

# **NAFTA Works**

### A MONTHLY NEWSLETTER ON NAFTA AND RELATED ISSUES

mber 2010 \* Volume 15, Issue 9

### Mexico's President Calderon Announces 12 Measures to Simplify Procedures

1 Mexico's President Calderon...

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### Trade Highlights

		N	AFTA Trac	le			
	J	un 2010	Jan-Jun 2010				
	Value	Share	Annual	Value	Share	Annual	
US imports from			change			change	
Mexico	20.0	11.8	42.4 1	110.4	12.0	38.3 -	
Canada	24.8	14.7	33.6 👕	138.8	15.1	32.4	
Mexico's imports fr	om						
US	11.7	46.2	23.3 👕	69.0	49.0	36.2	
Canada	0.7	2.7	14.0	4.0	2.9	25.1	
Canada's imports f	rom						
Mexico	1.8	5.3	61.2 💼	10.2	5.4	66.5 1	
US	17.9	52.8	31.8 👕	98.1	52.0	26.4	
Trilateral Trade	76.8	33.9	33.9 👕	430.5	34.5	33.6	

Source: US Census Bureau, Statistics Canada and BANXICO

Value = US billion dollar

\*Advanced Technology Products, US Census Bureau, Foreign Trade Division

As part of the actions to boost the competitiveness of the Mexican economy, on August 17, 2010 President Felipe Calderon announced twelve additional simplification measures that will eliminate unnecessary costs on procedures and regulations in the Secretariats of the Economy, Health and Agriculture, and will facilitate access to the latest technology in Mexico.

The measures are designed to:

- Facilitate Mexican exports to Europe and Latin America through the reduction of 70 percent of the export requirements and time to obtain the certificate of origin along with the simplification of the Eligible Products' Register.
- Speed up submission and solution of complaints for electricity users, through the incorporation of the Federal Electricity Commission (CFE) into the System for Reconciliation and Clarifications (CONCILIANET).

- Simplify the procedures for receiving and registering foreign investment in Mexico through the automation of the submission of information to the National Registry of Foreign Investment.
- 4) Expand services offered by the electronic portal <u>www.tuempresa.gob.mx</u>, through the addition of the following four new on-line procedures: Employer registration and enrollment in the workman's compensation insurance, notification of start up operations and sanitary representative, the trademark registration, and notification of management of hazardous waste.
- 5) Facilitate small and medium firms operations by simplifying the regulatory framework. This measure would avoid the double certification of electronic goods to be commercialized in Mexico.
- 6) Automation of the process for obtaining



- Sanitary Registration. Starting September 2010, the application to obtain or renew a sanitary registry will also be available on line, at the website of the Federal Commission for the Protection against Sanitary Hazards (COFEPRIS), www.cofepris.gob.mx.
- ) Promote the commercialization of latestgeneration medical equipment and devices in Mexico. This measure will simplify the evaluation

### Continues on page 2

US imports from Mexico. Selected Products

	J		Jan-	10				
	Value	Share	Annual		Value	Share	Annual	
			change	9			change	
Crude Oil	2.3	10.4	27.3	1	77.2	11.2	31.8	T
Autos	1.1	10.4	43.7	T	6.9	12.7	90.4	T
Auto parts	2.6	31.2	117.1	1	14.5	32.0	84.1	T
ATP*	4.2	13.3	32.7	T	22.4	13.8	25.5	T
Opto-Electronics	1.2	53.8	31.3	1	6.2	56.5	10.5	T
Information &	2.5	12.9	34.9	T	13.4	14.1	35.8	T
Communications								
Life Science	0.3	7.9	14.7	T	1.5	7.6	13.3	T

TRADE AND NAFTA OFFICE MEXICO'S MINISTRY OF THE ECONOMY WASHINGTON, DC



process for medical devices facilitating the process of Sanitary Registration.

