AUTOMOTIVE INDUSTRY IN MEXICO
Ready to Overtake
There are many ways to get your clients’ attention, none as effective as ours.

- Published monthly in English.
- Distributed among businessmen, decision-makers, research centers and national and international subscribers.
- Close to 10,000 copies out of 15,000 are distributed abroad through a network of more than 30 representative offices located in 22 countries in the Americas, Asia, Europe and the Middle East; all Mexican embassies and consulates and at international trade shows and expos.
- Geographic distribution covers a wide spectrum of key countries and cities, which guarantees a strategic coverage in the world’s leading markets.

In the future, even the smallest business will be multinational.

Whether you trade in Pesos, Euros or Renminbi, global markets are opening up to everyone. At HSBC we can connect your business to new opportunities on six continents – in more than 90 currencies. There’s a new world emerging. Be part of it.

There’s more on international trade at www.hsbc.com/intthefuture
Mexico’s Automotive Industry
At Full Throttle

Cover feature

Mexico’s Automotive Industry
At Full Throttle

Contents.
May 2012

From the CEO 5
Briefs 6
Mexico in the World 16
Mexico’s Automotive Industry
A Window of Opportunity for New International Players
Business Tips 18
Success in Motion

Mexico’s Partner
Daimler 26
Navistar 28
Volkswagen 30
Ford 32
Honda 34

Success in Motion

Business Tips

Mexico’s Partner

Industrial Parks in Mexico

The industrial parks sector in Mexico wants to inform foreign investors of the competitive advantages and services it offers companies that are just beginning to install their productive processes in Mexico, as leveraged by both the aerospace and the automotive industries.

INDUSTRIAL PARK

• High security level
• Sale and Lease
• Built to suit
• Fiber Optic
• Natural Gas
• NFPA and Factory Mutual Compliant Fire Loop
• Water treatment facilities
• Customs office on site

RAIL TERMINAL

• 200,000 TEUs per year
• Serving KCSM
• Within the NASCO Corridor
• Containers and General Cargo
• The Largest Railroad Terminal in Mexico

FREE TRADE ZONE

• Improves cash flow
• Save on inverted Mexican customs duty
• Reduces paper work and expenses
• Better fiscal formula for assets and sales
• No permanent establishment
• Reduces supply chain time
• Asia and Europe ports connections

CP 78395 | Tel: +52 (444) 161.5010 | Fax: (444) 161.5013
info@interpuerto.com.mx | www.interpuerto.com.mx

At Full Throttle
From the CEO.

Mexico’s automotive industry is gaining speed and is now ascending to the top positions of the international auto scene. Today cars and commercial vehicles produced in Mexico, travel the roads and highways of the world’s five continents. Similarly, important industry players at world level use parts made in Mexico that compete in cost and quality with parts produced in other countries.

Driving this sector in Mexico is the power of a workforce experienced in automotive engineering and design, which day after day prepares to respond to the new challenges posed by the international market. The Mexican automotive industry is readying itself for a new generation of environmentally-friendly cars and commercial vehicles, the great challenge of the modern automotive industry.

While engines are being fine-tuned, trade and productive investment are also reinforced, consolidating Mexico as an attractive destination for the world’s main car and auto parts manufacturers.

Most importantly, the speed that the Mexican automotive industry has gained in recent years is a force that moves other sectors of the country’s economy towards new development goals.

Thanks to a consolidated supply chain, compliant with the strictest quality requirements, favorable investment and export conditions and, above all, human talent difficult to find elsewhere, the automotive sector in Mexico is ready to break its own records and advance in the global competition of vehicle and auto part production and sale.

Welcome to Negocios!

Carlos Guzmán Bofill
CEO
ProMéxico
**Renewable Energy**

**Solfocus Working on New Solar Plant**

Solfocus has joined hands with Mexican real estate developer Grupo Musa and US based energy developer Synergy Technologies to launch a solar power plant in Baja California, Mexico.

The project will have a total capacity of 450 MW. It will be built in 50 megawatt tranches, with construction on the first one starting in late 2012 and being operational before the end of 2013.

The power plant will use Solfocus Concentrator Photovoltaic equipment. It will be owned and operated by Solfocus Energy, a new company formed by Grupo Musa and Synergy Technologies for producing clean solar energy in Mexico.

Northern Mexico, where Baja California is located, has the third greatest solar resource in the world, making it an ideal location for this project.

www.solfocus.com

**Infrastructure**

**Grupo Carso to Build New Water Treatment Plant**

Mexican construction company Grupo Carso will invest approximately 1 billion USD in the construction of a major water treatment plant at Atotonilco, in the central state of Hidalgo.

The plant is planned to recycle 60% of waste water in the Valley of Mexico, where Mexico City is located.

www.carso.com.mx

**Automotive**

**Keihin Arrives in Mexico**

Japanese automotive engine parts manufacturer Keihin will install a production plant in the northeastern state of San Luis Potosi. The 29 million USD facility is planned to begin producing engine parts by the end of 2012 and will have Honda among its major consumers.

www.keihin-corp.co.jp

**Automotive**

**The Newcomer**

After years of debate, luxury automaker Audi has finally won approval from parent Volkswagen AG to build a new North American assembly plant that could help fuel its record growth in the US and other markets.

Board of Management and Supervisory Board of Audi AG approved plans to build the new plant in Mexico. The exact location for the new facility, which will manufacture Audi’s Q5 sport-utility vehicle starting in 2016, will be chosen by Audi later this year and it is expected that the company will invest as much as 2 billion USD.

The plant will assist Volkswagen in its quest to boost US sales to 1 million units by 2018 - including 200,000 Audis and 800,000 VW-branded vehicles. The automaker is also seeking to sell 10 million vehicles worldwide by that year, which it believes would position it as the industry’s global sales leader.

www.audi.com

**Automotive**

**Ignition and Go**

With an estimated investment of 35 million USD, the Japanese company Nishikawa Cooper, specializing in the manufacture of rubber and glass for the automotive industry, will begin operations in Silao, Guanajuato.

The plant, located in the Guanajuato Inland Port logistics center, will meet demand from customers like Honda, Nissan, and Mazda.

www.nishikawa-rbr.co.jp

**Automotive**

**Infraestructure**

**Grupo Carso to Build New Water Treatment Plant**

Mexican construction company Grupo Carso will invest approximately 1 billion USD in the construction of a major water treatment plant at Atotonilco, in the central state of Hidalgo.

The plant is planned to recycle 60% of waste water in the Valley of Mexico, where Mexico City is located.

www.carso.com.mx

**Automotive**

**The Newcomer**

After years of debate, luxury automaker Audi has finally won approval from parent Volkswagen AG to build a new North American assembly plant that could help fuel its record growth in the US and other markets.

Board of Management and Supervisory Board of Audi AG approved plans to build the new plant in Mexico. The exact location for the new facility, which will manufacture Audi’s Q5 sport-utility vehicle starting in 2016, will be chosen by Audi later this year and it is expected that the company will invest as much as 2 billion USD.

The plant will assist Volkswagen in its quest to boost US sales to 1 million units by 2018 - including 200,000 Audis and 800,000 VW-branded vehicles. The automaker is also seeking to sell 10 million vehicles worldwide by that year, which it believes would position it as the industry’s global sales leader.

www.audi.com

**Automotive**

**Ignition and Go**

With an estimated investment of 35 million USD, the Japanese company Nishikawa Cooper, specializing in the manufacture of rubber and glass for the automotive industry, will begin operations in Silao, Guanajuato.

The plant, located in the Guanajuato Inland Port logistics center, will meet demand from customers like Honda, Nissan, and Mazda.

www.nishikawa-rbr.co.jp
Renewable Energy

**Vestas Going Big in Mexico**

Latin America’s largest wind project to date is moving forward as Mexico’s Marena Renovables has placed an order for 396-megawatts (MW) worth of wind turbines with Danish manufacturer Vestas Wind Systems A/S.

Located on the Isthmus of Tehuantepec in Oaxaca, the wind power project is developed by Marena Renovables, a consortium made up of Australian merchant bank Macquarie, the Macquarie Mexican Infrastructure Fund, Japan’s Mitsubishi Corp. and PGGM, a Dutch pension fund service provider.

The power generated by the wind farm will be bought by Cuauhtémoc Moctezuma, an operating company of Dutch brewer Heineken NV, and subsidiary of Mexican retail and beverage group Femsa, under 20-year power purchase agreements.

---

**Logistics**

**Speeding Up Trade Between Mexico and the US**

United Parcel Service Inc. (UPS) started a new ground freight service in Mexico aimed at speeding up and boosting trade between the country and the US.

UPS CrossBorder Connect is a ground freight service that bundles Atlanta-based UPS’ transportation and customs brokerage expertise north and south of the border. It is a contractual service that uses the trucking network that supports UPS’ North American Air Freight service.

For the service, UPS connected with carriers in Mexico at eight important points along the U.S.-Mexico border: Otay Mesa and Calexico, in California, Nogales in Arizona, and El Paso, Laredo, McAllen, Harlingen, and Brownsville, in Texas.

Before, cross-border heavyweight freight shipping options were limited to air freight or conventional less-than-truckload movements.
After overcoming the market crisis, companies are showing renewed optimism for growth. Businesses established in Mexico are constantly opening new plants and the undecided have come to take advantage of one of the best eras reported in the country since it formally joined the global economy.

“The economic outlook for the industrial parks sector is more optimistic two years after the onset of the global financial crisis. We see, for example, that the Mexican economy has continued to grow, albeit with a modest percentage. The country reported a four percent increase in its gross domestic product (GDP) in 2011. Meanwhile, the US reported a three percent GDP growth at Q411, with an 8.3% unemployment rate and a 6.5% growth in retail sales. According to Deloitte, most US companies are optimistic about growth prospects and 34% of them plan to expand internationally. Needless to say, this is great news for industrial developers in Mexico,” explains Claudia Ávila Connelly, managing director of the Mexican Association of Industrial Parks (AMPIP).

The Mexican automotive industry is gaining a new momentum within this framework, while the aerospace industry is also taking off with the impact produced by the acceleration of production reported by both sectors. AMPIP provides information on the benefits found by industrial park developers now that the big automobile assembly plants in Mexico have recovered the growth rate maintained before the world financial downturn of 2008.

“This trend represents the arrival of new tenants for industrial parks, as is the case of a significant number of Japanese companies, such as Ashimori Mexican, Neaton Auto Mexicana, Sumitomo, Sakaiya, Daido Metal Company and Alpha Corporation, ...
which have announced new development projects in the states of Aguascalientes, Guanajuato, Jalisco, Querétaro and Sinaloa.

All of these new investments mean greater demand for industrial compounds, primarily Class A buildings for Tier 1 and Tier 2 suppliers,” says Ávila Connelly.

The aerospace industry is also experiencing a steady increase. With a 12% growth forecasted by year end, according to figures released by the Mexican Federation of the Aerospace Industry (FEMIA), the sector has become another market niche for those engaged in promoting industrial parks in Mexico. This industry used to operate facilities across the northern range of Mexico comprising the states of Baja California, Chihuahua, Sonora, Nuevo León and Tamaulipas.

The state of Querétaro clearly started to show that it did not plan to stay behind in 2010 and will soon consolidate itself as the engineering, development and design cluster for the aerospace industry in central Mexico, attracting major investors such as General Electric, Bombardier, Aernnova Aerospace and Eurocopter.

Mexico City and El Bajío region in central Mexico became the areas that sold the largest number of industrial spaces at the end of 2011.

“The availability rate dropped from 75% to 5.5% in central Mexico during the second half of the year, while this same availability rate was reported above eight percent in the northeastern part of the country,” states Ávila Connelly.

Demand of industrial spaces is expected to grow with the emergence of other sectors full of development policies that have been particularly emphatic, such as the agriculture and food, medical devices, electrical, electronic, renewable energy and creative industries, along with IT and software services.

**Yucatán Industrial Parks**

- **Logistic & Industrial Parks** -
  - **Industrial Real Estate** –

  - **Site Selection**: Lease or sale land with infrastructure inside/outside our Industrial Parks throughout México.

  - **Design and Construction**: Inventory buildings, Turn-key and Build-to-suit for lease or sale. Project and engineering services.

  - **Manufacturing Services**: Start-up management, Shelter and Sub-contract.

**Symposium on Trade Facilitation:**

A dialogue between government agencies and business

June 12th-14th. In Mexico City

**Objective:**

Analyze and discuss the simplification and harmonization of international trade procedures and security in global operations.

**Topics:**

Trustee trader programs, single window, transfer pricing, global supply chains, counterfeiting, piracy and customs procedures, and more…
So far, the recovery in employment levels at industrial buildings has been steady, although “light,” according to Ávila Connelly. Growth is gradual as it follows the world’s largest economy (the US) and the growing trust in internationalization expressed by its home-based companies.

The industrial parks sector, says Ávila-Connelly, “has insisted on strengthening ties with government authorities, to be considered an ally in the race to attract foreign investment.”

AMPiP will thus update its studies on the sector nationwide, to show that industrial parks have become islands that offer true competitive advantages.

However, its goal is not limited to the big investors. One of AMPiP’s priorities is based on attracting medium-sized companies that supply the major firms, both in the sectors reporting the highest growth rates - the automotive and aerospace industries as well growing industries

Industrial parks still have room to grow and spread across Mexico. The southeast region, for example, is virgin territory for industry developers. Ávila Connelly believes that besides Tabasco and Yucatán, states like Campeche and Quintana Roo have great potential for industrial infrastructure development, as they can start to serve the US market through a distribution strategy set up across the Gulf of Mexico.

The topics are on the table. “New projects will continue to arrive, due to the weight of Mexico’s other competitive – and permanent – advantages, such as its strategic geographical location and free trade network, plus the available talent and competitive costs the country offers,” concludes Ávila Connelly, with a strong sense of hope.

www.ampip.org.mx
For decades, Mexico has remained one of the most attractive destinations for investment in the automotive sector, particularly for companies seeking to enter new markets and strengthen their presence in America. Today, the country is a target for Chinese industry and a key element in the internationalization strategy of companies looking to break into the big leagues of the global automotive market.

In the last decade, Mexico has emerged as one of the world’s most competitive places for the growth of the production capacity of the automotive and auto parts industries. Companies such as General Motors, Ford and Chrysler-Fiat have taken advantage of the benefits offered by the country to raise their productivity and tackle the challenges facing the sector worldwide.

