



MEXICO



TOSHIBA

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Japan and Mexico celebrate 15 years of growing economic partnership

As Japan and Mexico celebrate the 15th anniversary of their economic partnership agreement (EPA), the two countries look forward to further strengthening their relationship and creating more opportunities for growth in their economies.

According to Yasushi Takase, ambassador of Japan to Mexico, "The EPA between Mexico and Japan, which came into effect in 2005, has caused tremendous growth in trade between the two nations."

Due to Mexico's strategic location and its strong labor force, businesses were able to expand in the nation. "Mexico holds a key locational advantage with a border spanning 3,150 kilometers with the USA, and an abundant young labor force for manufacturing industries, making the country a highly competitive production base to develop North American markets," said



Yasushi Takase, Ambassador of Japan to Mexico

Kimihiro Inaba, director general of the Japan External Trade Organization.

"The number of Japanese companies in Mexico increased from around 400 in 2009 to more than 1,200 in 2019 and the volume of trade has doubled over

the same period. This is clear evidence of the ever-growing opportunities between the two nations," Takase added.

Meanwhile, Mexico's automotive industry has greatly benefited from the country's developing economy and is expected

to grow further in the future. "The automotive sector is thriving in the country, with around 900,000 jobs being created, and one-third of them are estimated to be from Japanese firms operating in Mexico," Inaba shared.

Japan International Cooperation Agency's (JICA) Director General, Hitoshi Matsumoto, also added that it is focusing its efforts on "furthering technical assistance with specific focus on automotive and related industries" by creating programs to share its knowledge on the automotive market.

"Our current strategic direction in Mexico has two prongs: promoting and increasing vocational high school education, specifically in enhancing the skills required for the automotive and supporting industries; and elevating the level of the domestic skilled labor force through further education and opportunities," he said.

Aside from the country's automotive industry, Takase also predicts many other industries to follow in its success. "The next opportunities are in the fields of aerospace, medical and pharmaceutical technology, renewable energy, tourism and agriculture. Mexico is constant-



Hitoshi Matsumoto, Director General of JICA in Mexico

ly opening new free trade areas and this beneficial position can be utilized through these thriving sectors to achieve success."

Recently, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which came into effect for Japan and Mexico in December 2018, opened more Asian markets for Mexican exporters. "We promote investment of Mexican firms in Japan, and facilitate them to establish strategic alliances with the Japanese," Inaba said.

Moving forward, Takase hopes to continuously strengthen the partnership it has fostered with Mexico throughout the years. "We look forward to expanding our relationship in the years to come and continue building on the foundation of trust we have created," Takase concluded. ♦
www.mx.emb-japan.go.jp
www.jica.go.jp/mexico/english
www.jetro.go.jp/mexico/

Toshiba de Mexico: At the forefront of change



Marcial Frigolet, President and CEO; Akira Matsuzawa, Vice-President of Toshiba de Mexico

Positioning itself as a key strategic partner of Mexico's energy sector was a bold move for Japanese-owned multinational conglomerate, Toshiba.

By supplying the first hydraulic turbine generator to the CFE (Federal Electricity Commission) in 1957, Toshiba de Mexico was able to make a name for itself in the region and across the globe.

Through this distinction, Toshiba earned the trust of other companies, including the governmental sector and several strategic partners both locally and internationally.

Currently, its Japanese headquarters remain confident that Toshiba de Mexico's good reputation will yield positive results for its business in the years to come.

"We can see that the next few years will be very positive for our operations," said Marcial Frigolet, president and CEO of Toshiba de Mexico.

"Japan knows Mexico has a privileged position in the world's future and the company aims to position itself as the industry leader in the Mexican market."

As a result of Toshiba's exclusive science, it has also been awarded as the company with the world's most efficient combined-cycle power plant.

With the Mexican energy reform opening up the market, the region's energy sector will be seeing new contracts on building several energy plants to ensure the growing demand in this industry.

In the next two years, Toshiba de Mexico will be involved in new projects as a supplier of turbo generators, delivering more efficient and better components during this time.

Toshiba de Mexico is also targeting small and medium scale turbines as part of the country's growing trend.

This, in turn, creates good opportunities for the company to supply new equipment and provide maintenance and service for existing old plants.

"Toshiba de Mexico has pivoted from selling consumer electronics to supplying apparatus for electric power in Mexico," confirmed Akira Matsuzawa, vice president of Toshiba de Mexico.