- Simplify the registration process to commercialize pharmaceuticals. This measure will start with over-the-counter drugs that are sold in US and Canada.
- 9) Establish a digital interconnection between Mexico's Tax Administration System (SAT) and COFEPRIS to transmit in real time sanitary import permits for food and pesticides. This process will be expanded to cover pharmaceuticals and controlled substances in October.
- 10) Phytosanitary and Zoosanitary Certificates for interstate movement of products will be issued electronically, facilitating the transport of agricultural products throughout the country at the end of September, 2010.
- 11) Electronic registration for products for animal use and consumption. In addition, by the end of September 2010 the registration requirement for certain veterinary products will be eliminated.
- 12) Three measures to deregulate the import process for meat, grains, oilseeds and other agricultural products:
  - a) the import process for meat will be made directly at the Federal Inspection Type Plants (TIF);
  - elimination of the fumigation requirement at port of entry for grains and oilseeds imports for industrial production; and
  - c) the reviews/inquiries of zoosanitary import requirements for live animals and livestock products will be available online.

Mexico will continue to promote changes required by the country's economy in order to grow more dynamically and create more jobs so that Mexican families can get a better life.

### The Mexican Pharmaceutical Industry is Innovating its Future

Medicine manufacturing in Mexico has proved to be a prime investment opportunity for pharmaceutical and biotechnology companies from the entire world. Mexico's strong intellectual property rights (IPRs) protection, growing market size, proximity to the U.S., and skilled pool of workers has attracted and will continue to attract tremendous foreign direct investment (FDI). These investments are contributing to a strong industry capable of supplying products that meet the highest quality standards required by both domestic and global healthcare markets.

Many drug companies have invested in countries with a growing healthcare market. However, some of these countries lack the level of IPRs protection that is needed to ensure that investments in research will pay off in the future. As a result, more pharmaceutical and biotechnology manufacturers have turned to investing in Mexico, which has both a rapidly growing drug market and strong IPRs enforcement.

Another important factor that makes Mexico a wise investment option for drug-making companies is its rapidly growing demand for pharmaceuticals and biotechnology. The total drug market in Mexico will rise from \$9.8 billion in 2009 to \$19 billion by 2014 at a compound annual growth rate of 14.1%, according to Business Monitor International. Moreover, per-capita spending on medicines is expected to increase from \$91 in 2009 to \$170 in 2014 as the

Mexican middle-class continues to grow larger and more lowincome families participate in government sponsored healthcare options. Thus, the percentage of GDP spent on drugs is expected to rise from 1.13% in 2009 to 1.25% by 2014, making Mexico a tremendous market for pharmaceutical companies seeking an expansion of investment opportunities.

One of the reasons for the increase in the demand for drugs is the rapidly expanding healthcare system in Mexico. Government programs, such as Seguro Popular which was created in 2004 to provide healthcare for low-income Mexicans that didn't qualify for coverage under other systems, are driving this expansion. Currently 36 million Mexicans participate in Seguro Popular, especially those living in rural areas. In the first half of this year, Seguro Popular has extended its coverage by about one million people per month. This growth in healthcare coverage will undoubtedly lead to an increase in spending on pharmaceuticals and biotechnology.

Mexico's geographic closeness to the U.S. represents an advantage for many companies in this sector because of reduced transportation costs. Moreover, Mexico's trade relationship with the United States under the North America Free Trade Agreement provides duty free access to a wide array of inputs for drug manufacturing, making Mexico a key investment strategy for global drug manufacturing companies.

The United States has also recognized the remarkable trade opportunity between both countries. As a result, it has opened a Food and Drug Administration office in Mexico City to strengthen the regulatory ties between the two NAFTA partners. This measure will increase harmonization of standards and knowledge transfer, which will promote trade growth.

One final element that has contributed to make the Mexican drug industry more attractive to FDI is the young, growing labor source that Mexico offers. Drug-making companies established in Mexico can supply to worldwide markets because of its high quality of talent. For example, by training and employing over 1,000 workers in Mexico, a leading Mexican biotechnology producer, has been able to accomplish manufacturing feats, such as meeting 80 percent of the world's demand for Hepatitis B vaccinations with drugs produced entirely in Mexico.

