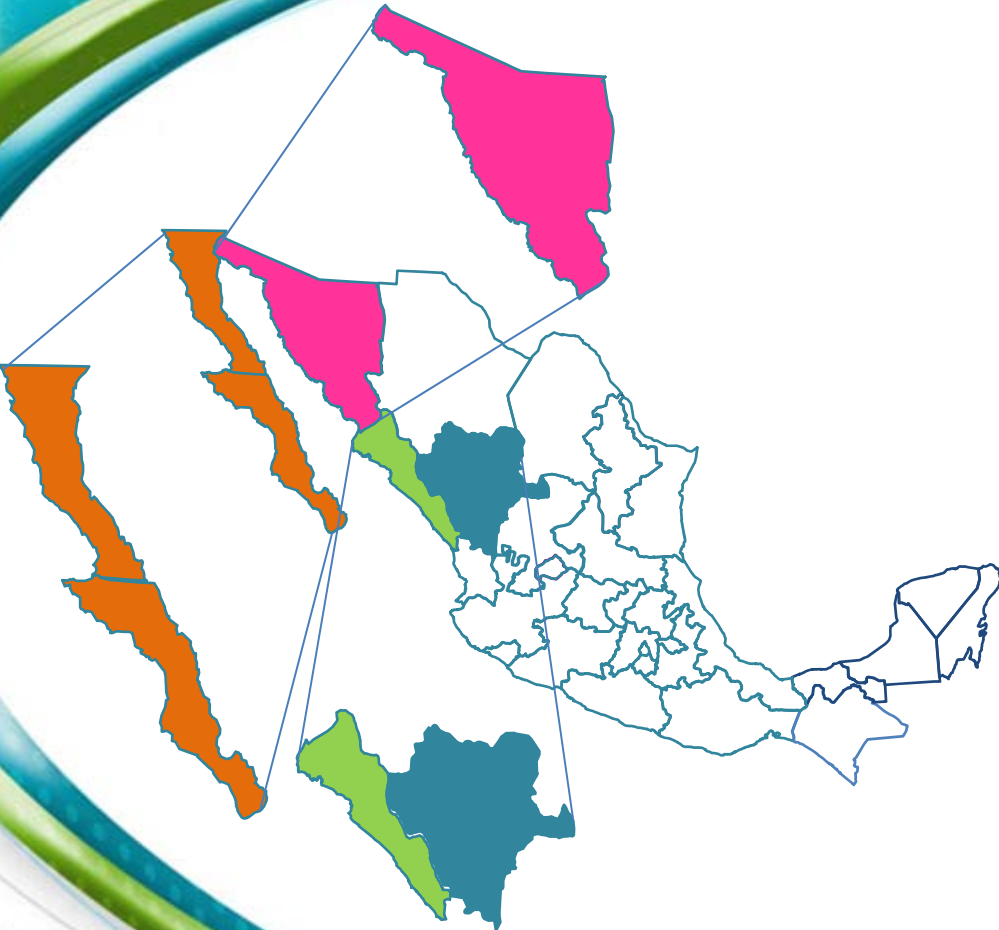
ALLIED SIGNAL
 AMER MEX PRODUCTS
 ATRONICS
 BENTELER
 BREED TECHNOLOGIES
 CHAHTA ENTERPRISE
 CHARLES E. GILLMAN
 DELPHI AUTOMOTIVE
 EXEMPLAR MANUFACTURING
 HYDRO NORTH América
 ITT INDUSTRIES
 LEONI WYRINGS SYSTEMS
 MOLEX
 NOMA AUTOMOTIVE
 OXFORD AUTOMOTIVE
 PRESTOLITE WIRE CORP.
 ST. CLAIR TECHNOLOGIES
 TAKATA
 THE INTEC GROUP
 TRW
 TSE BRAKES
 TYCO ELECTRONICS
 VELCRO
 WALBRO (TI AUTOMOTIVE)
 YAZAKI

SINALOA

SELMEC
 SUMITOMO
 DELPHI
 WALBRO ENGINE MANAGAMENT
 MEXICORVOS

DURANGO

ELECTRIC DE DURANGO (GRUPO ARMAS)
 LINAMAR
 SUMITOMO
 YAZAKI NORHT América





Investing Incentives in Mexico

Programs Fostering R&D:

- Science and Technology Fund for R&D, technology development or technology transfer.
- Income Tax Credit on projects for R&D, process and product design.
- Support Program for the Development of New Enterprises Based on Scientific and Technological Advances (AVANCE).