As part of its long-term goals, digital transformation comes at the top of the company's list as it opens the door to different projects in all its sectors, proving that Toshiba de Mexico is able to embrace new opportunities from markets that are in constant evolution. ♦

www.toshiba.co.jp/worldwide
www.toshiba-energy.com/en

Mayekawa de Mexico upholds tradition to establish better connections

With a strong vision to provide world-class products and to give its customers the best service possible, Japanese company Mayekawa Corp. was able to make a name for itself all over the world.

Known for being one of the most advanced companies in the manufacturing industry since 1924, Mayekawa has since expanded into different countries, with Mayekawa de Mexico SA de CV being one of its most successful subsidiaries since it was founded in 1964.

Mayekawa de Mexico has contributed greatly to the success of the business, as it acquired a 20,000 square meter smelting plant in CIVAC, Morelos in 1985. The CIVAC plant, which is currently manufacturing oil pumps and industrial compressors for the company, generated thousands of jobs and became the second-most important plant of the Mayekawa Group worldwide.

Managing such a huge production plant was no easy feat, which is why the company adopted the ways of its Japanese headquarters to conduct a smoother process for its operations.

"I am a firm believer of the *hōren-sō* (Japanese business mantra) rule at the office," shared Masataka Ogura, general director of Mayekawa de Mexico. "We have achieved a very open and productive workplace. Thanks to good communication and effective management, we were able to merge the Japanese way of doing business with Mexican practices."

As the company continues



Masataka Ogura, General Director of Mayekawa de Mexico

to grow in Mexico, Mayekawa hopes to further strengthen its relationship with the country in the coming years.

"Our 55th anniversary this year gave us the opportunity to celebrate our relationship with Mexico" said Ogura. "Being able to share this moment with everyone at the office together with their families was a very special moment."

As of the moment, Mayekawa is planning on opening new subsidiaries in Central America to add to its 11 other companies across the region.

Ogura points out that focusing on the satisfaction of their customers is the reason behind the success of the company.

"Our philosophy is very customer centric, listening to the feedback from our clients helps us improve ourselves," Ogura said. "We are always thinking of ways on how we could support our clients in order to provide them with better service." ♦

www.mayekawa.com.mx



Mayekawa de Mexico staff party celebrating the 55th anniversary of the company.

Mitsui fosters solid relationships with Mexico through continuous business innovations

As a country with an economy constantly on the rise, Mexico is a place where businesses have good potential for growth.

Companies such as Mitsui & Co. (Mitsui) saw this potential and has been developing its business in the country since 1955, nearly 70 years ago. The name, however, has been present since the 1910s, when the former Mitsui & Co., which is not a continuation of the current company in legal terms, started a cotton trading business.

Over the years, Mitsui shifted its focus from the trading business to operations more rooted in Mexico.

"Mitsui has exponentially grown since 2008 especially in the infrastructure area, with the acquisition of operating



Atonilco water treatment plant

companies of power generation and water treatment business, as well as the development of new infrastructures. Mitsui, through its subsidiary Atlatec, has developed the Atonilco water treatment plant, which sanitizes the wastewater emitted from the metropolitan area with a population of 20 million. We have also developed natu-

ral gas-related infrastructures, such as liquid natural gas receiving terminals," said Michihiro Nose, president of Mitsui de Mexico.

"Regarding the steel business, we provide the automotive industry with coil processing services and semi-finished goods, besides our traditional business of importing steel," he added.

Recently, Mitsui also started its efforts in the agriculture sector with the acquisition of Adelnor, a distributor of fertilizer, pesticide and other agricultural supplies.

To strengthen its operations in the country, Mitsui is also looking into several other segments, such as eco-friendly infrastructure and health care.

"Now we are willing to bring unique expertise and solutions from our worldwide experience and business innovations in order to improve our operations in Mexico and continue contributing to the development of the country in this way," Nose concluded. ♦

www.mitsui.com.mx/en/index.html



IMEMSA works hand in hand with Yamaha in leading Mexico's marine industry

As Yamaha's exclusive distributor of marine equipment in Mexico, Industria Mexicana de Equipo Marino (IMEMSA) has grown to become a market leader in the country's marine industry in a span of over 45 years.

After signing a joint venture agreement in the 1970s, IMEMSA and Yamaha created a vast distribution network of committed dealers catering to thousands of commercial fisheries located throughout Mexico, and quickly established the Yamaha brand in the Mexican market.

