



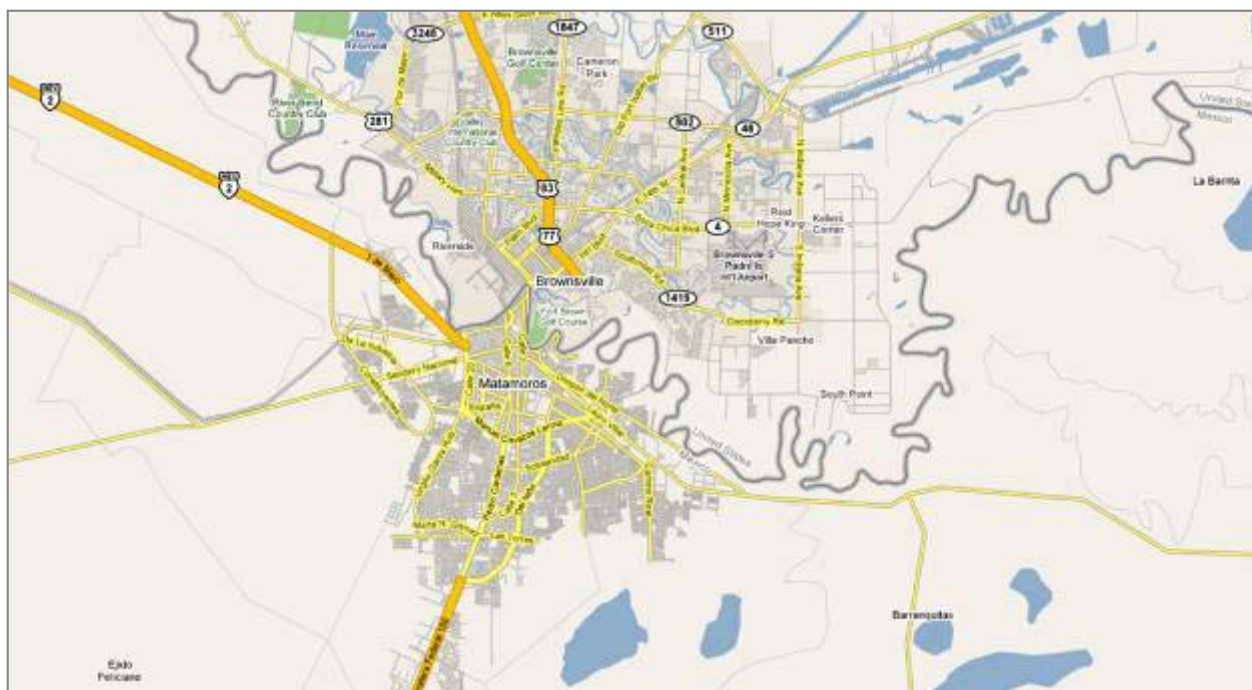
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Matamoros – Location



Matamoros is one of the key border crossings into the main markets of Central Mexico, as well as the conventional route to Eastern portions of the United States. On the American side, Matamoros has a direct link with US Highways 77 and 83 (future home of I-69). On the Mexican side, the city connects with the newly renovated Mexican Interstate Highways 101 and 40:



Matamoros – Distances to Key Cities/Ports

Mexico Main Cities	Km	Miles
Reynosa, Tamaulipas	86	53
Nuevo Laredo, Tamaulipas	336	208
Monterrey, N.L.	296	183
Saltillo, Coahuila	377	235
Tijuana, Baja California	2518	1561
Queretaro, Qro.	1000	620
San Luis Potosi, SLP	808	501
Cd. Juarez, Chih	1454	901

US Main Cities	Km	Miles
Tulsa, OK	1360	850
Atlanta, GA	1862	1154
Austin, TX	570	353
Chicago, IL	2445	1515
Dallas, TX	883	547
Detroit, MI	2793	1734
Houston, TX	576	357
Los Angeles, CA	2631	1631
Nueva York, NJ	3393	2103
San Antonio, TX	452	280

Ports	Km	Miles
Altamira	483	300
Manzanillo	1447	899
Lazaro Cardenas	1530	955

Matamoros Logistics

Highway

Matamoros is a major border crossing region connecting Central Mexico to routes oriented toward the Central and Eastern portions of the US.

