Exporting to Mexico for Aerospace Suppliers

February 19, 2020
Logistics

• All audio will stream through your computer speakers.

• Please submit your questions anytime throughout the presentation in the Question box or Chat box, located on the bottom of your screen.

• Webinar recording and slides are posted within one week of the event.

ampsocal.usc.edu/webinars
Outreach arm of the Price School of Public Policy

Supports EDA’s mission by

• Providing technical assistance to economically distressed and underserved communities
• Developing strategies to enhance collaborative regional innovation

Capabilities

• Planning
• Economic development and policy studies
• Feasibility and market analyses
• Needs assessments
• GIS mapping
• Consensus building
• Technical assistance workshops
• Strategy development
About AMP SoCal

- Collaboration of government, academia, and industry partners
- Designed to strengthen the Southern California aerospace and defense manufacturing supply chain
- A federally designated “Manufacturing Community” by the U.S. Department of Commerce
Who We Are

AMP SoCal is led by the USC Center for Economic Development (CED), an applied research center of the USC Sol Price School of Public Policy, in partnership with the City of Los Angeles and over 135 companies and organizations.

Partners Include:

- USC Price
- Boeing
- NASA Jet Propulsion Laboratory
- CSU5
- City of Los Angeles
- The Port of Long Beach
- Cal Poly
- Northrop Grumman
- San Diego East County Economic Development Council
- UCLA
- Ventura County Workforce Development Board
- CMTC
AMP SoCal Upcoming Events

AMP SoCal Annual Summit
April 29, 2020 @ USC
Featuring One-on-One B2B Matchmaking Meetings between Suppliers & Southern California OEMs

www.AMPSoCal.org
Today’s Presenter

Elizabeth Glynn
Exporting Expert
Exporting to Mexico for Aerospace Suppliers

Advance Manufacturing Partnership
AMP SoCal
February 19, 2020
(webinar)

Elizabeth Glynn, Export Advisor
Reasons to sell U.S. products in global markets

• ACCESS new customers

• INCREASE sales

• BOOST profit
Interested to access Customers? Increase Sales Growth?

Have you checked into supplier opportunities that exist in a nearby global market – Mexico?

Reasons to consider supplier (export) business opportunities in the Baja Aerospace (Mexico) region:

- 70+ A & D, space multinational & national firms
- 95% of component inputs come from outside Mexico
- 10% - Mexico Aerospace growth
- represents $1.8 billion in supplier needs (aerospace)
Export Opportunity: Baja California Industrial Sector

Key sectors:
- aerospace
- automotive
- electronics
- medical devices
- metal/machinery

also,
- food processing,
- packaging,
- consumer products, etc.

Trade shows:
- Mexicali Supply Expo
- Baja Trade Tour
- Mexico Aerospace Supply Expo
- FAMEX 2021
  April 21–24, 2021
  U.S. Pavilion
  Venue TBC, Mexico
Current supplier needs include, but are not limited to, the following:

- Thermoforming
- Cable and harnesses
- Raw material for cable and Harnesses (Roll/Bar/Sheet/Cables)
- Hardware/Fasteners Electric Sensors / Coils
- Precision Machining
- Heat treatment and Finishing
- Metal stamping
- Design Services
- Maintenance and Repair of aircraft electronic parts
- Casting and Forging
- Hydroforming
- Sand cast
- Permanent mold
- Mechanical Assemblies
Notable Facts

Nationally

• Less than 39% of U.S. manufacturers export.

Of those that do, 57% export to fewer than five (5) global markets.

In California

• In 2018 exported manufactured goods accounted for $178 billion.


• Small businesses comprised 96% of all exporters

  Source: California Export Facts / National Association of Manufacturers / Jan. 2020)
# Top Trading Partners - Exports

California: in billions of dollars, based on 2018 dollar value

<table>
<thead>
<tr>
<th>Country (U.S.)</th>
<th>Exports (2018)</th>
<th>% of Total Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Countries</td>
<td>$178.1</td>
<td>100%</td>
</tr>
<tr>
<td>Total, Top 25 Countries</td>
<td>$159.2</td>
<td>89.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>Country (CA)</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mexico</td>
<td>30.7</td>
<td>17.3</td>
</tr>
<tr>
<td>2</td>
<td>Canada</td>
<td>17.6</td>
<td>9.9</td>
</tr>
<tr>
<td>3</td>
<td>China</td>
<td>16.3</td>
<td>9.2</td>
</tr>
<tr>
<td>4</td>
<td>Japan</td>
<td>12.8</td>
<td>7.5</td>
</tr>
<tr>
<td>5</td>
<td>Hong Kong</td>
<td>12.1</td>
<td>7.0</td>
</tr>
<tr>
<td>6</td>
<td>South Korea</td>
<td>9.6</td>
<td>5.6</td>
</tr>
<tr>
<td>7</td>
<td>Taiwan</td>
<td>6.3</td>
<td>3.7</td>
</tr>
<tr>
<td>8</td>
<td>Germany</td>
<td>5.9</td>
<td>3.5</td>
</tr>
<tr>
<td>9</td>
<td>Netherlands</td>
<td>5.7</td>
<td>3.4%</td>
</tr>
<tr>
<td>10</td>
<td>United Kingdom</td>
<td>5.0</td>
<td>2.9</td>
</tr>
<tr>
<td>11</td>
<td>India</td>
<td>5.0</td>
<td>2.9</td>
</tr>
<tr>
<td>12</td>
<td>Singapore</td>
<td>4.2</td>
<td>2.5</td>
</tr>
<tr>
<td>13</td>
<td>France</td>
<td>3.7</td>
<td>2.2</td>
</tr>
<tr>
<td>14</td>
<td>Australia</td>
<td>3.5</td>
<td>2.1</td>
</tr>
<tr>
<td>15</td>
<td>Belgium</td>
<td>3.1</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
- U.S. manufacturers are sitting on ‘untapped’ opportunity – their own products!