In the past five years, companies with a leading position in Mexico have devoted their expansion strategies within the country. Firms like Nissan and Volkswagen have expanded their operations and product lines to maintain their leadership not only in the local market but also in markets across Europe and Asia, while Japan’s Mazda is to install a new plant that will bolster the competitive position of Mexico in the global automotive industry.

The fact is that Mexico has earned the trust of major multinational companies, whose brands support the promotion plans and actions that have been implemented within the country to foster the sector’s development. Currently, an opportunity to consolidate Mexico as a strategic partner for the development of the industry is being explored with China.

Chinese firms such as Geely, Chery, JAC and BYD have entered markets such as Brazil, Chile, Venezuela and Colombia, initially in low-cost segments with basic quality requirements. In the past two years, these companies have announced productive investments to cover each of those country’s requirements, in order to ensure the marketing of their products within local markets.

The Chinese brands’ search for new niches within international markets is growing. To conquer these niches, especially in more complex markets such as North America, the Chinese automakers will have to implement strategies to increase their competitiveness in cost, quality and design. Mexico has decades of experience, not only in the production and manufacture of vehicles but also in supplying parts and providing specialized services, which represents an advantage for a company seeking to open spaces within the local market and to exploit the conditions of the country as an export platform.

There’s a whole domestic and foreign business network in the Mexican automotive industry that affords new investors understanding of how to operate, market and distribute units within the local market and abroad. It’s no coincidence that Mexico has been a magnet for new investments in the sector, exceeding 10 billion USD over the past five years.

Thus, the growing interest of Chinese auto companies in Mexico comes as no surprise. Unlike other economies that are choosing to close their doors to protect their industries, Mexico remains as an open window for international business. At the end of the day, this openness is a factor that international firms value when placing their trust and investments in a country.

Mexico is a reliable and experienced partner for Chinese automotive companies and it is expected that, in the short term, these companies will seek to increase and consolidate their presence within the country in order to take advantage of the business opportunities that can be generated from here to the rest of the world.

*Trade Commissioner at ProMéxico’s Representative Office in Shanghai, China.
Success in Motion

The global importance of the automotive industry is beyond question. However, it is worth taking a look at the changes that have been observed within the sector in recent years, especially in Mexico, which has consolidated itself as one of the top players in the global automotive industry.

BY MARÍA CRISTINA ROSAS
PHOTOS ARCHIVE

In recent years, the global automotive industry has undergone major changes. One is the growing trend of major car assemblers and of major auto part producers to move part of their production to emerging economies.

Analyses of the Compound Annual Growth Rate (CAGR) from 2006 to 2010 show that developed countries have reported negative growth within the sector, compared to the emerging economies which show positive and rising balances.

Mexico is a case in point. Development of the Mexican automotive industry is the result of a series of events and transformations that include the alignment of the nation’s industrial policy, coupled with the needs of globalization. The automotive industry has always played a key role in the country’s industrial development and since its inception has featured specific development programs.

Between 1999 and 2011, vehicle production in Mexico registered an increase of 65%, from 1.5 million units per year to more than 2.5 million. During that period, the country attracted significant investment. Between 2005 and 2011, cumulative foreign direct investment (FDI) in the sector was 10.3 billion USD and expectations for 2012 are encouraging.

Similarly, exports and domestic sales have grown significantly, despite the international economic crisis. Mexico has also sought to increase its participation in the global market. While in 2008, 71% of the industry’s exports were shipped to the US, in 2011 only 64% of Mexico’s auto exports were destined for that country. While the US remains the main destination for exports from the Mexican automotive sector, Canada (where seven percent of Mexico’s auto exports are shipped) and Latin America (15%) – mainly Brazil, the fourth largest consumer of vehicles in the world – have currently become important trading partners for the country.

In 2010, Mexico was the ninth largest car producer in the world and served as an export platform for many of the major car manufacturers and their suppliers. By 2011, Mexico stood in eighth place among the top global automotive manufacturers. Measured in exports, Mexico holds the fifth position worldwide and short-term expectations are very favorable. By 2017, Mexico will have the capacity to produce four million vehicles per year, with which it will position itself as the seventh largest producer and third largest exporter of cars worldwide.

HISTORY ON WHEELS

The history of the Mexican automotive industry dates back to 1925, when Ford established assembly lines in the country. Ten years later, in 1935, General Motors, the largest vehicle manufacturer in the world at that time, arrived in the country. By 1938, the Autotex company, which later became Chrysler, began its operations. During the 1950s and 1960s, companies around the world opted to open plants in Mexico. Nissan opened its first manufacturing center in Mexico in 1964, while Volkswagen, Ford and Chrysler also invested in production facilities in the country during that year.

From 1977 to 1989, Mexico’s auto industry began to favor trade competitiveness by promoting exports. Between 1990 and 1993, the country sought to modernize the sector based on deregulation policies and burgeoning acceleration of foreign investment. Today, Mexico is experiencing a new phase with the signing of international free trade agreements and the gradual liberalization of the industry.

A QUESTION OF COMPETITIVENESS

A comparison of auto production between Mexico and the US shows that production costs in Mexico are 12% lower, a clear competitive advantage that is complemented by factors such as:
- Free trade agreements with over 44 countries that guarantee preferential access to markets on three continents.
- Geographical proximity to the US market and easy access to other key markets, thereby reducing transportation costs and delivery times.
- The country has assembly plants established by 10 of the major companies in the global industry.
- The 300 major Tier 1 global suppliers have a presence in Mexico, with a well-structured value chain organized in dynamic and competitive clusters.
- The domestic market is steadily growing and is based on a demographic structure that focuses on age groups with greater purchasing power.
For all these reasons, the world’s major automakers are expanding or establishing operations in Mexico. For example, Ford recently announced that it will invest 1.3 billion USD in Hermosillo, Sonora. Meanwhile, Nissan’s investment in the country will be in the order of two billion USD. Likewise, Honda will allocate 800 million USD to Mexico to open a new plant, while Mazda announced an investment of 500 million USD.

A story of singular importance is the announcement by Audi AG, a Volkswagen group company, that it will invest approximately two billion USD in its first SUV plant in Mexico as part of its strategy to compete against rivals BMW and Mercedes Benz. The expected arrival of Audi to Mexico will increase the competitiveness of the company and, to a large extent, bring it closer to its goal of selling two million cars by 2020. The location of the plant will be announced in the coming months but it is worth noting that, despite having the option to install its plant in other countries like the US, the German company is betting on Mexico, where it plans to start operations in 2016.

These investments confirm the evolution and relevance of the Mexican automotive industry. Companies in the sector worldwide recognize that Mexico offers excellent infrastructure, competitive costs, world-class manufacturing and a long tradition and experience within the sector.

**X-ray of the Mexican automotive industry**

The Mexican states that contribute most to the automotive industry are those on the northern border, with 47% of total production, a situation that is stimulated by their proximity to the US market. In terms of vehicle production, there is a cluster in the center of the country that holds 43% of the total, while the northern cluster contributes 57% of the total.

The importance of the automotive industry for Mexico’s economy is unquestionable. The sector contributes 3.6% of the Gross Domestic Product (GDP), 20.3% of manufacturing GDP and 28.4% of the country’s manufacturing exports. It is also one of the largest employers with over 550,000 direct and indirect jobs.

The outlook for the Mexican automotive industry in the short term is positive. It is estimated that in 2012, 2.7 million vehicles will be produced and domestic sales will reach approximately 930,000 units, which means an annual increase of 6.3% and 2.6% respectively.

Also, considering its dynamism, it is expected that by 2015 the automotive sector will double the number of direct and indirect jobs it currently generates. For its part, the projected market growth for auto parts is between seven and 10% by the end of 2012.

*Professor and researcher in the Political and Social Sciences Faculty, National Autonomous University of Mexico (UNAM).*
The automotive and auto parts industry is running at full speed in Mexico, on a solid highway of opportunities that have allowed companies to not only overcome the challenges that emerged after the global crisis but also to break production and sales records, to further diversify its export markets and to continue attracting substantial amounts of investment.

Cruising at high speed down one lane of the highway is the auto industry, in other words, the auto assemblers operating within the country, including the 19 most important firms in the world. This subsector hit the accelerator in 2011, when production of light vehicles set a new record of 2.55 million units.

At that speed, Mexico positioned itself as the world’s eighth largest producer of light vehicles, advancing two positions compared to 2009 and surpassing countries like France and Spain. In fact, estimates from Global Insight and the Mexican Association of the Automotive Industry (AMIA) indicate that the country will produce more than three million units by the end of 2015, which is almost double the 2009 production.

Data from 2012 shows that the course is well defined and the speed is adequate. In March 2012, car production reached 288,625 units, representing an increase of 9.4% over the same month in 2011, whereas the cumulative volume during the first quarter of 2012 amounted to 713,643 vehicles, equivalent to a growth of 11.3% over the same period in 2011.

“The total production level reached in March of 2012 is the highest level recorded in a single month for Mexico, just as the cumulative production volume set a new record for total industry output for the year’s first quarter,” says Eduardo Solís, president of AMIA.

In the case of heavy and commercial vehicles, in 2011 production in Mexico reached 136,678 units, ranking the country as the sixth largest producer internationally. The prospects are that in 2012 production will grow to more than 144,000 vehicles and to 196,000 by 2016.

In Mexico, most production strategies are focused on the international market. Over 84% of all light vehicles produced domestically are destined for export. Solís explains that during the first quarter of 2012, the cumulative volume of sales increased 14.8% over the same period of 2011, with 889,581 units. Furthermore, that figure represents the highest level of export in the first three months of a year.

According to figures from AMIA, during the first months of 2012 exports to Africa grew by 89.1%, those to Latin America increased by 43.7%, to Canada by 67% and to the US by 3.8%.

The industry’s strategies to diversify its export destinations have already shown results. The US remains the main destination for foreign sales of the industry in Mexico, but exports to other markets have grown.

Data from ProMéxico indicates that in 2009, eight out of every 100 light vehicles manufactured in Mexico were exported to Latin America. However, in 2011 that indicator grew to 15 out of 100 units, with Brazil, Argentina, Colombia and Chile as the major destinations within the region.

Europe is another strong destination for Mexican auto exports, receiving 10 out of every 100 light vehicles exported in 2011.

THE DRIVING FORCE: INVESTMENT

The automotive industry in Mexico travels at high speed toward the dynamism driven by the investments made in the country. ProMéxico data indicates that between 2007 and 2012, the investments made by assemblers totaled 10.78 billion USD, and that the major capital injections were made by Nissan, General Motors, Volkswagen, Ford, Honda, Fiat, Manta and Daimler Trucks.

Among those investments is a new Volkswagen plant in the state of Guanajuato, to produce diesel engines for the US and Mexico, and the production of the “Bicentennial” car, with 550 million USD. Ford injected 800 million USD into its diesel engine plant in Chihuahua and Pirelli provided 210 million USD for its tire plant in Guanajuato, which is now a pioneer in the production of Fiat Tire and Green Tire.

Mazda built a plant to manufacture vehicles and engines in Guanajuato, investing nearly 500 million USD, while Nissan also constructed a plant in the state of Aguascalientes, the Japanese firm’s third in Mexico, with an investment of over 2 billion USD to...
produce up to 176,000 vehicles a year, beginning in 2013. Meanwhile, Fiat-Chrysler bolstered its plant in Estata de México, the only one in North America that manufactures the Fiat 500 and the Dodge Journey.

One of the most recent investment announcements was Volkswagen AG, which announced the construction of its first Audi plant in Mexico, with an investment of nearly two billion USD to produce the Q5 SUV, beginning in 2016, to service the North American market.

Within the framework of the constant competition between countries to attract international investment, the company performed a comparison between Mexico, Brazil, China and India, using the Foreign Direct Investment (FDI) Benchmark tool, which was based on investment costs for a vehicle assembly plant. Using the index of attractiveness for FDI, two variables were compared between the countries: quality in the industry's development and installation costs for a plant.

According to the results, Brazil has a high quality level in the development of the industry, but also reports high costs for the establishment of an assembly plant. India and Mexico offer a more favorable balance between quality and costs for a factory, compared to the US and now, it is between 60% and 63%. Latin America has become our most dynamic region for exports,” states Solís.

Recently we have established full openness with Colombia, Uruguay and Chile […] Not to mention the Mercosur trade area, which has allowed us to successfully export to Argentina and Brazil […] Mexico's network of FTAs also allows us to reach the European Union and Japan […] this network is a pillar for Mexico to attract investments,“ he explains. According to Solís, “the experience that we have in the automotive industry is composed of three factors. First: world-class labor, with expertise in activities such as metalworking and casting, which allows Mexico to climb the value chain and attract more projects with added value. The second factor is the network of suppliers within the country that has made Mexico the major automotive supplier to the US,” he continues. The third factor, as far as experience is concerned, “is our proven productivity in manufacturing vehicles and auto parts [...] Mexico is one of the leaders in productivity; an example is the Nissan plant in Aguascalientes which, according to officials of the brand themselves, is number one in the world in terms of productivity, and the same goes for the Ford plant in Hermosillo […] all the plants operating in the country say that they have the highest standards of productivity in Mexico,” he concludes.

**THREE KEYS FOR SUCCESS**

Several factors account for the success of the automotive industry in Mexico, yet Eduardo Solís sums them up into three: a privileged location, access to markets through a network of free trade agreements (FTAs) and the experience of the entrepreneurs and workforce.

“The country’s geographical location allows it to be a genuine platform for export, mainly for American markets. We are exporting to more than 100 countries and have managed to diversify our exports. Before, we exported 80% of our production to the US and now, it is between 60% and 63%. Latin America has become our most dynamic region for exports,” states Solís.

“Recently we have established full openness with Colombia, Uruguay and Chile […] Not to mention the Mercosur trade area, which has allowed us to successfully export to Argentina and Brazil […] Mexico’s network of FTAs also allows us to reach the European Union and Japan […] this network is a pillar for Mexico to attract investments,” he explains. According to Solís, “the experience that we have in the automotive industry is composed of three factors. First: world-class labor, with expertise in activities such as metalworking and casting, which allows Mexico to climb the value chain and attract more projects with added value. The second factor is the network of suppliers within the country that has made Mexico the major automotive supplier to the US,” he continues. The third factor, as far as experience is concerned, “is our proven productivity in manufacturing vehicles and auto parts […] Mexico is one of the leaders in productivity; an example is the Nissan plant in Aguascalientes which, according to officials of the brand themselves, is number one in the world in terms of productivity, and the same goes for the Ford plant in Hermosillo […] all the plants operating in the country say that they have the highest standards of productivity in Mexico,” he concludes.