Matamoros has three international bridges:

- The **B&M International Bridge** is one of the oldest bridges along the US-Mexico border, and the only local crossing for rail (with service provided by Union Pacific and "Transportacion Ferroviaria Mexicana"). It was expanded in 1997, and is primarily geared toward automotive, bicycle, and rail traffic.
- The **International Gateway Bridge** offers two lanes in each direction. This is primarily used for foot traffic and tourism.
- The newest of the bridge access points, the **Veterans/Los Tomates International Bridge**, is a main route of entry for pedestrian, personal vehicle, and light to heavy industrial truck traffic. Approximately 2,000 trucks cross this bridge daily.
- The last crossing, the **Los Indios Free Trade Bridge** features direct access to the Los Indios Industrial Park. It is primarily a cargo crossing, but also car tourists headed to Monterrey.



Depending on the number of axles, bridge tolls cost approximately \$8 to \$20 per trip for commercial crossings.

Sea Ports

Immediately adjacent to Matamoros on the US side is the Port of Brownsville – the end of a 17 mile (27 kilometers) channel that meets the Gulf of Mexico at the Brazos Santiago Pass and provides access to the Inland Waterway System of the United States.

Open since 1936, the Port of Brownsville is located 2 miles (3 kilometers) from the City of Brownsville, and lies adjacent to the Rio Grande River. 47% of the cargo products shipped through the Port were iron and steel

Transportation

The approximate amount covered in a US. Customs brokerage agency can be broke down in three parts:

- | | |
|--|---------|
| • Per trailer/conveyance (entry) | \$35.00 |
| • Preparation of other gov't agency forms (fcc, epa.,d.o.t.) | \$30.00 |
| • Haz-mat surcharge | \$50.00 |

The approximate amount covered in a Mexican Customs brokerage agency can be broke down in

Definitive exports

- preparation of export bill of lading (per bill of lading) \$75.00
 - includes pre validation of bill of lading
 - Mexican brokers fees 0.36% of the value of the merchandise with a \$10.00 min.

Temporary exports (finished goods) \$50.00

- preparation of export bill of lading (consolidated bill of lading)
 - includes pre validation and brokers fees

Temporary exports (machinery and equipment) \$60.00

- preparation of export bill of lading
 - includes pre validation and brokers fees

At the time your product gets to the border and has to cross over an international trade bridge the cost is somewhat average:

Cross-border drayage

- Brownsville, Texas to Matamoros, Mexico (per shipment) \$120.00
- Matamoros, Mexico to Brownsville, Texas (per shipment) \$120.00