- *Made in USA* label and U.S. quality are well regarded throughout the world.

- *Made in California* garners added interest.

Misconceptions for not exporting

- My company is too small
- It’s too expensive
- It’s too complicated
- It’s too risky
- Don’t know how to move forward

With **unique products** and an **export strategy**, manufacturers can **increase sales** by exporting!
Increase Sales by Exporting

- Company’s domestic sales right now:
  __ growing?
  __ flat?
  __ declining?

- How is your Company looking to grow sales over the next three (3) years?

2020  2021  2022
Connect to Export Resources

- U.S. Commercial Service
- Global e-Commerce
- Trade Shows
- Trade Tours, Missions
- CA STEP funding

- Export Import Bank
- SBA Export Finance
- Banks
- Freight Forwarders & Integrators
- Trade Attorneys
CMTC® can help!

• Need assistance to maximize export business opportunity
  or
• need to talk out how to connect with export business opportunities?

✓ Export assistance
✓ Export to Increase Sales program (24 hours)
✓ Export consulting

Additional services:
✓ Continuous improvement
✓ Certifications (e.g., AS9100)
✓ Managing growth
✓ Cybersecurity
✓ Robotics
✓ Smart Manufacturing
Building into the future
Learn about exporting opportunities in Mexico Aerospace

US Commercial Service

1) Country Commercial Guide:
   www.export.gov/Mexico
   - Doing business in ...
   - About Mexican Customs

2) Aerospace & Defense
   https://www.trade.gov/aerospace-defense-industry

   • Mexican Federation of the Aerospace Industry (FEMIA)
     https://www.femia.com.mx/

   • Mexican Space Agency (AEM)
     http://www.gob.mx/aem

   • JetsNews (aerospace supplements),
     http://www.jetnews.com.mx
Mexicali Supply Expo

✓ Mexicali, Mexico is home to 500+ national & international companies with manufacturing and assembly operations utilizing over $350 million in parts and components in the region annually.

✓ Opportunity to connect with the Aerospace, Metal Mechanic, Medical Device, Automotive, Electronic professionals looking for suppliers to meet their fabrication needs.

Mexicali Supply Expo
February 20, 2020
9:00 a.m. – 5:00 p.m.

www.mexicalisupply.com
Mexico’s Manufacturing Supply Chain Summit

“Mexico’s Manufacturing and maquiladora industries are growing significantly and the automotive, aerospace, electronics, electrical and medical sectors need to expand their supply base.”

Source URL: http://register.mexico-now.com/?event_id=26&cod=STORE
Exporting leads to Customers, Sales, Profit
Manufacturers that export are achieving milestones

- 1200% sales increase in one year, one market
- expanded exports to 31 countries
- diversified across multiple markets
- increased production capacity to accommodate expanded business growth
- recognized with Export Achievement Award
“... a learning journey”
Richard Brent, CEO, Louroe Electronics (Van Nuys, CA)

http://www.cmtc.com/exporting (video)

If your Company
- has unique products,
- has extra production capacity, and
- is interested in expanding business growth

Commit to sell in global markets
- understand the export process,
- Integrate exporting in your business operations,
- utilize available export resources

Increase your Company’s sales growth, sell (export) your products & services in global markets.
SAVE the DATE

✓ Learn more about doing business with multinational and national firms, and
✓ gain insight about current supplier needs in the Baja California, Mexico Aerospace region.

AMP SoCal Annual Summit
April 29, 2020
Los Angeles, CA
8:30 a.m. – 4:30 p.m.

https://ampsocal.usc.edu/events/upcoming/details/?event-id=32627586938520
For information about exporting, please contact:

Elizabeth Glynn, Export Consultant
Tel:  (310) 890-2108
Email:  eglynn.exp2020@gmail.com

Browse:
http://www.cmtc.com/exporting
https://www.cmtc.com/made-in-california-profile
https://www.cmtc.com/manufacturing-solutions/services-and-benefits