Moreover, Mexican workers have not only proven to contribute to the technical manufacturing of drugs, but they have also made great strides in research and development, which could lead to the production of new products. In July, 2010, Mexico launched a pilot program to determine whether a new human papillomavirus (HPV) test can screen for cervical cancer. Mexico was the first country in Latin America to implement successfully a national screening program for high-risk HPV.

The pharmaceutical industry is essential for Mexico because it creates a demand for highly-skilled workers and offers well-paid jobs for Mexicans. Currently, Mexico employs 40,000 people among the 200 pharmaceutical manufacturers that operate in the country. Mexico's drug industry has been able to reach this point due to, in part, the FDI. U.S. companies are Mexico's largest investors and are responsible for \$1.4 billion from 1999 to 2010, or 61% of the FDI in Mexico's drug market.

The growth of the Mexican pharmaceutical industry can be attributed to the country's tight IPRs protection, growing healthcare market, free trade relationship with the U.S., and vast skilled labor force. Since these factors are expected to grow and improve in the future, Mexico's pharmaceutical and biotechnology sectors will undoubtedly continue to expand in the years to come.





Throughout 2010, Mexico will be celebrating both the Bicentennial of its Independence and the Centennial of its Revolution with a series of exciting events in several cities around the U.S. Through this celebration, Mexico will share its heritage and vibrant contemporary culture.

To find out more about these upcoming events in some of the main U.S. cities, please visit:

Gobierno FEDERAL

Washington DC: http://portal.sre.gob.mx/imw/ Chicago: www.mexico2010inchicago.com Dallas: http://portal.sre.gob.mx/dallas/ Denver: http://portal.sre.gob.mx/denver/ Houston: http://portal.sre.gob.mx/houston/ Los Angeles: http://sre.gob.mx/losangeles/ Miami: http://portal.sre.gob.mx/miami/ San Antonio: http://portal.sre.gob.mx/sanantonio/

San Francisco: www.mexico2010sf.com/

**DIARIO OFICIAL NOTICES** 

# **AFTA Related Events**

#### Border Energy Forum September 30 - October 1, 2010

Symposium focused on the best use of energy in the US - Mexican border region. Location: Hotel Soberano. Chihuahua, Chihuahua Phone: 512,475-4423 Email: maya.ingram@glo.state.tx.us Website: www.borderenergyforum.org Expo Forestal

### September 30 - October 3, 2010

Forum to discuss sustainable use of forest resources, and exhibition of new forestry technologies and tools Location: Centro Banamex. Mexico City Phone: 52.33.3812-9324 Email: laura@expoforestal.org Website: www.expoforestal.gob.mx/en/inicio

### Mexitronica

October 5-7, 2010

Event related to products, suppliers, service providers, and new technologies for the electronics and precision manufacturing industries Location: Expo Guadalajara. Guadalajara, Jalisco Phone: 52.33.1591-3976 Email: igonzalez@rocexhibitions.com Website: http://www.mexitronica.com/

### **FIGAP 2010**

October 21-23, 2010 International event for the livestock, poultry, and swine industry, pet food manufacturers, animal feed, animal nutrition and health Location: Expo Guadalajara. Guadalajara, Jalisco Phone: 52.33.3641-8119 Email: pjazo@figap.com Website: http://www.figap.com/

#### Electronic game show October 22-24, 2010

Exposition of electronic games and other digital interactive entertainment products Location: Expo Bancomer Santa Fe. Mexico City

Phone: 52.55.1107-8214 Email: contacto@oelli.com Website: http://electronicgameshow.com/

### AHR-Expo Mexico

October 26-28, 2010 Trade show of air conditioning, refrigeration, ventilation and heating equipment (HVAC&R) Location: World Trade Center Mexico. Mexico City Phone: 52.81. 8355-0809 Email: larizpe@iecshows.com

### Website: www.ahrexpomexico.com/eng/index.php

#### Construexpo 2010 October 28-30, 2010

Trade fair of products, machinery, equipment and services for construction industry Location: Expo Guadalajara. Guadalajara, Jalisco Phone: 52.33.3615-7212 ext.278 Email: a.vazquez@cmicjalisco.org Website: www.construforoexpo.com