**AUTO PARTS: “IN THEIR PRIME”**

Driving down the other lane of the highway is the auto parts industry, which is experiencing one of the best moments of the last 10 years in Mexico. “We ended 2011 with record turnover figures, with 67 billion USD in production, of which 45 billion was for export, mainly to the US market. It’s our highest figure ever and that is taking into account that we are recovering from the crash of 2008 and 2009,” says Oscar Albin, president of the National Auto Parts Industry (INA).

Albin believes that the industry’s dynamism is rooted in the “automotive recovery that the US market experienced in 2011 and in 2012” because people who could not change their vehicles during the 2008-2009 crisis began to renovate them in 2011. He added that Mexico is the leading supplier of auto parts to the US, delivering up to 30% of that market’s requirements.

His perspective is that growth will be sustained in the coming years “The new plants being established, such as Honda, the expansion of Nissan and Mazda, will surely bring new purchases and production, and will be reflected in 2014 and 2015. Production and sales will undoubtedly increase,” he explains.

For Albin, “Mexico’s advantages are clear: There is a healthy industrial environment, there is competitiveness in many sectors, the quality of Mexican labor in manufacturing is excellent and both the self-training and instruction offered by the firms, is first rate.”

But there are more advantages. According to a 2011 KPMG report, compared to the US and nine other countries, Mexico offers a 13% saving in manufacturing costs of parts, 19.4% in plastic supplies and 19.5% in the metal supplies used in this sector.

**CREATIVITY AND FACILITIES**

Both the auto parts industry and the auto assemblers have additional strong points in Mexico. These are: the establishment of numerous engineering and design centers, and automotive clusters in different parts of the country.

Examples of these strong points include General Motors’ Regional Engineering Center and Nissan’s Technology Development Center, based in Estado de México; Chrysler’s Automotive Engineering Research, Development and Testing Center in Mexico City; and Delphi’s Technical Center in Chihuahua.

Moreover, Mexico has a strong legal framework that not only provides certainty for investment but also facilitates manufacturing and trade. The country has promotion programs for this purpose in different sectors which, in the case of the automotive industry, allow imports of supplies with preferential tariffs. There is also the Eighth Rule, a mechanism that allows the import of materials, supplies, parts and components through the zero duty tariff and the Manufacturing, Maquiladora and Export Services program (IMMEX), simplifying procedures and requirements to the maquiladora regime for companies that already have a structured trading plan, and Import Tax Refund to Exporters.

With all its advantages and benefits, Mexico has become an ally in the international strategies of assemblers and auto part manufacturers. Eduardo Solís, president of AMIA, asserts that the country has the opportunities to continue advancing towards the top spots on the list of the world’s leading automotive powers. That’s the destination of the highway on which the Mexican automotive industry runs.
tutonic-American efficiency and Latin flair may not be a combination that springs easily to mind but it is that very partnership that has accelerated Daimler Trucks Mexico on the road, being profitable, even when the market fell by 60% in 2009.

Led by its truck division, Daimler has turned the corner and its future in Mexico seems secure and healthy as the company has a preeminent position among Mexico’s auto producers and exporters. That, of course, is good news for the company but it is perhaps even better news for Daimler’s over 4,600 Mexican employees who have worked hand in hand with management to ensure the company’s continuing success in the Latin American country of its choice.

Yet the turnaround in fortune comes as no surprise to Gerhard Gross, the dynamic President and CEO of Daimler Trucks Mexico, who confirms he had every confidence that the partnership between him, his management team and enthusiastic labor force would succeed. Gerhard Gross enthuses: “The economic crisis was something we had no control over. But what we could control was making our Mexican operations fit to handle the crisis. The response was superb, aided and abetted by a government that is very business-oriented.”

Working with Mexico is something Daimler can talk about. Daimler started back in 1985 by selling diesel engines to a Mexican truck manufacturer, and is now growing at the rate of 43% annually, making it the dominant player in its field in the country. The company has plants in Santiago Tianguistenco, Estado de México where 2,050 employees manufacture trucks for the domestic and foreign markets and in Saltillo, Coahuila where 2,300 employees do the same as their colleagues in Santiago Tianguistenco. Its Spare Parts Center is located in San Luis Potosí and headquarters in Mexico City with a total of 250 employees.

“Mexico is a wonderful place to do business because of its close proximity to the US, the quality of its workforce, low labor costs and its wide network of free trade agreements,” Gross explains. “We now export over 90% of our Mexican-manufactured trucks to the US, Canada and several Latin American countries; we have a close relationship with Mexican colleges from where our engineers graduate. Mexico, as part of the North American Free Trade Agreement, is a great boost to our business. It makes exporting to the US and Canada so much easier. We also export to countries throughout Latin America, namely Chile, Peru, Ecuador, Colombia and Central America. Only Brazil comes close to matching Mexico as a preferred Latin America base and in terms of quality and productivity, Mexico is still several steps ahead of Brazil,” he adds.

The importance of Daimler to the Mexican economy is highlighted by the fact that the company uses 125 local suppliers and the good news, according to Gross, is that it is looking to take on more. “We are very happy with our local suppliers and, as far as we are concerned, the more local suppliers we can take on, the better. The same goes for engineers. The standard of engineers in Mexico is excellent but we need more. It isn’t the end of the story when we hire them, just the beginning. Once hired, they are placed on an intensive training course and have to meet Daimler’s high demands before starting work,” Gross says.

Gross points out that while the company is doing better, there is still a long way to go before he can be fully satisfied with its overall performance. “As far as trucks go, the average age of the Mexican truck fleet is 17.7 years and that means that in the not too distant future, a total of 126,000 trucks will need to be replaced. There is still a lot of work to be done,” he explains.

With the expertise of the giant German company and the willingness and skill of its Mexican workforce, who would bet against Daimler Trucks Mexico accelerating ahead of the pack to increase its lead in the automotive market?
The Navistar Company, with its more than 170 years of history, is the oldest truck manufacturer in North America and began to sell its products in Mexico over 80 years ago. The company decided to settle in the country 16 years ago, in an effort to strengthen the sale of its technology to local manufacturers and start to make its products in Mexico.

The company currently operates the following three business units in Mexico: trucks, a financing company (Navistar Financial) and the automobile and spare parts division, known as Navistar Parts. Navistar opened a plant in Escobedo, Nuevo León, in 1998, with a $300 million USD investment and currently holds one third of the truck market share nationwide.

“We have maintained our leadership position in medium-sized trucks with our Durastar brand and brought a great product to market with the launch of our Prostar tractor trailer in 2009. It’s hard to get a driver out of our trucks, once they steer them,” says Eduardo Moguel, Marketing Director for Navistar Mexico.

The company sold more than 7,000 units of its seven-ton and higher models in 2011, while also increasing its share in the passenger transportation segment and strengthened its presence in the construction and mining truck market. The figures are very encouraging when compared to 2010, when the company sold close to 1,000 trucks in Mexico.

“Mexico is considered a mature market by Navistar’s US headquarters, which find it fascinating to operate in a country that has such an amazing potential. Trucks in Mexico are 17 years old, on average, and the country offers us an opportunity to renew all of those units that are still out on the streets,” adds Moguel.

All Navistar’s Prostar trucks sold worldwide are assembled in the company’s plant in Escobedo. Between 60% and 80% of the plant’s current production is exported to the US, Canada and 40 other countries across the globe.

Escobedo was the first truck assembly plant to obtain its Clean Industry certificate from the Federal Environmental Protection Attorney General’s Office (PROFEPA) and won the Nuevo León Award for Quality in the large industry category. It is also ISO:9001 certified and obtained its first merit from the Mexican Center for Philanthropy (CEMEFI) for its corporate social responsibility in 2010.

“It is no wonder that we have our largest plant in Escobedo, which reflects the company’s firm belief in Mexico’s skilled workforce and quality manufactures. We believe that Mexican manufacturing is one of the best in the world. Navistar’s plant in Nuevo León generates 4,200 direct jobs, while the company’s headquarters, including the Navimex financing business and the tractor trailer company, employs an additional 350 staff members,” states Moguel.

The Navistar network in Mexico includes 19 dealers and 86 service and parts retail outlets. The company expects to achieve an annual production of between 55,000 and 60,000 units in coming years, to get back to its production levels recorded before the 2008 global financial crisis. Thus, an analysis of Navistar’s latest history can be obtained simply by looking at a snapshot of the recent history of the automotive industry in Mexico.
Volkswagen has been deeply involved in the evolution of the Mexican automotive industry over nearly five decades, establishing itself as a major generator of jobs and a training center for thousands of auto workers.

By Omary Mazaña
Photos courtesy of Volkswagen

S
ince the second half of the 20th century, Volkswagen has won a place in the contemporary history of Mexico as a major promoter of the automotive industry, even creating a Mexican pop-culture classic, the Type 1 model, also known throughout the country as the “Bug.”

In Mexico, like in Germany and Brazil, this model was an important element for motorizing the country,” recalls Thomas Karig, director of Corporate Relations and Strategy at Volkswagen de México, referring to the car that the German company produced at its plant in Puebla until the year 2003.

At the current juncture, with Mexico positioned between the major producers and exporters of light and commercial vehicles at its plant in Puebla until the year 2003.

De México, referring to the car that the German company produced important element for motorizing the country,” recalls Thomas Vocho S 30

...
Ford Motor Company of Mexico persists in its efforts to establish itself as a wholly owned subsidiary, able to sustain the quality of its central and northern Mexico manufacturing plants, while it strengthens its engineering center and increases the volume of its purchases from local suppliers in the automotive industry.

The administration led by executive officer Gabriel López, president and CEO of the company in Mexico since the second half of 2010, firmly maintains the goals set forth in recent years by his predecessor, Eduardo Serrano Berry.

“We saw an opportunity to increase the size of our engineering center and I can safely say that we will reach 850 engineers by year’s end; we have a plan to reach 1,000 in the near future. The program for our engineers is intensive; all of them are young people seeking to become genuine experts in the automotive business and to acquire the ability to develop complete vehicles within a reasonably short time,” asserts López.

Initially, this group of experts would be focused on the design of a full body, complete with its interior, and afterwards dedicate their efforts to the development of powertrains for future models.

A watershed moment for this consolidation strategy of Ford Mexico’s creative capital took place just a couple of years ago, with the expansion of the stamping and assembly plant that the company has had in operation since 1964 in Cuautitlán, Estado de México.

This expansion, like much of the three billion USD the company has invested in the last decade in both its Chihuahua and Cuautitlán plants for production of diesel engines for light and medium vehicles – as well as in Guanajuato, where it participates in the development of transmissions with Getrag – signaled the beginning of a new phase: the production of the latest Fiesta model for the North American market.

Ford Mexico involved its engineers, who by 2010 already totaled 550, in the design of high-quality components and the car’s electrical architecture, according to information revealed by the company at the time.

The plant’s restructuring, a transformation which Ford Mexico had reported as far back as 2008, and the entry of the new Fiesta to its production lines is part of the commitment that the company took on a global level to generate more compact and medium cars for a market concerned with reducing fuel consumption. Hence, the success of its Fusion and Fiesta models.

Moreover, since then the company has emphasized that all these new investments and expansion plans in Mexico are among its key objectives to increase the procurement of components for their vehicles with the suppliers settled in the country.

“We have found excellent quality suppliers and technological development on a par with any other country in the world, as well as highly-skilled and trained manpower,” says López.

A document published by the company in 2010 regarding the restructuring in Cuautitlán gave the level of purchases from Mexican companies as 70%. Gabriel López notes that, whereas six years ago purchases from suppliers totaled 500 million USD annually, by the end of 2012 the amount will rise to nine billion.

In March 2012, the company announced that it was investing 1.3 billion USD in its Hermosillo, Sonora plant to create the new generation Fusion model and the Lincoln MKZ, destined for export to the US.

Ford Mexico is confident that the economic recovery shown by the US following the financial crisis, and the effect that this recovery has had in the Latin American countries where the company has operations, will strengthen the demand for cars.

According to company figures, in 2011 Ford exported a total of 427,209 Fiesta, Fusion and MKZ units produced in Mexico, of which 380,621 were sent to the US, 31,422 to Brazil, 12,862 to Argentina, 9,087 to Colombia, 2,046 to Chile and 14,191 were destined for the Mexican market.

“Favorably, there are other economies that are recovering faster than we expected, this is the case with the US, and we are therefore demanding more products from our Cuautitlán plant,” says López.

Ford maintains its lead as the major exporter to the US and is focused on the opening up of other Latin American countries – like Colombia and Peru – to free trade with Mexico, which would give greater mobility to an increased production of cars that ensure lower fuel consumption, as well as those that take advantage of the hybrid technology that the company has successfully positioned in the European and Asia Pacific markets.

Meanwhile, the CEO of the Mexican subsidiary foresees good prospects for the domestic market, where the firm’s Escape, Focus, Fiesta, F150 and Lobo pickup models have been successfully positioned and will participate in the continent’s general recovery and soon return to a consumption rate of over a million units per year.

“We have to work on two or three key issues: access to credit, cost, revenue and its distribution,” López concludes, with the same certainty with which Ford has been committed to Mexico for over 85 years.

Omar Magaña

Ford is growing in Mexico in every sense. With the investments made in recent years, the firm has strengthened its production capacity and established its desire to turn the country into a center of creativity and automotive design according to global standards.

By Omar Magaña

Photos Courtesy of Ford

DESIGN AND GROWTH
Two Key Issues on Ford Mexico’s Agenda

Ford Motor Company of Mexico persists in its efforts to establish itself as a wholly owned subsidiary, able to sustain the quality of its central and northern Mexico manufacturing plants, while it strengthens its engineering center and increases the volume of its purchases from local suppliers in the automotive industry.

The administration led by executive officer Gabriel López, president and CEO of the company in Mexico since the second half of 2010, firmly maintains the goals set forth in recent years by his predecessor, Eduardo Serrano Berry.

“We saw an opportunity to increase the size of our engineering center and I can safely say that we will reach 850 engineers by year’s end; we have a plan to reach 1,000 in the near future. The program for our engineers is intensive; all of them are young people seeking to become genuine experts in the automotive business and to acquire the ability to develop complete vehicles within a reasonably short time,” asserts López.

Initially, this group of experts would be focused on the design of a full body, complete with its interior, and afterwards dedicate their efforts to the development of powertrains for future models.