"The key to the success of the venture was the high degree of collaboration between Yamaha and IMEMSA, with both companies bringing their specific know-how to the table," said Alejandro Cortina, director general of IMEMSA.

IMEMSA went through a major change in 2015 as its ownership was entrusted to the Gallardo family in Mexico, who are also actively involved in airport infrastructure, bottling and real estate development.

Due to corporate restructur-



Alejandro Cortina, Director General of Mexico, Industria Mexicana de Equipo Marino (IMEMSA)

ing, IMEMSA and Yamaha ended their joint venture and signed an exclusive distribution agreement instead. Cortina also pointed out that the successful completion of this milestone can be attributed to its close collaboration with Yamaha's marine division.

"It was a challenging process, but thanks to the leadership and long-term vision of Yamaha's marine division headed by Hirofumi Usui, IMEMSA was able to succeed with its endeavors," Cortina said.

In 2018, IMEMSA invested

in a new distribution center to integrate and streamline its operations, as well as a new boat factory to satisfy the growing local demand and export to the U.S. market.

2019 will be an important year for IMEMSA as it will seek to modernize its dealer network operation with the implementation of a new enterprise resource planning system.

"The successful and long-standing business relationship between Yamaha and IMEMSA is proof that Japanese companies can thrive in

the growing Mexican market," Cortina said.

"Together, Yamaha and IMEMSA will work toward creating awareness of sustainable fishing practices, as well as collaborating with authorities and universities in replenishing local fisheries." ♦

www.imemsa.mx



Celebrating driving design and experience

Mexico's automotive sector accounts for 17.6 percent of its manufacturing industry, which is why Mazda's operations in the country has been a huge success over the years.

Being the second-largest automobile manufacturing nation in the West, after the United States, the car industry in Mexico has ultimately propelled Mazda Mexico as the seventh-largest subsidiary of the Japanese multinational automaker and the company with the seventh-largest market share in the region.

With around 6,000 employees, 85 percent of Mazda Mexico's productions are allotted for exports, while 15 percent goes to the domestic market.

Mazda Mexico's business continues to grow as the company saw an increase of 110,000 in its factory unit production, from 140,000 in 2014 due to its improved business efficiency and the increase in its range of manufactured products. Currently, Mazda Mexico's top-



Miguel Barbeyto, President of Mazda Mexico

selling car model is the Mazda 3 sedan.

Along with the growth of its manufacturing sector, Mazda Mexico points out that its success is mainly due to the constant support of its clients.

"Positioning our customers as the cornerstone of our business model and catering to their every need, they have become our brand ambassadors," said Miguel Barbeyto, president of Mazda Mexico.

"They are in the habit of regularly recommending our brand to colleagues and friends due to their level of satisfaction. We even have entire families coming into dealerships to purchase a range of suitable vehicles for each member, which fills my heart with pride."

According to Barbeyto, who has been with Mazda for 14 years, its long-term solutions, world-class products and excellent customer service are sufficient to sustain the growth of the company.

"We trust that our management concepts and outstanding customer service, which are yielding positive results, will continue to benefit our business."

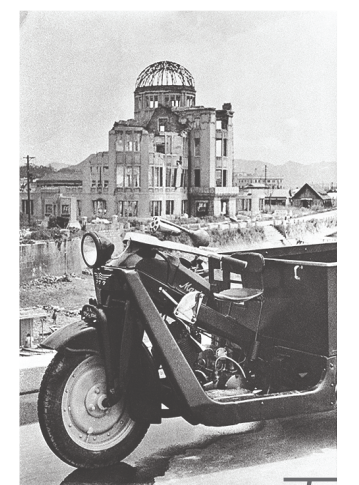
"We are proud to have won the JD Power Customer Service Index award for the second year in a row in 2019, as well as the Vehicle Dependability Study this year. As of the moment, we have retained 86 percent of our customers due to our exceptional service

in a five-year period and 42 percent in terms of brand loyalty for life."

Mazda Mexico is committed to further excel in the country's automotive industry by taking care of its customers and coming up with new ways to give them world-class products.

"Mazda has globally been rebranding itself as a superior and exclusive brand by fascinating our customers and celebrating driving experience with consistency and transparency. Our continuous endeavor is to grow, improve and explore new possibilities," Barbeyto concluded. ♦

www.mazda.mx



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We celebrate the present, remember the past and innovate the future.

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