### · Resolution concluding the sunset review and the ex-officio review of the countervailing duty order imposed on imports of beef (Mexican tariff items 0201.20.99, 0201.30.01, 0202.20.99, 0202.30.01) originating from the United States, regardless of the shipping country. August, 10th

- Resolution concluding the countervailing duty order review imposed on imports of fresh, chilled or frozen boneless beef (Mexican tariff items 0201.30.01 and 0202.30.01) originating from United States, regardless of the shipping country, from Tyson Fresh Meats, Inc. August, 11th
- Resolution that declares the initiation of the subset review and the ex officio review of the countervailing duty order imposed on imports of denim fabric (Mexican tariff item 5209.42.01) originating from Hong Kong, regardless of the shipping country. August, 12th
- Resolution amending the General Rules and Criteria for Foreign Trade issued by the Ministry of Economy. August, 17th
- Amendment to the Regulation for Health related drugs and materials. August, 17th
- Amendment to the preferential duty rates for North America originating goods, specifically to U.S. originating goods. August, 18<sup>th</sup>
- · Amendments to the catalog of tariff items classifying goods subject to import and export regulations by the Inter-ministerial Commission for the Control of the Process and Use of Pesticides, Fertilizers and Toxic Substances. August, 19th
- Decision Number 62 of the G-3 Free Trade Commission, regarding temporary use of non-originating materials to manufacture certain textile and apparel goods and exporting them under the FTA's preferential treatment. August, 20th
- Panel's final determination on the bi-national panel review in accordance with article 1904 of the NAFTA regarding light-walled rectangular pipe and tube from Mexico; affirmative determination of sales at less than fair value (Docket Nr. USA-MEX-2008 -1904-03). August, 25<sup>th</sup>
- · Amendments to the catalog of tariff items classifying goods subject to import and export regulations by the Ministry of Environment and Natural Resources. August, 27th

### **Mexican Official Standards**

- NOM-086-SCFI-2010, rubber industry new wheels of radial construction for use in any vehicle with a gross weight equal to or less than 4,536 Kg. (10,000 lb) - safety specifications and test methods. August, 12<sup>t</sup>
- Notice recognizing the equivalence of NOM-001-SCFI-1993, household electronic devices; NOM-016-SCFI-1993, electronic devices for use in office; NOM-019-SCFI-1998, security on data processing equipment; and theirs appropriate conformity assessment procedures with certain U.S. and Canadian standard related measures. August, 17<sup>tr</sup>
- Draft PROY-NOM-009-SESH-2010, containers for LP gas, not portable. Specifications and test methods. August, 30th



### **Success Stories**

### General Motors to Expand Production Capacity in Mexico

U.S. automobile giant General Motors, the biggest producer of cars and light trucks in Mexico, plans to invest close to \$500 million in its Ramos Arizpe plant located in northern state of Coahuila to produce a new line of engines as well as a new vehicle. Of that amount, the company is investing \$284 million to manufacture fuel efficiency eight-cylinder engines, creating 390 direct jobs locally. Another \$215 million will go toward upgrading the factory's production lines to build a new vehicle for the domestic and international markets which is set to begin in 2011.

### Merck to Strengthen Presence in Mexico City

Merck, the U.S.-based pharmaceutical company, will reinforce operations in its main manufacturing plant and distribution center located in Xochimilco, south of Mexico City. The Xochimilco plant will become a center of excellence in the manufacture of body lotions, ointments, syrups and solid products, which are exported to Latin America and the Caribbean. Merck will consolidate production in Mexico from elsewhere in the world, making this country a regional production and distribution center for Latin America. Xochimilco plant has a production capacity of 150 million units per year and is using only 60% of its total capacity, which gives the company a huge production potential.