A watershed moment for this consolidation strategy of Ford Mexico’s creative capital took place just a couple of years ago, with the expansion of the stamping and assembly plant that the company has had in operation since 1964 in Cuautitlán, Estado de México.

This expansion, like much of the three billion USD the company has invested in the last decade in both its Chihuahua and Cuautitlán plants for production of diesel engines for light and medium vehicles – as well as in Guanajuato, where it participates in the development of transmissions with Getrag – signaled the beginning of a new phase: the production of the latest Fiesta model for the North American market.

Ford Mexico involved its engineers, who by 2010 already totaled 550, in the design of high-quality components and the car’s electrical architecture, according to information revealed by the company at the time.

The plant’s restructuring, a transformation which Ford Mexico had reported as far back as 2008, and the entry of the new Fiesta to its production lines is part of the commitment that the company took on a global level to generate more compact and medium cars for a market concerned with reducing fuel consumption. Hence, the success of its Fusion and Fiesta models.

Moreover, since then the company has emphasized that all these new investments and expansion plans in Mexico are among its key objectives to increase the procurement of components for their vehicles with the suppliers settled in the country.

“We have found excellent quality suppliers and technological development on a par with any other country in the world, as well as highly-skilled and trained manpower,” says López.

A document published by the company in 2010 regarding the restructuring in Cuautitlán gave the level of purchases from Mexican companies as 70%. Gabriel López notes that, whereas six years ago purchases from suppliers totaled 500 million USD annually, by the end of 2012 the amount will rise to nine billion.

In March 2012, the company announced that it was investing 1.3 billion USD in its Hermosillo, Sonora plant to create the new generation Fusion model and the Lincoln MKZ, destined for export to the US.

Ford Mexico is confident that the economic recovery shown by the US following the financial crisis, and the effect that this recovery has had in the Latin American countries where the company has operations, will strengthen the demand for cars.

According to company figures, in 2011 Ford exported a total of 427,209 Fiesta, Fusion and MKZ units produced in Mexico, of which 380,621 were sent to the US, 31,422 to Brazil, 12,862 to Argentina, 9,087 to Colombia, 2,046 to Chile and 14,191 were destined for the Mexican market.

“Favorably, there are other economies that are recovering faster than we expected, this is the case with the US, and we are therefore demanding more products from our Cuautitlán plant,” says López.

Ford maintains its lead as the major exporter to the US and is focused on the opening up of other Latin American countries – like Colombia and Peru – to free trade with Mexico, which would give greater mobility to an increased production of cars that ensure lower fuel consumption, as well as those that take advantage of the hybrid technology that the company has successfully positioned in the European and Asia Pacific markets.

Meanwhile, the CEO of the Mexican subsidiary foresees good prospects for the domestic market, where the firm’s Escape, Focus, Fiesta, F150 and Lobo pickup models have been successfully positioned and will participate in the continent’s general recovery and soon return to a consumption rate of over a million units per year.

“We have to work on two or three key issues: access to credit, cost, revenue and its distribution.” López concludes, with the same certainty with which Ford has been committed to Mexico for over 85 years.

Omar Magaña

Ford is growing in Mexico in every sense. With the investments made in recent years, the firm has strengthened its production capacity and established its desire to turn the country into a center of creativity and automotive design according to global standards.

By Omar Magaña

Photos Courtesy of Ford

DESIGN AND GROWTH
Two Key Issues on Ford Mexico’s Agenda

Ford is growing in Mexico in every sense. With the investments made in recent years, the firm has strengthened its production capacity and established its desire to turn the country into a center of creativity and automotive design according to global standards.

By Omar Magaña

Photos Courtesy of Ford
Honda Mexico: A History of Growth

Since 1985, the year in which the Japanese firm established itself in Mexico, Honda has enjoyed steady growth. In 2012, the firm opened a new plant in the country, which will allow it to increase its levels of production for export to North America.

By Antonio Vázquez
Photos courtesy of Honda

Yunuel Ramírez, Public Relations Coordinator for Honda in Mexico, states: “The Honda consumer ultimately becomes an ambassador for the brand.”

“The fact is that, more than just driving a car with Japanese technology, anyone who drives a Honda vehicle, combines sophistication with a concern for the environment,” he says.

The Asian firm set its sights on Mexico in 1984. For a little over a year, it devoted itself to search a site to install a production plant for vehicles to export to North America and to the rest of Latin America.

Honda decided to build its plant in the municipality of El Salto, Jalisco, in the southern metropolitan area of Guadalajara – Mexico’s second largest metropolitan area, located in the western area of the country.

Initially, Honda began producing motorcycles and, later on, the Honda Accord. Today, the Honda CR-V SUV is produced in El Salto both for the domestic market but also for export to other countries within the region. Mexico has been a strategic location for the brand, not only because it’s next to the US but also because of its workforce.

“Following the company’s expansion plan, we decided to install a second plant in Mexico, with production not only for the domestic market but also for export to other countries within the region. Mexico has been a strategic location for the brand, not only because it’s next to the US but also because of its workforce.”

Thus far in 2012, Honda Mexico has sold a total of 12,991 units.

CARING FOR THE ENVIRONMENT

Honda plans to change the behavior of the auto industry in Celaya, Mexico, and in the world, not only with the launch of the Honda Fit and other products but also by promoting a new relationship between the industry and the planet.

“Our brand is interested in developing environmentally friendly technologies. In the short to medium term, Honda seeks to distinguish itself by offering the highest quality products at a reasonable price, while always taking the environment into account,” says Yunuel Ramírez.

The company’s level of environmental awareness ranges from the stationary used at the administrative level to the technology used in its cars.

“I can tell you, for example, that the ninth generation Honda Civic has been recognized by specialized foreign publications as one of the most successful green cars,” assures Ramírez.

In the medium term, one of Honda Mexico’s goals is to achieve zero emissions and to improve efficiency in the use of natural resources, to create products with better fuel economy, contributing to the reduction of emissions of harmful substances into the environment, and to incorporate clean energy into their operations.

The firm has the Green Dealers program in the works, which will seek to persuade all of its franchisees to adopt the company’s green policies.

Thus, from Mexico, Honda not only plans to increase its presence in the Americas but also to promote the new face of the automotive industry, one that is much friendlier to the environment.
Bosch, one of the world’s leading auto parts manufacturers, arrived in Mexico in 1955. Since then, the company has found fertile soil for its development in the country and has become a leader in its sector.

The best way to understand the history of German auto parts manufacturer Bosch is to read the Questa storia (This Story) novel, written by Italian author Alessandro Baricco. Let us break it down into parts: the prose of this book takes us to the origins of oil, engines, metal parts and the quest for amazing distances unknown to mankind in the 19th century.

The fact is that the story of this company, which came to Mexico in 1955, also began as a dream held by visionary Robert Bosch, who decided to open a Precision Mechanics and Electrical Engineering shop in Stuttgart, Germany.

Bosch is much like Libero Parri, the protagonist in the Baricco novel, an Italian farmer who felt that the future would be linked to automobiles and insisted on instilling this dream in his youngest son until he managed to convey his fascination with engines, gasoline and roads.

Several decades have proven that Bosch was right. His company, which has grown to include more than 300,000 employees in over 60 countries, is now a global firm reporting 51.5 billion euros in industrial manufacturing and automotive sales.

Bosch is the industry leader in Mexico. René Schlegel, president and CEO of the firm in Mexico, states that the country is fundamental to the company’s overall strategy, as it is currently a leading car exporter worldwide. With nine plants in Aguascalientes, Ciudad Juárez, Mexicali, Mexico City, Saltillo, San Luis Potosí and Toluca, and 8,500 employees within the country, Bosch is experiencing steady growth rates as a global automotive supplier. The company in Mexico allocates 85% of its production to the original automotive market and the remaining 15% to the spare parts market.

Bosch currently operates three specialized divisions. The first is the Automotive Technology Division, followed by the Drive and Control Technology Division and the Consumer Goods and Building Technology Division, focused on thermo-technology, appliances, audio and video and security systems.

“Mexico is one of our top priorities in terms of sales, manufacturing and supply,” says Schlegel. “In 2011, we invested 78 million USD in manufacturing in the country and plan to increase this figure to 114 million USD this year, with similar annual amounts over the mid-term. Mexico, with its free trade agreements, is a very interesting export platform, not only to the North American market but also to other countries across the globe. Moreover, Mexico offers quality workforce, with a high education level at a very competitive and sustainable price,” he adds.

Bosch has partnered with institutions like the National Autonomous University of Mexico (UNAM), the National Polytechnic Institute (IPN) and the Tecnológico de Monterrey, encouraging students to major in fields related to the automotive industry. Over time its relationship with universities has focused on increasing manufacturing quality and innovation.

“There is a very low staff turnover, strong interest in progress and a great deal of technical knowledge, reliable experts for strong production levels and, the added value, this talent can grow. In the 1980s, we used to export intermediate products from Mexico, at the most basic level of manufacturing, while today we make cutting-edge products, such as in Germany and the US,” explains Schlegel.

Bosch in Mexico manufactures and sells automotive products including multimedia, communications and surveillance systems on buses to supply the original equipment manufacturers (OEM) and the aftermarket. The company also has a network of franchisees known as the Bosch Car Service and the Bosch Diesel Service, which raises the level of technical services offered by mechanical garages. Bosch also provides intelligent building systems for the construction industry, plus high definition CCTVs, alarms, sound systems, access controls and fire alarms, power tools including industrial abrasives and domestic and industrial water heating and air conditioning systems.

Robert Bosch, who visited his first clients on his bicycle, passed away on March 12th, 1942, at the age of 81. Today, his empire is built not on two wheels, but four – the automobile – just as Baricco’s Libero Parri. And Mexico plays a leading role in this story.
German Technology Manufactured in Mexico

The German firm W. Voit Automotive welcomes the current peak of the Mexican automotive industry. For the company, this is the perfect time to find and secure clients in the dynamic auto parts market.

**W. Voit Automotive**

**The company arrived in Mexico to become the leading supplier of stamped metal pieces for the Bosch plant in Toluca but a delay in the great technological conglomerate’s projects caused W. Voit’s operations to start slowly and the company did not begin production until 2001.**

**There’s talk of future opportunities for the automotive market in Mexico and about seeking a second location,** confirms Oberthuer. **The fact is, at first, there wasn’t a single company that could manufacture the parts with the tolerance tests required by Robert Bosch,** says Oberthuer. **By 2004, the company had already registered a turnover of 15 million USD and in 2006, the assets of the Mexican partner were absorbed by the German group, at which time the company adopted the name by which it is now known.**

Currently, W. Voit Automotive de México sales amount to 40 million USD annually. The Mexican subsidiary is constituted as an independent entity, responsible for its own funding and in the last five years it has maintained a consistent investment of about 15 million USD. “We see very strong growth for the company in Mexico; we want to develop a second line of technology within a three year time limit,” reveals Oberthuer.

In addition to this new technology, W. Voit Automotive considers it a priority to start production of its own tools in Mexico. In order for that to happen, the company is also investing in the education and training of the staff at a plant that now has 418 employees, including designers, administrators and human resources in the workshop, production, logistics and quality control areas.

**“We could say that between 50% and 60% of our products leave the country—not only through us but through our customers,” says Oberthuer. These days, the attention of the company is focused on the end of 2001 its sales volume had already reached a million USD.**

In addition to this new technology, W. Voit Automotive considers it a priority to start production of its own tools in Mexico. In order for that to happen, the company is also investing in the education and training of the staff at a plant that now has 418 employees, including designers, administrators and human resources in the workshop, production, logistics and quality control areas.

“Last year we began with our own training program. We’re doing it in collaboration with the Center for Industrial Job Training (CICEVT); young people between 16 and 18 years of age are hired and they enter into a dual system in which they spend an extra three days at the plant to learn all the processes,” explains Oberthuer.

**[www.wvoit.com](http://www.wvoit.com)**
Leadership Footprints

Nemak is more than a leader in the Mexican auto parts industry. It is a clear example of the opportunities Mexico offers to companies interested in expanding their presence on international markets.

The engines, transmissions, electrical systems and even the interiors of vehicles running in the streets and roads of countries in the five continents are assembled with auto parts manufactured in Mexico. Nemak, a subsidiary of the Mexican conglomerate Grupo Industrial Alfa, can stand for that. Nemak produces high-tech aluminum components such as cylinder heads, engine blocks and transmission parts for the automotive industry, which are exported from Mexico to countries like the US, Canada, Brazil, Argentina, China, South Korea, Thailand and Australia, as well as several countries within the European Union. And Nemak goes for more.

During the past few years, the company has experienced steady growth rates, thanks to strategic acquisitions. With 28 manufacturing facilities located in 13 different countries in Asia, Europe and North and South America, and over 18,000 employees worldwide, Nemak is ready to meet the demands of the automotive industry around the world.

Nemak was born in Mexico in 1979, as a result of a joint venture between Grupo Industrial Alfa and Ford Motor Company to produce high-tech aluminum components for the automotive industry. In 1981, the company started manufacturing cylinder heads for Ford and in the 1990s it expanded its product portfolio with the production of monoblocks.

In 2000, Nemak launched an aggressive internationalization strategy. That year, the company acquired from Ford two plants in Canada. In 2003, it started operations of a manufacturing site in the Czech Republic and in 2005 it became holder of 10% of the stock of the German Rautenbach, specializing in the production of aluminum components with manufacturing facilities in Germany and Slovakia.

In 2007, Nemak acquired 16 plants from several of its competitors, four of them in Hungary, Germany and Austria, from where the company works with some of the major European automakers, such as Audi, BMW, Daimler, Ford, Opel, Renault and Volvo. Norik Hydro, a Norway-based aluminum and energy group, sold Nemak its castings business in Europe. The Mexican company also acquired Teksid Aluminium, with a total of 10 plants in Mexico, the US, Brazil, China, Poland and Argentina. With those movements, Nemak consolidated its leading position in the auto parts industry worldwide.

That same year, Nemak’s acquisition of Castech from Grupo Industrial Saltillo allowed the company to increase its market share in the North American market, as well as its presence in other markets such as China.

In 2011, Nemak finalized the construction of a new plant in Chongqing, China, which will become operative in 2013 to supply Ford with aluminum monoblocks.

In 2011, Nemak finalized the construction of a new plant in Chongqing, China, which will become operative in 2013 to supply Ford with aluminum monoblocks.

In 2012, Nemak entered into a definitive agreement to acquire J.L. French Automotive Castings, a supplier of high pressure die cast aluminum components, particularly transmission parts.