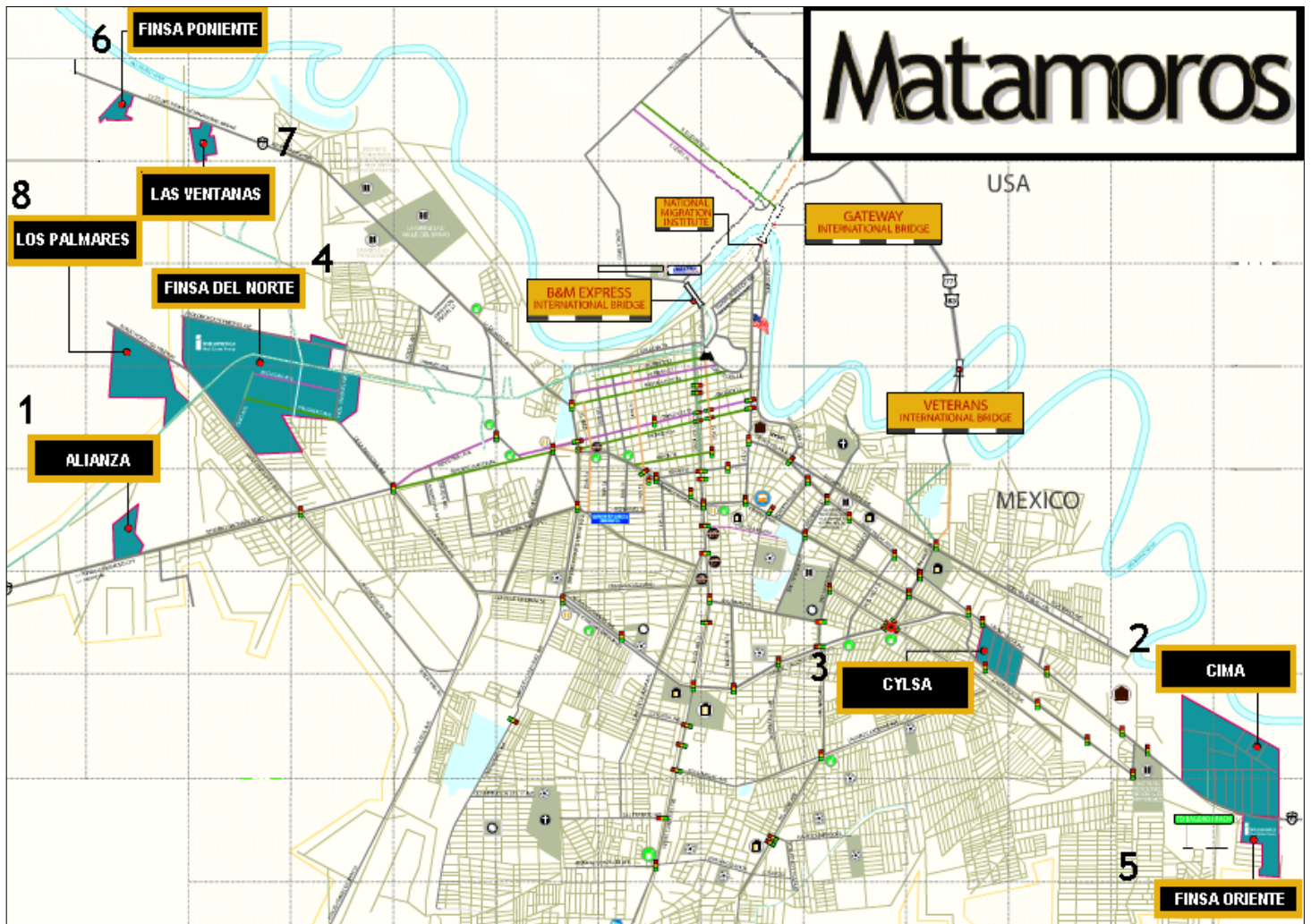
By getting quotes on moving the product from Brownsville to Tulsa or Houston, the information we received recently on this matter from various transportation and logistics on an average is:

- Brownsville to Houston Texas \$850.00
- Brownsville to Tulsa Oklahoma \$1,800.00

Matamoros – Industrial Infrastructure

Matamoros has eight major industrial parks, with two additional parks currently in construction.

Map of Matamoros Industrial Parks



Industrial Parks – Overview

1 - Alianza Industrial Park

Contact: Andres Garcia

Phone: US (956) 546-1369

Area: 27.0 hectares / 57.0 acres

Website: www.pesaent.com

Services: electricity, water, sewer, sewer treatment, street lighting, natural gas, railroad, telephone, security and public transportation.