### Intel will Increase Research and Development Capacity in Guadalajara

Intel, the leading manufacturer of microprocessors, is preparing a \$177 million investment to be made within the next few months, to increase the capacity to develop new technologies in their labs located in Guadalajara. Dadi Perlmutter, Intel Vice-president of Architecture and Technologies, said that expanding their labs capacity will allow developing new technologies, such as Meego operating system and Sandy Bridge microprocessors. In addition, 150 new high value jobs for qualified engineers will be generated. The new technologies to be developed in Guadalajara will be used within two to five years in the market.

#### Nestlé Invests in Cheese Plant in Michoacan

Nestlé contributed with approximately a half of million dollars required to build a Nano-filtration plant to produce cheese in Michoacan. This investment was made in a joint venture with the local dairy company Productos Lacteos Flores, Nestlé's main supplier at the State of Michoacan. The plant will have the capacity to concentrate 18,000 liters of serum, which the local dairy company currently produces, in addition to the production by nearby companies of around 120,000 liters of serum per day. Nestlé assures that this technology will help save 400 liters of diesel per day used in the serum transportation, to reduce pollutants to the atmosphere. Nestlé was established in Mexico 80 years ago, where it has the support of 29 Global Research Centers, 14 factories and 16 distribution centers generating over 6,500 direct jobs.

### Mexico Economic Update

	Jul 2010			Jan-Jul 2010			
	Value	Annual C	hange	Value	Annual Ci	hange	
	(US bd)	%		(US bd)	%		
Foreign Trade							
Exports	23.3	29.5	T	164.6	35.2	1	
Manufacturing	19.2	32.1	T	134.9	34.5	T	
Oil	3.4	17.1	T	22.8	45.3	1	
Imports	24.3	26.5	1	165.3	32.5	1	
Trade Balance	-1.0	-16.3	1	0.7			

# **Selected Readings**

Brain Gain, Rethinking U.S. Immigration Policy Author: Darrel M. West, Brookings Institution. August, 2010

West prescribes a series of reforms to U.S. immigration policy that will put America on a better course and enhance its long-term social and economic prosperity. The U.S. experiences a "brain gain" from in-migration, and therefore needs to maintain its openness to new arrivals to stay competitive and gain access to the special talents of other lands. The book addresses why immigration policy is so politically difficult despite the substantial social, economic, intellectual, and cultural benefits it brings. Reconceptualizing immigration is a way to enhance innovation and competitiveness.

http://www.brookings.edu/press/Books/2010/braingain.aspx

### **Infrastructure Projects in Mexico**

### **Agua Prieta II Power Plant**

Sponsor: Federal Electricity Commission (CFE) Location: Agua Prieta, Sonora Project Value: \$194 million

group specialized in electric power Elecnor. the and telecommunications infrastructure in Spain, was awarded, in a consortium, a contract for the construction of a combined cycle power station in Mexico, with a value of \$194 million. The contract includes the design, construction and set-up of Agua Prieta II Combined Cycle Power Station in Sonora, in northwestern Mexico. The facilities will have installed capacity to generate around 400 MW. The contract also considers the integration of a 12 MW solar field to create a solar/combined cycle hybrid plant, which is expected to start operating in May 2013.

Business opportunities: construction materials, engineering, electrical equipment, generators, turbines, solar panels.

### **Norte II Power Plant**

Sponsor: Federal Electricity Commission (CFE) Location: Chihuahua, Chihuahua

A consortium formed by South Korean companies KEPCO and Samsung with Mexico's Techint won the bidding for the construction of the Norte II combined-cycle power plant, which will be located 33 kilometers from the city of Chihuahua. The bidding included a build, own, operate (BOO) contract for a combined-cycle power station with a minimum installed capacity of 376 MW and a 25-year fixedprice power purchase agreement. The investment proposal involves the installation of two gas turbine generator sets with heat-recovery steam generators attached to a steam turbine generator with an installed capacity of about 400 MW. Construction kickoff is scheduled for January 2011, and commercial operation should begin in May 2013.

Business opportunities: construction materials, engineering, electrical equipment, generators, turbines.