Mexico is in the center of Nemak’s expansion strategy: “Mexico has an excellent geographic location and the NAFTA has eliminated trade barriers, allowing us to import at lower costs. Also, there is a good level of infrastructure and competitive labor costs with high technical level. Additionally, in recent years we have witnessed a significant growth in the automotive industry, due to the installation of several vehicle assembly operations,” says Armando Tamez, President for Global Operations at Nemak.

Nemak has demonstrated an extraordinary ability to take advantage of those favorable conditions. Today, the company has 10 manufacturing plants in Mexico – located in García in Nuevo León and Monclova and Ramos Arizpe in Coahuila - where it employs some 10,000 people.

“Nemak as their main auto part supplier. “Because of the company’s reputation as a world leader in cost, quality and service, and due to the speed an efficiency with which the firm is able to meet its clients demands, automakers as Mazda, Volkswagen and Audi, who have recently announced new investments in Mexico, have already chosen Nemak as their main auto part supplier. “Because of the company’s reputation as a world leader in cost, quality and service, and due to the speed an efficiency with which the firm is able to meet its clients demands, automakers as Mazda, Volkswagen and Audi, who have recently announced new investments in Mexico, have already chosen Nemak as their main auto part supplier.” states Tamez.

According to him, Nemak plans to maintain its growth rate with maximum operative efficiency; strengthen its presence in growing markets, expand its product portfolio by including transmission and structural parts and consolidate its vertical integration adding value to its products. All that with Mexico playing a key role.
In the cities of Buenos Aires, Barcelona, Paris and New York, people who slip into an automatic Sentra, Altima, Jeep Compass, Jeep Patriot, Dodge Caliber or Renault Megane know about the luxury of driving without feeling the change of gears when accelerating.

What they probably don’t know is that the continuously variable transmissions (CVTs) of their cars were manufactured according to the most stringent international quality standards in Aguascalientes, central Mexico. They may not know that among different sites in the world, the Japanese group Jatco chose this city for its quality automotive manufacturing.

Jatco was born in Fuji City, Japan. Today, in addition to Japan, the company has transmission manufacturing plants in Mexico, China and Thailand – which will begin production in mid 2013. Additionally, the company has established sales networks in countries such as France, Korea and the US.

In Mexico, Jatco has undergone a growth that can only be described as dizzying. The company, created by the Nissan group in the 1970s, decided to jump-start the 21st century in the city of Aguascalientes, with its third global production line – the first outside of Japan. Jatco arrived in the heart of the country in 2003 to settle in a 187,635-square-meter facility.

The plant started production in 2005 with the manufacture of 420,000 CVT units per year. Currently, 700,000 CVT units per year are sent out into the market from the work of 1,770 people in Jatco México. Of these, 96% are directly or indirectly exported. At present, Jatco’s plant in Aguascalientes is preparing to increase its production to 810,000 units by the end of 2012, for which the company will employ 300 more people.

In addition to Nissan, Jatco México supplies transmissions to other customers such as Chrysler (Jeep Compass, Jeep Patriot, Dodge Caliber) and Renault’s Megane model circulating through the streets and highways of France, Turkey, Spain and Argentina.

Worldwide, 13% of vehicles using CVTs do so with parts made by Jatco in Aguascalientes.

“Why did Jatco choose Aguascalientes over other parts of the world?” we asked Mauricio Velázquez, Customer Service and Logistics Manager for the company in Mexico.

“It is because of the quality of the workforce in this region of west-central Mexico. To make transmissions for cars that are driven all around the world, Jatco needed to ensure an excellent quality and people here are very well prepared for that task,” he answers.

Velázquez points out that public and private higher and upper-middle education institutions near Aguascalientes are linked to the automotive industry. As are professional and technical degree courses that deliver well prepared graduates to provide top quality manufacturing for the industry. Due to the quality and first-rate technology used in the manufacture of laminated parts, pulleys and heavy duty gears for the CVTs developed in the company’s foundry in Mexico, as well as for the assembly of transmissions, since 2007 Jatco México has been awarded ISO/TS 16949, ISO 14001 and ISO/TS 9000 international certifications.

Furthermore, Jatco’s plant in Aguascalientes has a strategic geographical and marketing location. On one hand, it’s right next to the Nissan plant, to which it supplies much of its production. On the other hand, the network of roads and airports near Aguascalientes positions this state practically next door to the US – where most of the parts of this Japanese multinational are sent – as well as in the center of a country that has sea and air links with the rest of the world.

Thanks to all the attributes that surround Jatco México, plans for expansion continue. By 2016 the company intends to supply the world with 1.8 million CVTs annually, says Mauricio Velázquez.

The bonus is that the manufacture of those parts is parallel to a commitment to the environment. The new generation of CVTs for four-cylinder cars made in the Aguascalientes plant, called CVT2, will allow fuel savings of 10% because they are manufactured using lighter and high strength components.

“Not only do we strive to meet the quality requirements of our customers, but also to surpass them. Vehicles using our transmissions will reduce fuel consumption levels,” assuages Velázquez. “Thus, while saving the environment from toxic emissions, drivers of cars with automatic transmissions all over the world will be able to see the difference with CVTs manufactured by Jatco México. They’ll never feel the change in the vehicle’s acceleration and, at the same time, they’ll be making a change in the natural environment around them. And everything is made in Aguascalientes, Mexico.”

www.jatco.co.jp

- Worldwide, 13% of vehicles using CVTs do so with parts made by Jatco in Aguascalientes, Mexico.
- By 2016 the company intends to supply the world with 1.8 million CVTs annually from its manufacturing facilities in Mexico.
- The new generation of CVTs for four-cylinder cars made in the Aguascalientes plant will allow fuel savings of 10%.
Increasing Production at High Speed

Mexican Vehicle Production (Units per year) 1

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Light Vehicles</th>
<th>Commercial Vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,892,949</td>
<td>1,692,949</td>
<td>200,000</td>
</tr>
<tr>
<td>2006</td>
<td>2,077,576</td>
<td>1,802,576</td>
<td>275,000</td>
</tr>
<tr>
<td>2007</td>
<td>2,114,020</td>
<td>1,842,020</td>
<td>272,000</td>
</tr>
<tr>
<td>2008</td>
<td>2,189,800</td>
<td>1,851,800</td>
<td>338,000</td>
</tr>
<tr>
<td>2009</td>
<td>2,120,209</td>
<td>1,800,209</td>
<td>320,000</td>
</tr>
<tr>
<td>2010</td>
<td>2,253,147</td>
<td>1,823,147</td>
<td>430,000</td>
</tr>
<tr>
<td>2011</td>
<td>2,554,043**</td>
<td>2,144,043**</td>
<td>410,000</td>
</tr>
</tbody>
</table>


A Growing Market
Mexican’s Automotive Industry Sales (Units per year) 2

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Light Vehicles</th>
<th>Commercial Vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,631,706</td>
<td>1,321,706</td>
<td>310,000</td>
</tr>
<tr>
<td>2006</td>
<td>1,886,215</td>
<td>1,576,215</td>
<td>310,000</td>
</tr>
<tr>
<td>2007</td>
<td>1,510,608</td>
<td>1,200,608</td>
<td>310,000</td>
</tr>
<tr>
<td>2008</td>
<td>1,072,209</td>
<td>772,209</td>
<td>300,000</td>
</tr>
<tr>
<td>2009</td>
<td>772,209</td>
<td>542,209</td>
<td>230,000</td>
</tr>
<tr>
<td>2010</td>
<td>1,099,966</td>
<td>799,966</td>
<td>300,000</td>
</tr>
<tr>
<td>2011</td>
<td>1,131,786</td>
<td>831,786</td>
<td>300,000</td>
</tr>
</tbody>
</table>

*Source: For light vehicles AMIA, for commercial vehicles ANP ACT. 

Exports
Mexican Vehicles Exported (Units per year) 3

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Light Vehicles</th>
<th>Commercial Vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,631,706</td>
<td>1,321,706</td>
<td>310,000</td>
</tr>
<tr>
<td>2006</td>
<td>1,886,215</td>
<td>1,576,215</td>
<td>310,000</td>
</tr>
<tr>
<td>2007</td>
<td>1,510,608</td>
<td>1,200,608</td>
<td>310,000</td>
</tr>
<tr>
<td>2008</td>
<td>1,072,209</td>
<td>772,209</td>
<td>300,000</td>
</tr>
<tr>
<td>2009</td>
<td>772,209</td>
<td>542,209</td>
<td>230,000</td>
</tr>
<tr>
<td>2010</td>
<td>1,099,966</td>
<td>799,966</td>
<td>300,000</td>
</tr>
<tr>
<td>2011</td>
<td>1,131,786</td>
<td>831,786</td>
<td>300,000</td>
</tr>
</tbody>
</table>

*Source: For light vehicles AMIA, for commercial vehicles ANP ACT. 


during 2011 the automotive industry represented

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>of FDI in Mexico</td>
<td>6%</td>
</tr>
<tr>
<td>of the country’s GDP</td>
<td>4%</td>
</tr>
<tr>
<td>of the manufacturing industry GDP</td>
<td>20%</td>
</tr>
<tr>
<td>of total Mexican exports</td>
<td>23%</td>
</tr>
</tbody>
</table>

Where do vehicles made in Mexico run?

Mexico is the world’s 19th Producer of light vehicles

<table>
<thead>
<tr>
<th>Region</th>
<th>Impressions</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>71%</td>
</tr>
<tr>
<td>Latin America</td>
<td>15%</td>
</tr>
<tr>
<td>Europe</td>
<td>7%</td>
</tr>
<tr>
<td>Africa</td>
<td>1.2%</td>
</tr>
<tr>
<td>Asia</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Source: For light vehicles AMIA, for commercial vehicles ANP ACT. 

**Estimated with information from BBVA

[1] Including heavy trucks, buses and coaches

[2] Sources: For light vehicles AMIA, for commercial vehicles ANP ACT.


Source: Asociación Mexicana de la Industria Automotriz (AMIA).

Mexico, HOME to the Biggest Players
IN THE RACE FOR LEADERSHIP
Major Automotive Exporters in Mexico (Units exported in 2011)

<table>
<thead>
<tr>
<th>State</th>
<th>Companies</th>
<th>Units Exported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonora</td>
<td>Ford</td>
<td>449,925</td>
</tr>
<tr>
<td>Chihuahua</td>
<td>General</td>
<td>443,237</td>
</tr>
<tr>
<td>Coahuila</td>
<td>Volkswagen</td>
<td>429,987</td>
</tr>
<tr>
<td>Jalisco</td>
<td>Nissan</td>
<td>411,660</td>
</tr>
<tr>
<td>San Luis Potosí</td>
<td>Chrysler</td>
<td>266,117</td>
</tr>
<tr>
<td>Puebla</td>
<td>Fiat</td>
<td>56,979</td>
</tr>
<tr>
<td>Aguascalientes</td>
<td>Toyota</td>
<td>49,549</td>
</tr>
<tr>
<td>Baja California</td>
<td>Honda</td>
<td>36,429</td>
</tr>
<tr>
<td>Estado de México</td>
<td>Kenworth</td>
<td>30,572</td>
</tr>
<tr>
<td>Guanajuato</td>
<td>Mazda</td>
<td>36,429</td>
</tr>
<tr>
<td>Morelos</td>
<td>Hino</td>
<td>30,429</td>
</tr>
<tr>
<td>Nuevo León</td>
<td>Cummins</td>
<td>30,572</td>
</tr>
<tr>
<td>Querétaro</td>
<td>Man</td>
<td>30,572</td>
</tr>
</tbody>
</table>

Key to States
1. Aguascalientes
2. Baja California
3. Estado de México
4. Guanajuato
5. Morelos
6. Nuevo León
7. Querétaro

Source: Asociación Mexicana de la Industria Automotriz (AMIA)
<table>
<thead>
<tr>
<th>Year</th>
<th>Automobile and Light Duty Motor Vehicles</th>
<th>Motor Vehicle Parts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>309.6 million USD</td>
<td>1,680.7 million USD</td>
</tr>
<tr>
<td>2006</td>
<td>972 million USD</td>
<td>1,884.7 million USD</td>
</tr>
<tr>
<td>2007</td>
<td>413.8 million USD</td>
<td>1,555.4 million USD</td>
</tr>
<tr>
<td>2008</td>
<td>667.5 million USD</td>
<td>881.8 million USD</td>
</tr>
<tr>
<td>2009</td>
<td>100.4 million USD</td>
<td>12.8 million USD</td>
</tr>
<tr>
<td>2010</td>
<td>227.3 million USD</td>
<td>753.5 million USD</td>
</tr>
<tr>
<td>2011</td>
<td>47.7 million USD</td>
<td></td>
</tr>
</tbody>
</table>

Foreign Direct Investment in Mexico’s Automotive Industry

Source: General Directorate for Foreign Direct Investment, Ministry of Economy.
**ART**

**Top Athletes on the Run**

In order to realize the historically important issue of escaping in sports, Zentrum deutsche Sportgeschichte has decided on a cooperation with the Mexican photographer and video artist Laura Soria (1977, Mexico City).

In *ZOV Sportverräter. East German Top Athletes on the Run* Soria presents a series of portraits of 15 athletes – who escaped from East Germany between 1949 and 1989 – captured in the moment of remembering and reminiscing. Some are holding documents or objects in their hands which bear relevance to the time period remembered, thus becoming vehicles for a voyage into the past.

The power of those voices and the resonance of the top athletes’ testimonies, according to the artist, serve as monuments. Usually, the monuments we encounter are of a monolithic nature and made of durable materials to ensure their permanence, and put up at prominent sites. Monuments are erected in agreement with official historiography to commemorate the victors. They talk of a frozen, eternal and unchangeable past, of a construction that claims not to have an expiration date.

The monuments Soria creates consist of neither stone nor bronze. They are story monuments that lose all the loftiness and mystery of official narratives. The stories of their escapes have changed these athletes’ lives. The works of Laura Soria enable the visitor to contact a silent interlocutor, to explore, ask questions and set the narrative in motion by pressing a button.

Thus, the work becomes a place of resistance, where secrets are turned into words and are finally revealed. The mechanism of split memory, the appropriation of memories by those who suffered violence and were passed over, is set in motion to make them audible and visible, to let their voices resound and to enable us to contact them: to perceive, explore, know and question our society and our role in it.