Space	Approximate size	Cost of land	Cost of building	Total cost of land (Approx.)
Lote 1	3 Hec / 322,000 sq. Ft	\$25 dlls/m2 \$2.32 dlls/sq.ft	\$35-40 dlls/sq ft	\$747,040 dlls
Lote 2	4 Hec / 430,000 sq. Ft	\$25 dlls/m2 \$2.32 dlls/sq.ft	\$35-40 dlls/sq ft	\$997,600 dlls

Current Companies in Park:

- Avances Científicos
- Bul pack de México
- Summit Componentes de Mexico
- ATD
- Ts-tech / Industrias Tricon



2 - CIMA Industrial Park

Contact: Ariel Vela Q.

Phone: (868) 812-8185

Address: Av. Lauro Villar Ciudad Industrial (CIMA). H. Matamoros, Tamps.

Area: 402.0 hectares / 993.34 acres

E-mail: ariavela@hotmai.com

Services: Paved streets, street lighting, electricity, electric substation, natural gas, ATM, water treatment, sewer, public transportation, 24 hrs security surveillance, fire station, day care services, pre-school and kindergarten, elementary school, housing for employees, commercial area.



Current Companies in Park:

- Bon Worth International
- Agroquimicos y Equipos
- Bright Finishing
- C.T.S Electro de Matamoros-C.T.S
- Candados Universales de Mexico
- Capro de Mexico
- Castlight de Mexico-Antique St. Lamps
- Componentes Anchia Mexicana
- CRH
- Cyoptics, S. de R.L
- Dura de Mexico
- EDEMSA-Motorola Corporation
- Empresas IAI
- Envases de Tamaulipas
- Fisher Dynamics
- G. Shank de Mexico
- Grupo Dermat- Pochteca
- ILSCO de Mexico
- JL Metal Manufacturing
- Kwalu
- Kearfortt Precisiones Generales de Matamoros
- Kidee de Matamoros
- Maquiladora General de Matamoros-Atoglass-Atofina Chemicals
- Metal Plating de Matamoros
- Metallic solders
- Modern Assembly
- Monsato
- Norco Attachment
- Olson International
- Omniglow de Mexico
- Parker Hannifin de Mexico II-Parker Seal
- Poliestireno del Noreste, Poliestireno
- Porta Sistemas-Porta Systems Corp.
- Productos Electromecanicos BAC-PEBAC
- Promass America
- Resinoplast North America
- Rosamax
- Spellman de Mexico-
- Starkey de Mexico-Starkey Laboratories
- Stubbing
- Suhm De Mexico
- TAPEX Mexicana- Toyota
- TIDI de Mexico
- Tridonex
- Trisa Comercial S.A de C.V
- Vdo-Vidrio Decorativo Occidental
- Victoreen de Mexico-Ohmite
- VTI Technologies

3 - CYLSA Industrial Park

Contact: Oscar Pasman / Aracely Montiel

E-mail: armore1012@hotmail.com

Address: Ave. Lauro Villar #1372 Esquina Con Alabama. H. Matamoros, Tamps.

Phone: (868) 812-2260

Area: 12.0 hectares / 29.65 acres

Current Companies in Park:

- Burle de Mexico-Burle Industries
- Controles de Matamoros
- Controles Latinoamericanos-
Controlam-Invensys Appliance Control
- Electropartes de Matamoros-Patx
- Rol
- Simclar de Mexico
- STS Manufacturas



4 - Finsa del Norte Industrial Park

Contact: Héctor Salas

E-mail: hsalas@finsa.net

Address: Av. Michigan #100 Col. Parque Industrial del Norte, H. Matamoros, Tamps.

Phone: (868) 810-0124

Area: 180.0 hectares / 444.78 acres

Website: www.finsa.net



Services: 24 hour security, housing, railroad line, day care center, water waste treatment plant, close to international bridge, electricity, water, sewer, gas (natural and propane), telephone.