	Ju	ul 2010	Jai	n-Jul 2010		Jul 2009	Jul 2010			Jun2009	Jun 2010
	Value	Annual Chang	e Value	Annual Change	Financial Indicators				Economic Growth		
	(US bd)	%	(US bd)	%	Inflation Rate	5.4	3.6	-	Global Economic Activity	-7.64%	6.77%
eign Trade					Interest Rate (CETES 28)	4.59	4.60	1	Index (IGAE)	-1.04%	0.1176
orts	23.3	29.5 👕	164.	5 35.2 👕	Stock Market Index (IPC)	27,043	32,308	1	Industrial Activity		
nufacturing	19.2	32.1 1	134.	9 34.5 👕	Exchange Rate (pesos/dolla	ar) 13.3	12.7	₽	Industrial Production	0 70/	0.40
	3.4	17.1 👕	22.	8 45.3 👕	International Reserves (US)	bd) 73.2	104.8	1	Industrial Production	-9.7%	8.4% 👕
orts	24.3	26.5 👕	165.	3 32.5 👕	Employment	54) 75.2	104.0	_	Manufacturing	-14.6%	15.2% 👕
e Balance	-1.0	-16.3 🞵	0.	7	2017 B <sup>1</sup> Dr. 19	(20072)	125223		Mining	-1.3%	4.9%
o Dana roo	1.0	10.0 2	. 0.		Open Unemployment	6.12	5.70	1	Construction	-5.2%	-4.1% 👕

Source: Ministry of the Economy with Banxico and INEGI data.



## Massachusetts

In 2009, Massachusetts' exports to Mexico reached \$901 million, up \$606 million from their level in 1993.

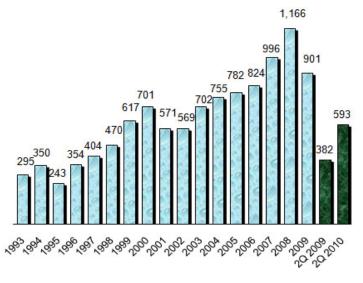
In the first half of 2010, Massachusetts exported \$593 million worth of products to Mexico, an increase of 155.2% in comparison with the same period last year.

In 16 years of NAFTA, Massachusetts' exports to Mexico have increased by 205%, while those to the rest of the world rose 93%. This means that the export growth rate to Mexico is 2.2 times higher than its export growth rate for the rest of the world.

Since NAFTA was implemented, Massachusetts' sales to Mexico have grown at an annual average rate of 7.3%. Among all U.S. states, Massachusetts was ranked 22nd as an exporter of goods to Mexico in the first half of 2010.

Mexico is an important trading partner to Massachusetts. It was ranked as the 7th largest export market for goods from Massachusetts in the first half of 2010, up from 13th in 1993, illustrating the impact of NAFTA for Massachusetts' growing businesses. Mexico accounted for 4.6% of Massachusetts' exports worldwide in the January-June period of 2010.

### Exports to Mexico 1993-2Q 2010 (Millions of US Dollars)



Source: US Census with adjustments made by the World Institute for Strategic Economic Research (Wiser), and SE-NAFTA. 1993-1999 by SIC AND 2000-2010 by NAICS.

### Mexico is a large market for products from Massachusetts

NAICS	Description	Exports to Mexico	Exports to the World	Mexico's Share	Rank among state Exports to Mexico	Rank among state Exports to the World
	Total	592.9	12,972.6	4.6%		
334	Computer and electronic products	209.4	3,650.2	5.7%	1	1
325	Chemicals	79.6	1,812.9	4.4%	2	2
333	Machinery, except electrical	50.3	1,603.3	3.1%	3	3
335	Electrical equipment, appliances, and component	50.0	272.5	18.4%	4	10
322	Paper	45.9	213.7	21.5%	5	12
332	Fabricated metal products	38.0	336.4	11.3%	6	8
313	Textiles and fabrics	26.4	113.3	23.3%	7	15
326	Plastics and rubber products	20.3	356.9	5.7%	8	7
339	Miscellaneous manufactured commodities	17.0	1,502.8	1.1%	9	4
311	Food and kindred products	14.9	226.8	6.6%	10	11

Sorted by 2Q 2010 Exports to Mexico, total value in millions of US dollars

These 10 sectors account for 93.1% of the state's total exports to Mexico, and account for 77.8% of the state's total exports to the World

Source : US Census with adjustments made by the World Institute for Strategic Economic Research (WISER), and SE-NAFTA.