**ARCHITECTURE**

**An Impressive View at an Spectacular Location**

Dellekamp Arquitectos and Claudia Rodríguez have teamed up to design a Lookout-point and Coffee-restaurant in Parque Mirador Independencia of Guadalajara. The ongoing work is situated next to Herzog & de Meuron’s project of the Museo de Arte Moderno y Contemporáneo (Modern and Contemporary Art Museum), both forming part of TOA’s (Taller de Operaciones Ambientales) landscaping masterplan for the Parque Mirador Independencia.

The Lookout-point and Coffee-restaurant rivet the natural disemboguement of Independencia Avenue (one of Guadalajara’s main streets) but unobtrusively align to the sliding gesture of the landscape.

Both facilities were achieved through a single architectonic maneuver that consisted of an excavation and displacement of the look-out ground onto a jutting platform. The main virtue of this direct and simple intervention is that both facilities are inconspicuous to sight and their interrelation subtly emulates the landscape gesture of the ravine.

At ground level, only a slender slab projected over the gorge is visible. At first sight, visitors would have the impression of stepping onto a floating sheet of concrete. The true depth of the observation deck is concealed by the diagonal slant of its corbel underbelly and the overall structure is securely fastened by a parallel bridge devised in similar fashion.

The Coffee-restaurant, located in an underground pit preceding the observation platform, is totally invisible at ground level. The excavated grotto adds to the “floating deck” effect of the lookout point. Both amenities are the result, as it were, of sliding a matchbox open. The service area is also located underground and may be doubly accessed through the Coffee-restaurant and an independent lateral stairway. Also, the coffee lounges lying below the look-out enjoys large window panes gazing over the gorge and connects directly to a stairway leading to TOA’s open amphitheater down in the ravine.

**DESIGN**

**A Mexican Designer in Milan**

The Chroma Season, an exhibition curated by Barbara Brondi and Marco Rainò was presented during the Salone Internazionale di Mobile at Plusdesign Gallery in Milan. The exhibition features the results of Mexican designer Liliana Ovalle’s recent design process. Set up in the windowed room gallery known as “Project Room,” the installation features the brand-new desk Colour Me Blue and some experimental samples of Ovalle’s Colour Me series specially made for the occasion. The exhibition will remain open until June 30th, 2012.
When Elisa Carrillo Cabrera takes the stage—which she frequently does—spectators literally gasp at the sight of this dark-skinned Mexican goddess with long hair and a mole on her left cheek. She is nothing like the classical ballet dancers they are used to seeing, yet so self-confident and masterful in her movements, the audience barely has time to blink.

Three in the afternoon. The face of a slight young woman appears on my computer screen wearing a broad smile and a high-collared blouse. She tells me she misses Mexico, which she knows like the back of her hand, having explored it on road trips with her parents as a child. She says she misses the food, too, which is perfectly understandable. Elisa was born in Texcoco, Estado de México, a central state that produces many of the exotic fruits and vegetables responsible for the culinary syncretism—that unique fusion of native and Spanish influences—that has brought Mexican cuisine international acclaim. The most memorable vacation she remembers was in Nayarit, a Pacific state rich in seafood. “Sometimes I long for a tortilla, an avocado, a tlacoyo, beans, stuffed chili peppers, cebiche...” Elisa jokes as she talks. It is hard to believe this bright-eyed, down-to-earth young girl is the same one Mexico’s House of Representatives appointed “Ambassador of Mexican Culture” in May 2010.

Until recently, she also missed the weather in Mexico, but has since learned to appreciate the changing of the seasons in Europe. Just as she appreciates the milestones in her career: it was 12 years ago, when Elisa was at the Stuttgart Ballet, that her slender, graceful silhouette caught the eye of Vladimir Malakhov, artistic director and leading male dancer of the Berlin State Opera Ballet. He immediately invited her to visit his company and took her on. Elisa was 19 at the time, but already a professional dancer with 14 years’ experience.

It all began shortly after she turned five and her mother asked her if she wanted to take classes at a private ballet school in Mexico City. The minute the teacher saw her take her first steps, she alerted her parents of their daughter’s talent. Not long afterwards, when she was at the beginner’s school of the National Institute of Fine Arts (INBA)—one of the country’s leading art institutions—she saw a performance of La Sylphide. This ballet defined the path her life would take.
"From a very young age I loved music and moving my body, but when I saw La Sylphide, I realized dance was my passion. When you are a child you know when you like something, but obviously you have no notion of what it means to make a professional career out of it. I was lucky in that my family never pressured me, so ballet was never a sacrifice, but a pleasure, a way of life, something natural. Without knowing which path I would finally choose, my parents always consulted me. One day they asked me: Do you want to take the admission exam to the National School?"

So, in 1990, Elisa enrolled at the National School of Classical Dance. Six years later, at sweet 16, she attended the English National Ballet School in London on a scholarship from INBA and the National Fund for Culture and the Arts (FONCA).

Elisa vaguely remembers feeling afraid when she arrived in England. Mexico is not a country with a massive culture of classical ballet and she assumed she would be at a disadvantage. The sensation lasted no more than a few hours.

"From the very beginning, I realized I had excellent teachers at the National School of Classical Dance and that, compared to my classmates from other countries, I had come to London well prepared in stage performance," recalls Elisa. "Mexicans are talented in the arts, including classical ballet," she says, adding that, on her travels, she has met Mexicans who have forged successful careers in different professions and areas.

Which brings us to another thing Elisa misses. "Generally speaking, [Mexicans] are hard-working and always in a good mood. You can talk to people in the street as soon as you walk out your door." Her Mexican personality traits were one of the things that captivated Europeans. "They like that my personality, my hair and skin are all different," she stated a few months ago in interview with the Mexican daily El Universal.

There is no doubt in Elisa Carrillo’s mind that she will continue to jeté to new heights in her career. This May, she performed one of her favorite ballets, Romeo and Juliet. But beyond that she is not sure what her plans are. She estimates she has some 10 years left as a classical ballet dancer and, for the time being, her home is Berlin and the world her stage, although she admits she would like to return to Mexico some day to pass on what she has learned to new generations.

That said, the prima ballerina of the Berlin State Opera Ballet comes home every year to take part in dance festivals, visit her parents and her two brothers and receive accolades.

When asked if she represents Mexico, she replies, "Of course. I represent Mexico and Germany, too, because I am Mexican, but I work in Berlin. Every time I get on stage I am representing both countries, but truth be told, when people ask, it is nice to be able to say, ‘Yes, I am Mexican.’"
A visit to the city of Oaxaca can have only one outcome: the rediscovery of its handicrafts, traditions and colorful streets along with its cosmopolitan, contemporary lifestyle.

BY JIMENA SÁNCHEZ GÁMEZ
PHOTOS ARCHIVE

Friday

8:00 P.M.
The boutique hotel Azul Oaxaca is synonymous with art. The rooms feature interventions by four of Oaxaca’s leading painters: Francisco Toledo, Rubén Leyva, José Villalobos and Luis Zárate, as well as one by the Frijol Parado Collective.

HOTEL AZUL OAXACA
Abaro 513
Colonia Centro
T. +52 951 501 0016
www.hotelazuloaxaca.com

4:30 P.M.
A visit to the Oaxaca Contemporary Art Museum (MACO) is considered mandatory to see what is happening on Mexico’s current art scene. This colonial-style venue has shown work by artists of the standing of Chantal Akerman, Sophie Calle, Marina Abramovic, Carlos Amorales, Gabriel Orozco, Francis Alÿs, William Kentridge and Francis Bacon. During the summer, it also offers open air cinema every other night.

MACO
Macedonio Alcalá 202
Colonia Centro
T. +52 951 514 2228
www.museomaco.com

Saturday

8:00 A.M.
Enjoy a nice and relaxing breakfast at the Hacienda de los Laureles hotel. This place has won acclaim for its peerless gardens, and breakfast is served right in the middle of them. The hotel is also famed for having one of the best temazcales (hot baths) in Mexico.

HACIENDA DE LOS LAURELES
Hidalgo 21
Colonia Centro
T. +52 951 501 5300
www.haciendadeloslaureles.com

10:00 A.M.
A stroll through Oaxaca’s Historic Center is a journey through the colorful landscape of the state’s handicrafts, which are some of the most diverse and attractive in Mexico. Fantastic wooden alebrije figures, black clay pottery, textiles colored with natural dyes: on practically every corner of the City Center visitors will come across a piece of craftsmanship that will take their breath away. The Casa de las Artesanías (House of Handicrafts), in a building donated by Francisco Toledo, showcases a great selection.

CASA DE LAS ARTESANÍAS
Matamoros 123
Colonia Centro
T. +52 951 516 5062
www.casadelasartesanias.com.mx

2:00 P.M.
It’s time to think about lunch. La Biznaga restaurant offers mestizo cuisine in relaxed surroundings. Try any of its delicious variety of mole dishes.

RESTAURANTE LA BIZNAGA
García Vigil 512
Colonia Centro
T. +52 951 516 1800
labiznaga.com.mx
6:00 P.M.
Sunsets in Oaxaca are spectacular and the best spot to view them from is the El Furtín Mirador. Though many people climb up there on foot, we don’t recommend it; better to take a taxi and ask the driver to wait to take you back to the center. The view over the city and surroundings from this point is well worth it.

7:30 P.M.
Take an evening stroll around the city’s Zócalo or Main Square before dinner at one of Oaxaca’s most highly-acclaimed restaurants, Pitiona. Created by the chef Manuel Baños, Pitiona offers molecular cuisine from Oaxaca; a delightful surprise that no good food lover should miss.

PiTioNA
5 de mayo 311
Colonia Centro
T. +52 951 514 4707
www.pitiona.com

5:00 P.M.
Take another stroll through the historic center, but this time stop to admire the city’s architecture. The Macedonio de Albaíl Theater is a magnificently preserved jewel. Don’t miss the opportunity to see if you can catch a performance.

TEATRO MACEDONIO DE ALCALÁ
Independencia 000
Colonia Centro
T. +52 951 516 8312
teatromacedonioalcala.org

6:00 P.M.
The Santo Domingo de Guzmán Church, right in the heart of the city, offers a unique experience thanks to its patios and botanical garden. Built in the Baroque style of the New Spain, it is one of the most important buildings in Oaxaca. The lavish gold altarpieces make it a fascinating place to visit.

Sunday

9:30 A.M.
Head for Monte Albán, once the heart of the Zapotec culture, located 10 kilometers outside the city. This is one of the most important archaeological sites in all Mexico, as well as one of the best-preserved.

2:30 P.M.
Eat lunch at La Olla restaurant, a laid back spot offering typical Mexican food with excellent flavors. The red snapper in leaves of hoja santa (holy leaf) comes highly recommended. This place is simple but the service is attentive and friendly.

LA OLLA
Reforma 402
Colonia Centro
T. +52 951 514 6668
www.laolla.com.mx

8:00 P.M.
To round off this express visit to the magical city of Oaxaca, a must is dinner at the Azul Oaxaca hotel’s restaurant. The chef, Alejandro Ruiz, is one of the most influential figures in Mexican gastronomy. His fusion dishes have won him much acclaim around the world. As he himself says, his kitchen is “a laboratory,” and every patron finds out why when trying the unique formulae that emerge from it.

With a Little Extra Time...
Fundación En Vía combines tourism and microfinance to fight poverty, by providing interest-free microloans to help women in Oaxaca start or expand their small businesses. Fundación En Vía offers weekly tours into some of Oaxaca’s communities to meet its borrowers, learn about their loans and project plans and offer support for their success. These tours provide a special glimpse of life in Oaxaca, you will learn about different artisanal trades, traditional foods and local economies.

The organization uses 100% of tour fees to provide interest-free microloans and, once the loan is paid back, to provide English and business classes and other support for the community.

FUNDACIÓN EN VÍA
Avenida Juárez 900
Colonia Centro
T. +52 951 515 3434
www.envia.org
The Sensual World of ERNESTO NETO

Famous for his biomorphic sculptures which fill entire exhibition spaces, you can catch a retrospective of Ernesto Neto’s work at the Antiguo Colegio de San Ildefonso in Mexico City from April 22 through September 9, 2012. La lengua de Ernesto: Obras 1987-2011 is not only the artist’s largest but also his most complete exhibition to date.

Ernesto Saboia de Albuquerque Neto, better known as Ernesto Neto, is one of Brazil’s more internationally acclaimed contemporary artists. The eroticism his pieces convey is worthy of his sultry homeland, inviting us to reach out and touch them in all their irresistible glory. Through that gesture, that small act of affection we sometimes find so hard to express in modern-day society, the artist forces us to reconsider how our perception of sensuality has grown more rigid over time. And as we nestle in the soft, protective folds of his installations, we remember the importance of touching, hugging, feeling, of being human.

—When I see one of your pieces, I get the urge to touch it. Sometimes they trouble me so much I feel like bursting them. What is the meaning of your work? They signify life! Pleasure, danger and desire.

—What brings you back to Mexico? How did this retrospective at the Antiguo Colegio de San Ildefonso come about? This exhibit began at the Contemporary Art Museum of Monterrey (MARCO) and took me several years to finish. I am overjoyed to be able to show it in Mexico and lap up the energy Mexicans exude, not to mention enjoying their food. The MARCO exhibition was a milestone in my life because it brought me face to face with my own past. I can’t wait to see how it goes down in Mexico City, which is a much more expressive city than Monterrey.

—This is the largest exhibition you’ve done to date. Why Mexico? I have followed the path life has marked out for me. I am not even sure how we came to decide on the retrospective format. Maybe it emerged from conversations I had with the curator, my friend Adriano Pedrosa, and MARCO. Adriano had already expressed an interest in compiling a map of my work, while MARCO wanted to show a selection of pieces from the past—something rarely asked of me. That’s how the opportunity to show in Mexico came about.

What motivates me most are original projects like the Slow is good exhibit I recently opened at the Tanya Bonakdar gallery in New York. The Lengua de Ernesto project is a gift for my friend Adriano and the Mexican public. All the works in this exhibit reflect the passion that has driven me throughout my career, which is getting involved in new projects and creating new works. It is fascinating.

—This is the largest exhibition you’ve done to date. Why Mexico? I have followed the path life has marked out for me. I am not even sure how we came to decide on the retrospective format. Maybe it emerged from conversations I had with the curator, my friend Adriano Pedrosa, and MARCO. Adriano had already expressed an interest in compiling a map of my work, while MARCO wanted to show a selection of pieces from the past—something rarely asked of me. That’s how the opportunity to show in Mexico came about.

What motivates me most are original projects like the Slow is good exhibit I recently opened at the Tanya Bonakdar gallery in New York. The Lengua de Ernesto project is a gift for my friend Adriano and the Mexican public. All the works in this exhibit reflect the passion that has driven me throughout my career, which is getting involved in new projects and creating new works. It is fascinating.