Space	Approximate size	Cost of land	Approx. Total cost of land.
Lot 1	According to the project	\$28 - \$33 dlls/sq ft	---

Current Companies in Park:

- AFX Industries
- Autoliv
- Batory de Mexico - Chicago Sweetner
- Bows de México
- Cambridge Internacional
- Cardinal Brands de Mexico
- Collado Ryerson, S.A de C.V
- Delphi Delco Electronics de Mexico - Deltronicos
- Dunhill
- FFW de Mexico-Fontaine Fifth Wheel Corporation
- Grant Productos de Mexico
- HILTI Operaciones de México
- Induspac- Estapack
- Industrias de Productos Perlita - Chicago Metallic Corporation
- Industrias Interlake Handling
- Infra Gases y Productos
- Inteva Products
- ITT Products- Siltech
- Magna- Decofinmex
- Pac-Tek Quality Motors México
- Universal Lighting Techonologies
- Puertas y vidreos de Matamoros - Therma Tru Corporation
- Servicios Industriales Nova Link
- Siderurgica del Golfo-SIGOSA
- SPAN International
- Steel Technologies de Mexico
- Stepan de México
- Summit Componentes de Mexico-Summit Polymers
- TRICO Componentes-Trico Products Corporation

5 - Finsa Oriente Industrial Park

Contact: Héctor Salas

E-mail: hsalas@finsa.net

Address: Av. Lauro Villar Km. 7.5 Parque Industrial Finsa Oriente, Matamoros, Tamps.

Phone: (868) 810-0124

Area: 12.0 hectares / 29.65 acres

Website: www.finsa.net



Available Space:

Space	Approximate size	Cost of land	Cost of Lease	Approx. Total cost of land
Lote 1	According to the project	\$28 - \$33 dlls/ ft2	\$0.35- \$.38 dlls/ft2	---

Current Companies in Park:

- Ampad
- Dura
- Fisher Dynamics
- Kidee de Mexico
- Spellman de México
- Horton – Sliding Doors

6 - Finsa Poniente Industrial Park

Contact: Héctor Salas

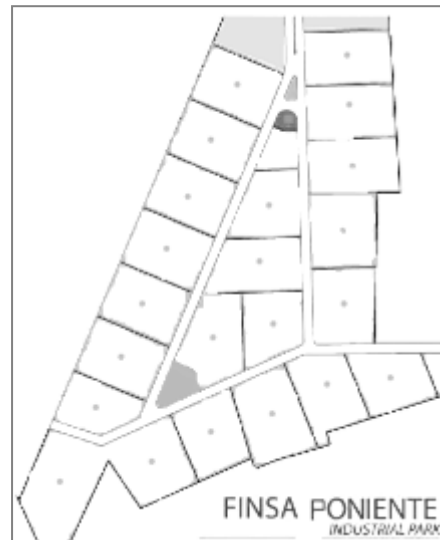
E-mail: hsalas@finsa.net

Address: Carretera Reynosa Km. 12 H. Matamoros, Tamps.

Phone: (868) 810-0124

Area: 100 hectares / 247 acres

Website: www.finsa.net



Park in construction

Space	Approximate size	Cost of land	Cost of Lease	Approx. Total cost of land
Lote 1	According to the project	\$28 - \$ 33 dlls/ ft2	\$0.35- \$.38 dlls/ft2	---

7 - Las Ventanas Industrial Park

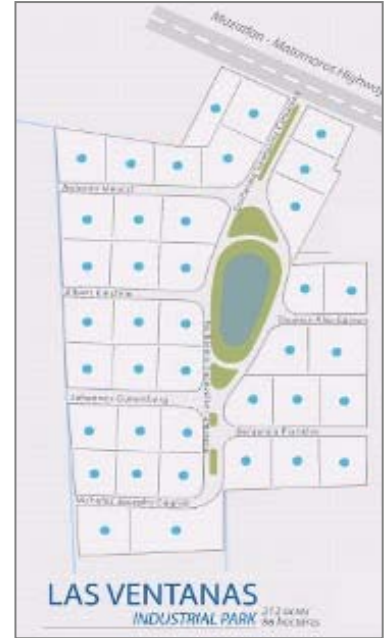
Contact: Andres Garcia

Phone: [US] (956) 546-136

Area: 103.0 hectares / 254.0 acres

Website: www.lasventanasindustrial.com

Services: Water, sewer, underground electrical power, street lighting, telephone, natural gas, security service, waste water treatment plant, treated water loop, high pressure water loop for sprinkler systems, fire hydrants. It will have a mall in the park with banks and restaurants.



