



Mexico's Aerospace Industry Conference

**Las Vegas Nevada
May 23-24, 2013**

On the Ground in Mexico

K. Alan Russell

President and CEO

The Tecma Group of Companies



My personal passion



My personal passion



My personal passion

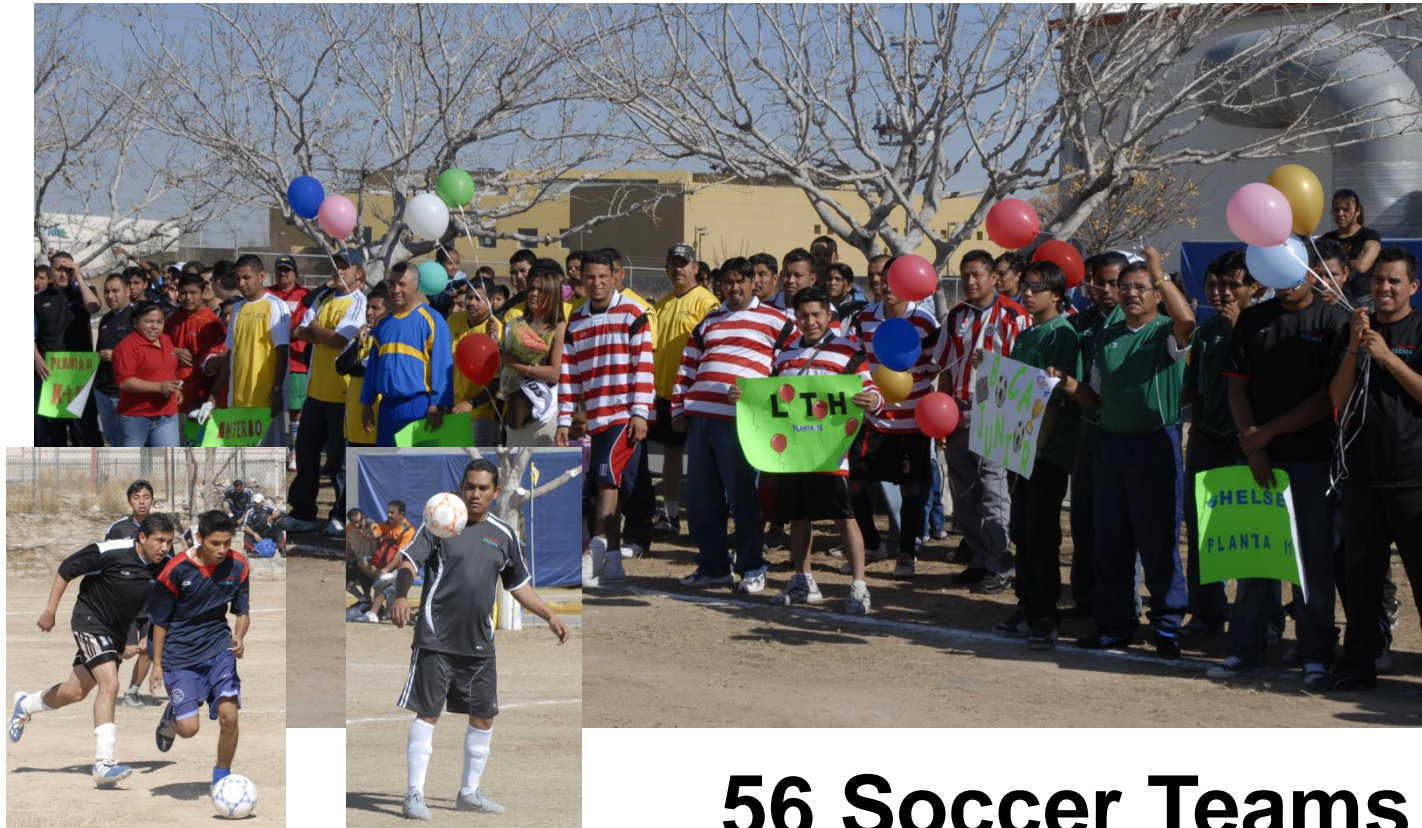


My passion for Mexico



16-Plus Years of Seniority

Mexico's Passion



56 Soccer Teams



Mexico's Pride



Award-Winning Team: 20,000 meals daily



Mexico's Family Values



“The Emotional Salary”

Why Mexico?

Mexico has an advantage over China in many product categories:

- Wage increase in China**
- Strong value of Yuan vs U.S. Dollar**
- Increased transportation costs**
- Strong value of U.S. Dollar vs Mex Peso**

The World Press Agrees

***“Nearshoring Fuels Mexican
Manufacturing Growth -
Closer, cheaper,
friendlier...”***

INDUSTRY WEEK

The World Press Agrees

***“Mexico Can Leapfrog India
and Become America's
Automation Workshop.”***

FORBES

The World Press Agrees

***“Made in Mexico Means
Quality and
Competitiveness.”***

SITE SELECTION MAGAZINE

The World Press Agrees

“The rise of Mexico: America needs to look again at its increasingly important neighbour”