Tax Incentives:

- Special incentives for Strategic Projects (Automotive, Aerospace, Electronic, Nanotechnology).
- Immediate Capital Investment Deduction.
- Reduced income tax and trade facilitation programs for export oriented companies.
- Reduced Social Security liabilities for first time employees.



Investing Incentives in Mexico

Labor Training:








- Labor Training support programs.
- Special scholarships for *international in house* industrial training for engineers abroad.

State and Local Incentives:

- Infrastructure.
- Land reserves and build to suit leasing available.
- Property tax of payroll tax credits.







Mexican Production

Company	Model	Type
	Fusion*, Milan* & Lincoln MKZ	Medium/Luxury *including hybrid version
	Bora / Jetta (sedan & Variant)	Medium/Compact
	HHR	Crossover
	PT Cruiser & Journey	Crossover & SUV
	Tacoma	Pick-up/Luxury
	Tiida (Versa in the US)	Compact Sedan & HB
	New CR-V	SUV



Projects 2007 - 2010

Company	Project
	<p>4.1 Billion USD Investment: San Luís Potosí: New Aveo Facility. Silao, Guanajuato: New Transmissions Plant & Engines Expansion. Ramos Arizpe, Coahuila: New Captiva Sport (Saturn Vue Hybrid) + New Cadillac SRX + Transmissions & Engines plant.</p>
	<p>3 Billion USD Investment: Cuautitlán: New "Fiesta". Chihuahua: New Diesel Engines (expansion). Guanajuato: New Getrag Transmissions Plant.</p>
	<p>1 Billion USD Investment: Puebla: 2nd Facility for a New Vehicle (2010).</p>
	<p>550 Million USD Investment: Toluca: 1st. Chrysler / FIAT Strategic Project: <i>FIAT 500</i> (2011).</p>



President Calderon's strategy for the Mexican Automotive Industry

- ✓ Automotive Sector as the industrial activity priority number one!
- ✓ Focus on Competitiveness and Technological Innovation.
- ✓ More aggressive and more focused on support schemes (built on what we already have).
- ✓ Maximize synergies with others successful Industries in Mexico.
- ✓ Linkage between Academia, Industry & Government.
- ✓ Taking advantage of the benefits of the largest FTA Network.



Sector Strategy

- ✓ Automotive Decree.
- ✓ Specialization.
- ✓ More quality, more added value.
- ✓ Duty free import vehicles to offer in Mexico.
- ✓ Competitive parts and components.
- ✓ Commercial world wide opening.



Opportunities in the Automotive Industry in Mexico

1. Foundry:

Grey Iron (30 tons and over).

Nodular Iron (connecting rods, cams, crankshafts, calipers).

1. Cold & Hot Forging (small and large parts).

2. Plastic Injection Molding.

3. Aluminum Die Cast.

4. Precision stamped and machined parts.

5. Tooling (production & Service).



Mexico's Investment Map MIM

<http://mim.promexico.gob.mx/>

- With this tool, developed specially for site selection professionals, you will find, in a quick and simple manner, the main drivers that make Mexico an excellent location to start-up a business or relocate production capacities to Mexico.
- Information concerning Mexico's infrastructure and production base, in a wide variety of economic sectors, will also be at reach. Our data base contains detailed information at the state and regional level, which is greatly relevant for companies that are evaluating the best location alternative within Mexico.

Contact

www. **PRO México** .com

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PROMEXICO

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Mexico, D.F



PROMéxico
Trade and Investment



Thankyou!