Space	Approximate size	Rent of land	Cost of Land	Cost of building	Approx. Total cost of land
Lote	80 hec. 8,611,000 sq. Ft	\$.40 dolls/sq.ft	\$35 dolls/sq.ft	\$35-40 dolls/sq ft	-

Current Companies in Park:

- Tyco
- Core Composites
- Shaw Group

8 - Prologis Industrial Park

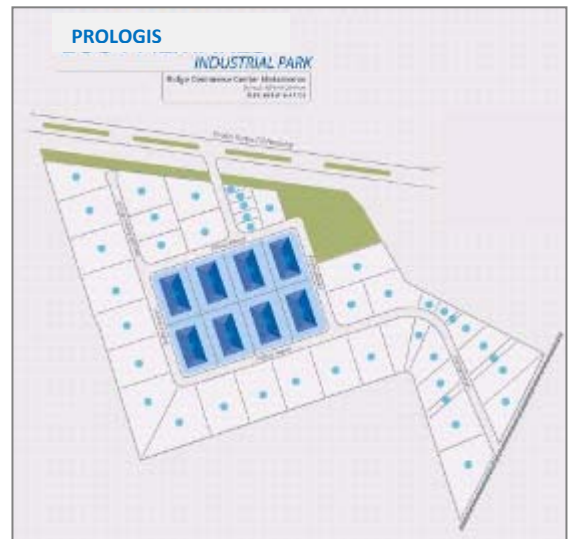
Contact: Juan Carlos López

Phone: (899) 921-9760

Area: 120.45 hectares / 297.34 acres

Website: www.prologis.com

Park in construction.