I associate your work with sensuality and a certain sense of protectiveness. I have often felt like curling up in one of your pieces and letting it embrace me. What is your original intention? I think your desire to be hugged is the sensation I try to convey to the world, to others and myself. We all need to be hugged but being hugged by a stranger is a scary prospect, which is why I use art as a buffer between ourselves and the world. I am glad it elicited that response from you because that’s exactly what I was aiming for.
—Your installations are meant to be touched, but how do we know we have permission to interact with them when we are constantly being told “DO NOT TOUCH”?

Exactly. Touching is complicated because you can touch something gently or grab it forcefully. Plus, some pieces are made to be touched and others aren’t and each piece requires you touch it in a certain way. Maybe we could develop a process telling us how to touch each piece because touching is also a way of thinking, of feeling the experience. When we touch, we understand. Who knows if we’ll ever learn how to touch things better, what to touch and what not, but first and foremost, a work of art is a place of transformation. How to change the way we touch? It seems to me the question is more important than any conceivable answer.

—What has been the most challenging piece you have ever taken on?

Every new piece is an adventure and, in most cases, tends to be dramatic, so it’s hard to single one out.

—What piece has challenged you the most as a spectator?

Nothing beats a Saturday afternoon in the main square! In that respect, Mexico has a lot in common with Brazil. It has a contagious force of its own.

—What changes have you noticed on Mexico’s art scene since the first time you were here?

I am honestly not familiar enough with the local scene to comment but there are some talented Mexican artists on the international scene who wield a pretty strong influence within the general context. Artists like Gabriel [Orozco] and Francis [Alÿs], who have shown at the MoMA in New York, London’s Tate Gallery and the Pompidou Center in Paris, are prime examples of the prominence Mexican art has achieved.

—What has been the most challenging piece you have ever taken up?

It is a house in a pretty neglected, tough neighborhood of downtown Rio de Janeiro, full of people working and waiting for me to give them instructions. They are great people. You could say the social environment created by my assistants has come to mean more than the actual physical space. Everyday is chaos and I could be sure of. I enjoy the creative process more than art itself. Living and creating art became the only thing I could be sure of. I enjoy the creative process more than art itself.

—What does Mexico mean to you?

It is a profound, untamed, yet delicate place in combustion. Precolumbian culture, particularly Olmec and Aztec sculptures have shown at the MoMA in New York, London’s Tate Gallery and the Pompidou Center in Paris, are prime examples of the prominence Mexican art has achieved.

—What is your place of work, your atelier like?

It is a clay sculpture I made when I was 19. I realized it was the most interesting piece I had ever made. I was breezing along, wondering what to do with my life and trying to make the most of my youth. Maybe the question should be “How can you trap art...?” Art is fleeting, always hiding from you. Being an artist means accepting the mystery and waiting for art to appear; mistrusting it, fighting it and finally embracing it. Art breaks out of its confines every day and sets the world on fire; it resides in the work of art and in life but oftentimes it’s more tangible in life than in the actual piece.

—Is there any landscape in Mexico etched on your mind’s eye?

The sight of the pyramids of the Sun and Moon at Teotihuacán, Casa Barragán and the National Museum of Anthropology and History is of a very high standard but, if you ask me, Mexico’s greatest strength lies in everyday things like the food, the history inspired on each Mexican, which I find even more inspiring than contemporary art itself.

Nothing beats a Saturday afternoon in the main square! In that respect, Mexico has a lot in common with Brazil. It has a contagious force of its own.

—Where do you get your inspiration for new pieces?

It is a clay sculpture I made when I was 19. I realized it was the most interesting piece I had ever made. I was breezing along, wondering what to do with my life and trying to make the most of my youth. Maybe the question should be “How can you trap art...?” Art is fleeting, always hiding from you. Being an artist means accepting the mystery and waiting for art to appear; mistrusting it, fighting it and finally embracing it. Art breaks out of its confines every day and sets the world on fire; it resides in the work of art and in life but oftentimes it’s more tangible in life than in the actual piece.

—What was the first piece you made that encouraged you to take up art?

It was a clay sculpture I made when I was 19. I realized it was the process that interested me. Living and creating art became the only thing I could be sure of. I enjoy the creative process more than art itself.

—Is there any contemporary Mexican artist you keep tabs on?

I don’t ever keep tabs on myself! Apart from Francis Alÿs —who is Belgian but lives and works in Mexico— and Gabriel Orozco, there is Pedro Reyes, Damián Ortega, Abraham Cruzvillegas, Gabriel Kuri and countless others.

—Where do you get your inspiration for new pieces?

I do not know. From previous works and the life I’m leading at that particular moment in time, I guess. Art is part of daily life, it happens everywhere. Inspiration comes from what we read, what we see, the things and people we love, just the fact of being alive. There may be one or two practical details involved, such as the invitations that come along. The canvas and blank paper migrated to galleries and cultural centers a long time ago.

For me, the relationship with the exhibition space is of the utmost importance because it can’t just be summed up in terms of architecture. It matters whether it’s a gallery or a museum, who the curator is, who invited me, because all these factors affect the evolution of the piece. Nothing exists in a vacuum; everything is connected. Other sources of inspiration are social relationships, festivities and where they take place. The beach, for example, has been a very important place in my life.

—How did you find art?

Art found me. I was breezing along, wondering what to do with my life and trying to make the most of my youth. Maybe the question should be “How can you trap art...?” Art is fleeting, always hiding from you. Being an artist means accepting the mystery and waiting for art to appear; mistrusting it, fighting it and finally embracing it. Art breaks out of its confines every day and sets the world on fire; it resides in the work of art and in life but oftentimes it’s more tangible in life than in the actual piece.

—What was the first piece you made that encouraged you to take up art?

It was a clay sculpture I made when I was 19. I realized it was the process that interested me. Living and creating art became the only thing I could be sure of. I enjoy the creative process more than art itself.

—What is your place of work, your atelier like?

It is a house in a pretty neglected, tough neighborhood of downtown Rio de Janeiro, full of people working and waiting for me to give them instructions. They are great people. You could say the social environment created by my assistants has come to mean more than the actual physical space. Every day is chaos and I sometimes feel like my assistants are invading my safe haven, yet at the same time it’s extremely stimulating. Maybe my team is my best work of art.

There are no constants, no routine. On the contrary, it’s a microcosm of different personalities, debating, laughing and dealing with pressures in a light hearted fashion.

—Do you have pieces of your own at home?

The two I have just finished: The Sun Lits Life, Let the Sun and The Island Bird.

—Is there any landscape in Mexico etched on your mind’s eye?

The sight of the pyramids of the Sun and Moon at Teotihuacán, Casa Barragán and the National Museum of Anthropology and History.
April came and the prolific art scene in Mexico City began to speed up: museums and galleries held exhibits, lectures, cultural events, and parties... Everyone has a trick up their sleeves when it comes to Zona Maco – the most important contemporary art fair in Mexico.

This year, the Jumex Collection is no exception as it offers a new look into its pieces year after year. Michel Blancsubé, curator of *Poule!*, the Jumex exhibit that will open between April 20th and September 14th, decided to change the play: the exhibition does not impose the curator's reading and is not based on a conceptual and predetermined approach. In short, it has no subject matter, an unexpected curatorial stance that undoubtedly produces interesting results.

---

**Diary of a Curator**
Michel Blancsubé was born in Vanves, France in 1958 and served as assistant curator of the Museum of Contemporary Art in Marseille between 1996 and 2001. He started to work for the Jumex Foundation/Collection registration department in 2001.


---

**And what are your thoughts on collecting in Mexico?**
I believe that at the time Eugenio López Alonso started to engage in this activity, there were not many people who collected like he did. Previous experience is based on what Televisa owner “El Tigre” [Emilio Azcárraga] did in the Eighties, and I understand that his collecting efforts were directed to photography. When López Alonso started to become actively engaged in his collecting efforts in the mid-Nineties, he was the only Mexican entrepreneur doing so on a permanent basis. He filled a void at that time in Mexico, as there were no public contemporary art collections. This changed four or five years ago when the National Autonomous University of Mexico (UNAM) started to develop a collection.

The country now has two types of collectors: those who collect in a more private manner without exhibiting their works and those that get involved in social life and make it public. The latter is more in-tune with the Jumex-style. Many people had their doubts at the beginning, but today many of them have followed Jumex’s collecting patterns and it is now a social phenomenon. I believe that collecting, as a private activity, has now become more public. We would have to take a look at this year’s Zona Maco’s results, but I think collecting is on the rise.
The works obviously make a lot of noise; they talk incessantly. They do not want to be just looked at, they want to be listened to. However, in most cases, the exhibition becomes a cacophony when you collect 68 pieces felt like exhibiting, without emphasizing one claim over another. I did the opposite. I admitted I was going to set up whatever I felt like setting and this resulted in a hard time linking the works with an announced theme by the curators. Curators, in many cases, ultimately exhibit whatever they feel like showing. I have also seen many thematic exhibitions of late; however, I have never seen the curators under so much stress. There is obviously a critical position in this process. I have always felt that it is rather the result of a much more bold process. What outcome do you think this will create?

— How did you make the selection?

As Registrar of the Jumex Collection, I have seen everything that has come into the collection, piece by piece, over the last 10 years. There are pieces that strike me more than others and I get this idea in my head, I consider “I would like to activate it someday.” Over time, I gathered these ideas and bring them together in one eye-catching presentation.

Another strategy is that there are no cards on display. This is because every time I visit a museum I perceive an attitude that reflects a side effect of snobbery. People often stand in front of a painting with a blank stare; that is to say, the work does not cause any reaction until the viewer reads the name of the artist and their faces suddenly light up if the name triggers any type of recognition. My intention in exhibiting these pieces without cards is to say: take a first look at the naked work without all of those filters that instruct interpretation to guide the selection of the pieces, but that is rather the result of a much more bold process. What outcome do you think this will create?

— What do you expect to happen to viewers?

I have been strongly influenced by Art as Experience, a text John Dewey wrote in the 1930s. What I seek with this particular exhibition and with my work is to have people walk into the halls with their problems and concerns and be able to forget them for at least 10 to 15 minutes. And doing so, allow themselves to become infected by the environment and by the works. I want them to take a vacation from themselves. I am happy if I manage to succeed at this. I feel it is a gift of life.

— What do you think of the plurality and sense of dispersion that characterizes art today?

Art history is the world of issues: Futurism, Cubism and many issues. We have nothing like this today. There is a trend among American art critics that identifies a type of “Neo-conceptualism,” but the concept is really related to individualities. It is the idea of the star system. These are individual pathways, although the artists come together as a group. As Registrar of the Jumex Collection, I have seen everything that has come into the collection, piece by piece, over the last 10 years. There are pieces that strike me more than others and I get this idea in my head, I consider “I would like to activate it someday.” Over time, I gathered these ideas and bring them together in one eye-catching presentation.

Another strategy is that there are no cards on display. This is because every time I visit a museum I perceive an attitude that reflects a side effect of snobbery. People often stand in front of a painting with a blank stare; that is to say, the work does not cause any reaction until the viewer reads the name of the artist and their faces suddenly light up if the name triggers any type of recognition. My intention in exhibiting these pieces without cards is to say: take a first look at the naked work without all of those filters that instruct interpretation to guide the selection of the pieces, but that is rather the result of a much more bold process. What outcome do you think this will create?

— Why the name Poule?

The entrance to the exhibition shows a photograph that Robert Mapplethorpe took of William Burroughs in 1981. Burroughs is one of the many fathers of the beat generation, along with Ginsberg and Kerouac. Close to Mexicans, this phenomenon has many fans and artists working around it in Mexico.

The photograph shows Burroughs holding a rifle and shooting into the clouds. There is a story behind the picture. Burroughs killed his wife while drunk and playing William Tell in 1951. He put a glass on her head and shot her in the head instead of shooting the glass. Such an anecdote under the table around the pieces that are part of the exhibit. But beyond this personal story, I associate the photograph with the ball trap or skeet shooting. In this sport, when you shoot the skeet you yell out “pull!” Several French and Belgians claim you should pronounce it as “poule!” That is to say, “chicken.” So I named the exhibition Poule—chicken. Poule is a first look at the naked work without all of those filters that instruct interpretation to guide the selection of the pieces, but that is rather the result of a much more bold process. What outcome do you think this will create?
Reality or Fiction?

Proof. Daniela Edburg’s most recent collection exhibited by the Enrique Guerrero gallery in Mexico City, goes to show that this Mexican artist knows no boundaries when it comes to blurring the line between reality and fiction. In an exclusive interview with Negocios, Edburg gives us all the proof we need to draw our own conclusions.

---

by Naomi Palovits

photos courtesy of Daniela Edburg

Daniela Edburg was born in Houston in 1975, but grew up in San Miguel de Allende, Guanajuato. She currently lives and works in Mexico City. Proof, her most recent collection shown at the Enrique Guerrero gallery in Mexico City, sets the imagination into overdrive. Striking landscapes, their beauty marred by horrific messages; real-life people posing for mysterious Renaissance-style portraits; still lives...

Edburg initiates a dialogue between an aesthetic of intricate detail –so excessive it sometimes overpowers the protagonist– and horror that makes us want to take to our heels and move on to the next piece, only to be captivated once again by the same mixture of raw emotion and terror.

A graduate of the San Carlos Academy in Mexico City, Edburg’s work has perturbed gallery-goers in cities as far-flung as Los Angeles, New York, Moscow and Barcelona. Her solo exhibitions include Drop Dead Gorgeous, Nimbus, Eat me, As Seen on TV, Bittersweet, Here by Accident and Let’s Play House.

---

What is your opinion of art fairs?

Art fairs are great because they make people’s interest. After I take part in a fair, I notice more people visit my website. Most of them want to know more about my work and will leave me a comment, which is wonderful.

If you are looking for exposure, fairs are an ultra-saturated environment, perfect for giving you a feel for what is going on in the market but not always the best place to get a sense of the body of work of a given artist.

---

Your most recent exhibition, Proof, is a collection of portraits, still lives and landscapes into which you have introduced knitted elements. How do you join the stitchwork?

What interests me is the artificial nature of these handmade objects that represent actual things. The exhibition is called Proof because it is about our perception of what is real, what a trace left behind is and what evidence is. It is about our need to imbue things with meaning and the absurd.