# Sonora

Sonora's economy has a strong focus on export-oriented manufacturing which is globally competitive as a result of an excellent geographic location, a world-class infrastructure, a high-quality education system, and a wide availability of highly skilled workers. Sonora's location borders Arizona's dynamic economy while serving as a link to the fast-growing Pacific Rim economies. Moreover, the state offers top logistic services and ample business opporutnities for both domestic and foreign investors.

ampro baom	ooo opporaa	nace for boardenneede and for eight in concere.	
Main cities:	Hermosillo (	pop.651K, the capital), Obregon (pop. 274K),	
	Nogales (po	p. 211K), Guaymas (pop. 200K)	E
Population:	2.53	Million inhabitants (Est. 2009)	In
	86%	in the urban area	M
Education:	80K	College students, 33% enrolled in engineering	p
	58	Universities and technological institutes	C
	93K	Students enrolled in high schools and technicals	F
Infrastructure:	3,784	miles of paved highways	FI
	502	miles of four lane highways	C
	3,659	Truck companies; 15,846 trucks total	
	1,247	miles of railroads that link the state to the	
		country's main industrial centers	
	5	International airports: Hermosillo serves 10,800	
		operations connecting to 20 domestic destination	s
		and 4 cities in the US, and cargo capacity; Obreg	on,
		Guaymas, Nogales, and Puerto Peñasco.	
	1	Sea-port: Guaymas has cargo capacity that	
		handles over 3.3 million tons annually and more th	han
		116,000 m <sup>2</sup> of warehousing facilities	
	6	Ports of entry to the US	
	44	Industrial parks, 3 technology parks	
	424K	Fixed telephone lines	
	80	Mobile telephone users per 100 inhabitants	

- 269K Cable TV subscribers, 5th in density nationwide
- 301 Bank branches
- 1,020 ATMs

Sonora's key industrial sectors: automotive, electronics, aerospace, metal-mechanic, IT, food processing, livestosck products, clothing, electrical and medical equipment, mining, renewable energy, fishing.



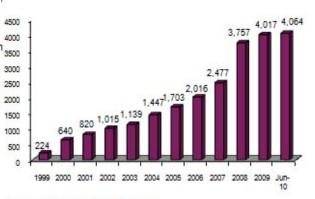
Exports:	\$8.4 billion (2008)
Imports:	\$6.7 billion (2006)
Major export	vehicles auto parts electronic devices eno

Major exports: vehicles, auto parts, electronic devices, engines, turbine parts, harnesses, precission instruments, aerospace components, locks, computers, TVs, telephones, cooper, clothes, beverages, beef, pork. Foreign Direct Investment: 4.06 billion dollars (1999-June 2010) FDI Companies : 1,103

Countries with major investments: U.S., Canada, Chile, France, Taiwan, The Netherlands, South Korea

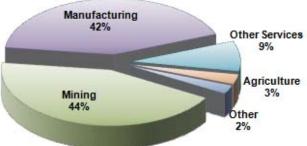
### Foreign Direct Investment

(Accumulated in millions of US dollars)



Source: Ministry of the Economy





Companies with the largest operations in the state: Ford, Bachoco, Benteler, Yazaki, Otis Elevator, Goodrich, Delphi, Cummins, Kimberly Clark, Medtronic, Bimbo, Mabe, Electrolux, GE, Magna, Valeo, Vermillion, Bose, Motorola, Porcelanite, Faurecia, Peñoles, Grupo Mexico, Union Fenosa, Cemex, Essex, Infra, Tyco, Daewoo, Siemens, Osram, Philips, Toshiba, Bose, Amermex, DHL, Sunbeam, Boeing, Lear, Rolls Royce, Honeywell, Airbus, Wal-Mart.