THE ECONOMIST

The World Press Agrees

TOP 10 LARGE AMERICAN CITIES OF THE FUTURE 2013/14 – COST EFFECTIVENESS

RANK	CITY	STATE	COUNTRY
1	Panama City	Panama	Panama
2	Asunción	Asunción	Paraguay
3	San Luis Potosí	San Luis Potosí	Mexico
4	Juarez	Chihuahua	Mexico
5	Aguascalientes	Aguascalientes	Mexico
6	Zapopan	Jalisco	Mexico
7	Torreón	Coahuila	Mexico
8	Leon	Guanajuato	Mexico
9	Tijuana	Baja California	Mexico
10	Ecatepec	México	Mexico

Source:

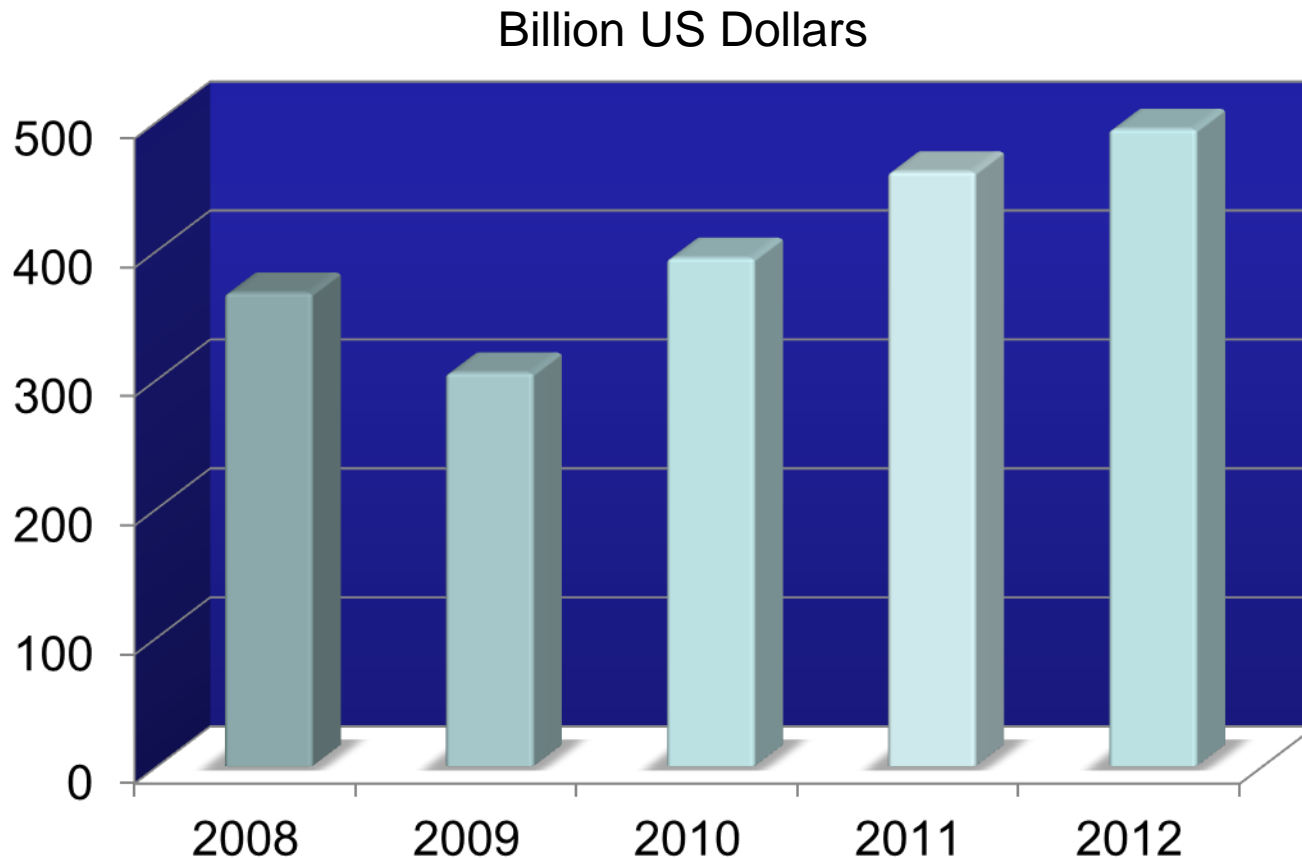


Northbound Commercial Truck Volumes

	Avg. Crossings	% Change
2008	829,875	4.1%
2009	636,695	-23.3%
2010	791,329	24.3%
2011	904,133	14.3%
2012	960,135	6.2%

Source:
U.S. Dept. of
Transportation

U.S. - Mexico Trade Volume



Source: U.S. Census

The “elephant in the room”



“Security”

The elephant is leaving the room!



“Security”

Violence in Mexico affecting industry?

- **Safe for your expat managers?**
- **Safe for your employees?**
- **Safe for your shipments?**

Violence in Mexico affecting industry?

- **Site location**
- **Site security**
- **Being informed**
- **Taking precautions**

My Conclusion:

**Mexico is an incredible
country with vast
resources**

My Conclusion:

**Mexico has incredible
people with a developed
education system**

My Conclusion:

Mexico: a significant influence in the North American manufacturing industry for decades to come

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