---

Characters that have fallen prey to some kind of obsession are a recurring leitmotif in your work. You document this point of rupture but take an aesthetic approach that could be deemed more optimist than tragic. What is the deal with these characters?

I have always been fascinated by obsessive characters, more specifically by that point where their energy becomes self-destructive and defies logic. Extreme situations reveal the real essence of human nature and we come to realize how easy it is to lose control.

---

That is clear from your Drop Dead Gorgeous series...

In Drop Dead Gorgeous the scenarios were commonplace in which everyday consumer items came to represent mortal threats. But later on I explored the concept further in some of the photos from my Killing Time and Knit series, except in those pieces, it is the creation itself or the creative energy that returns to destroy us, like Dr. Frankenstein and his monster.

---

As an artist, what has been your biggest challenge?

To find a seamless way of creating, traveling and promoting my work all at the same time.

---

What advice would you give to budding artists setting out on their own adventure?

View limitations as a chance to discover your own style. I would also tell them that it is important not to rush things.
**ZACAHUIL**

THE TAMALE OF TAMALE

Every Saturday and Sunday morning, people flock to the markets and squares of Mexico’s Huasteca region for their weekly zacahuil fix. A tamale in a class of its own, the zacahuil has ancient ritualistic connotations. Also known as the party tamale, this giant can measure as much as two meters long, feed over 50 people and take up to 12 hours to cook.

---

**W**hen Petronila Hernández Rivas cut the Rosca de Reyes on January 6 she wasn’t just celebrating Epiphany. The day before, she had turned 71 – in good health and still cooking away. “How long have I been doing this? Let me think… More than 45 years and counting. This is my life, this is what I know how to do, what I love doing most,” she says.

Doña Petra, as she is known in her native Pánuco, Veracruz, has devoted more than half her life to making and selling zacahuil, a type of giant tamale that is made and eaten throughout Mexico’s Huasteca region. Variations of this regional specialty can be found all along the Sierra Madre Oriental, in the states of Hidalgo, Veracruz, San Luis Potosí, Tamaulipas, Puebla and Querétaro.

On Saturdays and Sundays, Doña Petra sells her zacahuil at the Juárez market. Her market stall was one of the first in Pánuco and has been operating for over 40 years. It is located on Calle de la Cruz, San José, California–, which he hoped would make it into the Guinness Book of Records. One weighed an impressive 350 kilos.

“‘A man of speaking, we achieved what we set out to do. Now, the zacahuil is prepared once a year there [in the US] and what we wanted was to introduce people to this wonderful dish from the Huasteca region. In my view, if we really want to protect our cuisine for posterity, we should start with product designation of origin, by looking after our crops. The food we eat is more than a fleeting fashion; it’s our heritage and a source of pride. That is what we try to teach here,” says Olivera.

A zacahuil contains anything from 50 to 100 portions and the recipe is virtually the same throughout the entire Huasteca region.

---

**MORE THAN GRAND, IT IS GRANDIOSE**

Made of ground corn, dried chili peppers and chicken or pork, this is not your average tamale. The zacahuil can measure as much as two meters long, one meter tall and 60 centimeters wide, and is cooked for between 10 and 12 hours in a special clay and wood oven.

But it’s not just its size, the way it’s made and its ingredients that make the zacahuil so special. In the words of Amaranta Castillo Gómez, an anthropologist and academic at the Autonomous University of Tamaulipas (UAT) who has spent 13 years researching – and continues to do so – this ancestral delicacy:

“The zacahuil is truly complex and multi-faceted. Ritualistically speaking, it plays a very important role that varies according to the context, but even more extraordinary is the transformation it has undergone from a ritualistic food to a commercial one, to a ‘way of life’. For decades, the zacahuil has nourished hundreds of families in the region. An entire organizational system spearheaded by women has sprung up around the commercial zacahuil.”

A system that has provided families with an income, making it possible for their children to attend school, judging from the hard evidence Castillo has collected in the three communities of the Huasteca region of Veracruz where she has conducted research. Doña Petra is a living example of this phenomenon: she put her five children through school selling zacahuil at her market stall and to order.

**ALWAYS JUDGE A TAMALE BY ITS COVER**

In 2004 and 2007, Chef Víctor Olivera, academic coordinator at the Hidalgo Gastronomic Institute, organized two “super giant” zacahuil-making sessions in the US – one in San Francisco and another in San Jose, California – which he hoped would make it into the Guinness Book of Records. One weighed an impressive 350 kilos.

In a manner of speaking, we achieved what we set out to do. Now, the zacahuil is prepared once a year there [in the US] and what we wanted was to introduce people to this wonderful dish from the Huasteca region. In my view, if we really want to protect our cuisine for posterity, we should start with product designation of origin, by looking after our crops. The food we eat is more than a fleeting fashion; it’s our heritage and a source of pride. That is what we try to teach here,” says Olivera.

A zacahuil contains anything from 50 to 100 portions and the recipe is virtually the same throughout the entire Huasteca region.

---

**A DISH WITH HISTORY**

The tamalli or tamale is the Pre-Columbian delicacy par excellence. According to several authors and anthropologists, it even precedes the tortilla, while the techniques that go into its preparation reveal just how complex and comprehensive the culinary knowledge of Mexico’s indigenous peoples was.

In Mexico, the tamale was a ritualistic food associated with celebrations. It was made and eaten to ask the gods for a good sowing season, thank them for the harvest, commemorate the dead and celebrate childbirth. The tamale incarnated man, while the comí (the pot used to make it) represented the womb, a significance that is borne out by illustrations in the Florentine Codex.

So where did the tamale originate? It’s hard to say for sure, given how many versions of it are to be found throughout the entire continent, from Belize, Cuba, Costa Rica, Nicaragua, Guatemala, Honduras, El Salvador, Colombia, Venezuela and Puerto Rico right down to Peru, Bolivia, Paraguay, Brazil, Argentina and Chile.

One thing we can say for sure is that Mexico boasts the most varieties. All tamales begin life as a base of corn dough, to which different fillings and salsas are added. Aside from color, the kind of leaves they are wrapped in – corn, banana, maguey, mashan, and even avocados – are a good indication of the region they come from.

Small, but perceptible regional variations enrich this ancestral dish. For example, the town of Tuxpan, Veracruz boasts the only such variety called the “big, sea and earth zacahuil”. In San Luis Potosí, they like to add more guajillo chili, while Hidalgo is fond of the mulato chili, and in certain parts of Veracruz, tomato is added. Sometimes the chicken or pork is shredded; mostly the original recipe is respected and the meat is left whole and wrapped in the dough.
THE TAMALE FAIR
Every year since 1992, the National Museum of Popular Cultures has been organizing the Tamale Fair. If you visit Mexico City’s Coyocán district in late January/early February, you will be able to sample tamales of every shape, size and flavor.

The Mexican states of Chiapas, Morelos, Puebla, Oaxaca, Hidalgo, Yucatán, Michoacán, Veracruz, Guanajuato, Tamaulipas, Sonora, Tlaxcala, Coahuila, Estado de México and Mexico City have participated in 2012, along with Colombia, Venezuela, Honduras, Ecuador, El Salvador, Bolivia, Peru, Chile and Guatemala adding an international element.

Corn, that humble plant sacred to Pre-Columbian culture, takes on multiple forms in this original tamale fest. So whether you prefer yours poobless, manater or ranchero-style, if cornvina, sepiles or those magical horn pulachis are your weakness; if you like them filled with chipilín, hoja santa, corn, mirtita chili, black, red or yellow mole, there’s no beating the tamale of tamales, the zacahuil, that giant of the Huastec mountains and its close relative from Yucatán, the chicken mucbil, extracted steaming hot from the bowels of the earth.

FROM BAREFOOT RELAY RACES TO SOCIAL NETWORKS
The zacahuil has over 6,000 followers on Facebook, illustrating the ground this Pre-Columbian delicacy has covered over the centuries.

Loosely translating as ‘big bite’ or ‘corn husk in a basket’, the word zacahuil is derived from the indigenous languages of the Huastec Nahua, Totonaco, Tepeluca and Tlaxcalteco of One of Mesoamerica’s main trade and migration routes crossed this region, which explains its rich and varied cuisine.

Anthropological and gastronomic research has found similarities between the zacahuil and the mucbil, chicken tamale from the Yucatán Peninsula typically wrapped in heliconia or plantain leaves. Although not as big as the zacahuil, it is also made with a whole chicken and annatto, and is cooked in an underground earth oven, wrapped in the traditional cockinchita pibil.

A firm believer in carrying on Mexico’s culinary traditions, Leticia Esquivel is a seasoned cook who has been making zacahuil for cultural events for 15 years. She herself was born in Mexico City, but learned the recipe from her husband, who is of Huastec origin.

“Not many people are familiar with the xoco, which is a sweet version of the zacahuil. It has a firm texture and its ingredients couldn’t be more Pre-Columbian – it’s sweetened with raw sugar. The sweet xoco tamale is baked at the same time as the savory zacahuil, which is what gives it its distinctive flavor. I have been taking part in the Tamale Fair in Coyocán, in Mexico City, for 15 years and I know from experience that when people taste these unmistakably Mexican delicacies, they start to appreciate them.

Before only the Huastecs knew about the zacahuil and now more and more people ask for it,” she says.

Worldwide Offices

<table>
<thead>
<tr>
<th>Mexico</th>
<th>North America</th>
<th>Latin America</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Region</td>
<td>Chicago</td>
<td>Bogotá</td>
<td>Brussels</td>
</tr>
<tr>
<td><a href="mailto:northeast@promexico.gob.mx">northeast@promexico.gob.mx</a></td>
<td><a href="mailto:chicago@promexico.gob.mx">chicago@promexico.gob.mx</a></td>
<td><a href="mailto:colombia@promexico.gob.mx">colombia@promexico.gob.mx</a></td>
<td><a href="mailto:belgium@promexico.gob.mx">belgium@promexico.gob.mx</a></td>
</tr>
<tr>
<td><a href="mailto:northeast@promexico.gob.mx">northeast@promexico.gob.mx</a></td>
<td>Dallas</td>
<td>Buenos Aires</td>
<td>Frankfurt</td>
</tr>
<tr>
<td><a href="mailto:south@promexico.gob.mx">south@promexico.gob.mx</a></td>
<td><a href="mailto:dallas@promexico.gob.mx">dallas@promexico.gob.mx</a></td>
<td><a href="mailto:argentina@promexico.gob.mx">argentina@promexico.gob.mx</a></td>
<td><a href="mailto:german@promexico.gob.mx">german@promexico.gob.mx</a></td>
</tr>
<tr>
<td>West Central Region</td>
<td>Houston</td>
<td>Guatemala</td>
<td>London-Middle East</td>
</tr>
<tr>
<td><a href="mailto:occidente@promexico.gob.mx">occidente@promexico.gob.mx</a></td>
<td><a href="mailto:houston@promexico.gob.mx">houston@promexico.gob.mx</a></td>
<td><a href="mailto:guatemala@promexico.gob.mx">guatemala@promexico.gob.mx</a></td>
<td><a href="mailto:uk@promexico.gob.mx">uk@promexico.gob.mx</a></td>
</tr>
<tr>
<td>Northwest Region</td>
<td>Los Angeles</td>
<td>Santiago de Chile</td>
<td>The Hague</td>
</tr>
<tr>
<td><a href="mailto:norte@promexico.gob.mx">norte@promexico.gob.mx</a></td>
<td><a href="mailto:losangeles@promexico.gob.mx">losangeles@promexico.gob.mx</a></td>
<td><a href="mailto:chile@promexico.gob.mx">chile@promexico.gob.mx</a></td>
<td><a href="mailto:netherland@promexico.gob.mx">netherland@promexico.gob.mx</a></td>
</tr>
<tr>
<td>Northeast Region</td>
<td>Miami</td>
<td>Sao Paulo</td>
<td>Madrid</td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:miami@promexico.gob.mx">miami@promexico.gob.mx</a></td>
<td><a href="mailto:brasil@promexico.gob.mx">brasil@promexico.gob.mx</a></td>
<td><a href="mailto:espana@promexico.gob.mx">espana@promexico.gob.mx</a></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>Monterrey</td>
<td>Europe</td>
<td>Tokyo</td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:monterrey@promexico.gob.mx">monterrey@promexico.gob.mx</a></td>
<td><a href="mailto:europe@promexico.gob.mx">europe@promexico.gob.mx</a></td>
<td><a href="mailto:jap@promexico.gob.mx">jap@promexico.gob.mx</a></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>New York</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:newyork@promexico.gob.mx">newyork@promexico.gob.mx</a></td>
<td><a href="mailto:revolution@promexico.gob.mx">revolution@promexico.gob.mx</a></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>San Francisco</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:sanfrancisco@promexico.gob.mx">sanfrancisco@promexico.gob.mx</a></td>
<td><a href="mailto:revolution@promexico.gob.mx">revolution@promexico.gob.mx</a></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>Toronto</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:toronto@promexico.gob.mx">toronto@promexico.gob.mx</a></td>
<td><a href="mailto:revolution@promexico.gob.mx">revolution@promexico.gob.mx</a></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>Vancouver</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:vancouver@promexico.gob.mx">vancouver@promexico.gob.mx</a></td>
<td><a href="mailto:revolution@promexico.gob.mx">revolution@promexico.gob.mx</a></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td>Washington</td>
<td>Europe</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:suroeste@promexico.gob.mx">suroeste@promexico.gob.mx</a></td>
<td><a href="mailto:washington@promexico.gob.mx">washington@promexico.gob.mx</a></td>
<td><a href="mailto:revolution@promexico.gob.mx">revolution@promexico.gob.mx</a></td>
<td></td>
</tr>
</tbody>
</table>

Camino a Santa Teresa 1679, Col. Jardines del Pedregal, 01900, Mexico City, Mexico
Tel. +52 (5) 55 5447 7070
promexico@promexico.gob.mx
www.promexico.gob.mx

ProMéxico Headquarters

©ProMéxico 2013
All Rights Reserved

Promueve la Cultura de Puebla, Puebla, México
MEXICO IS THE WORLD’S FIFTH EXPORTER AND EIGHTH PRODUCER OF VEHICLES

Discover Mexico

- The value of Mexico’s vehicle exports almost triples that of Brazil and India combined.
- 1 out of every 10 vehicles exported from Mexico in 2011 went to the European Union.
- 1 out of every 9 vehicles sold in the United States is made in Mexico.
- Mexico is the leading supplier of auto parts to the United States.
- 19 of the top leading automakers have operations in 15 Mexican states.

www.promexico.gob.mx