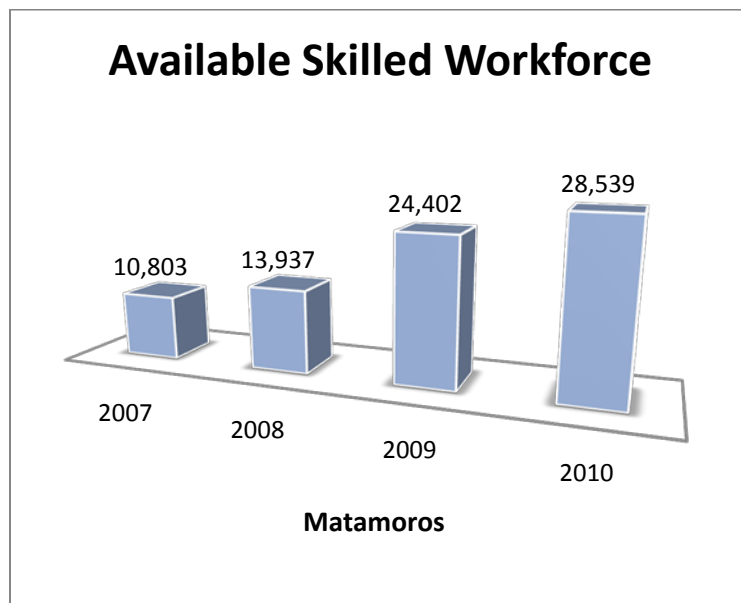


Labor



Overview of Key Factors

Labor Cost – Unskilled (US\$ / hr) Fully Burdened	\$1.13 – 2.30	Percentage with college degree	16.2%
Labor Cost – Skilled (US\$ / hr) Fully Burdened	\$2.33 - 4.78	Schools: Technical (vocational) / Engineering / Business	5/4/9
Labor Cost – Professional (US\$ / hr) Fully Burdened	\$9.96 - 16.30	Average Industrial Park Land Cost (US\$/m2)	\$20-35
Local Turnover-Unskilled (% / year)	2-4%	Average lease rate of building in Industrial Parks (US\$/ sq. ft)	\$.35 -\$.44
Local Turnover- Skilled (% / year)	1-3%	Number of Industrial Parks	8
Local Turnover- Indirect (% / year)	4-6%	Number of Industrial Parks in construction	2
Econ Active Population (2007)	275,962	Cost of kWh (US\$)	\$0.065
Econ Active Population in Manufacturing Industry (2005)	65,141	Cost of water (US\$/m3)	\$1.42



Fully-Loaded Hourly Wage, 2010

	Indirect Personnel	General Employee	Trainee
Daily wage	\$ 14.01	\$ 11.81	\$ 9.31
Fringe Benefits	\$ 8.75	\$ 8.75	\$ 8.75
Production bonus	\$ 6.25	\$ 6.25	\$ 6.25
Punctuality and Attendance	\$ 2.50	\$ 2.50	\$ 2.50
INFONAVIT (Housing Fund 5%)	\$ 1.14	\$ 1.03	\$ 0.90
Payroll Tax (2%)	\$ 0.28	\$ 0.24	\$ 0.19
Social Security (IMSS)	\$ 4.93	\$ 4.52	\$ 4.06
In-kind fixed fee	\$ 1.47	\$ 1.47	\$ 1.47
In-kind excess	\$ 0.01	\$ -	\$ -
Cash benefits	\$ 0.16	\$ 0.14	\$ 0.13
Pensioners and Beneficiaries	\$ 0.24	\$ 0.22	\$ 0.19
Handicap and life	\$ 0.40	\$ 0.36	\$ 0.32
Risk Premium	\$ 0.11	\$ 0.10	\$ 0.09
Day-care and social benefits	\$ 0.23	\$ 0.21	\$ 0.18
Retirement Insurance	\$ 0.46	\$ 0.41	\$ 0.36
Old age	\$ 0.72	\$ 0.65	\$ 0.57
Vacation (6 days/yr.)	\$ 0.27	\$ 0.23	\$ 0.18
Vacation premium (25%)	\$ 0.07	\$ 0.06	\$ 0.04
Christmas Bonus (15 days/yr.)	\$ 0.81	\$ 0.68	\$ 0.54
Total in Mexican Pesos	\$ 30.26	\$ 27.31	\$ 23.97
Total in US Dollars*	\$ 2.34	\$ 2.11	\$ 1.86

**Note: Pesos converted to dollars using FIX exchange rate as determined daily by the Bank of Mexico.*

IT ALL STARTS HERE



Automotive & Auto parts

Automotive & Auto parts manufacturing cluster has been the backbone of the regional industry, and is one of the clusters identify by the State of Texas , State of Tamaulipas, CODEM & BEDC as part of a long-term, strategic job creation plan.

This cluster is made up of various sub-clusters: Metal Stamping, Plastic Injection Molding & Finishing. The regions recognized universities and technical colleges, highly trained workforce, strong government and private business support, and a thriving business climate make the Brownsville-Matamoros area a national and global site for the automotive industry.

Products:

- Radios
- Dashboards
- Switches
- Gaskets
- Steering Wheels
- Remanufacturing
- Sensors
- Lighting modules

Top Industry Employers

1. Delphi Automotive
2. Dura Automotive
3. Autoliv
4. Inteva
5. Trico Products
6. Magna / Decofinmex
7. CRH
8. Fisher Dynamics
9. VTI
10. Kongsberg Company
11. CTS

Recent Industry Trends

2005 to present: 15 new operations have established in the region.

2009: Autoliv & TAPEX Toyota start operations.

2008: Inteva buys Delphi Componentes and expands operations to 250,000 sq. ft.

2007: A total of 450,000 sq. ft. was developed among CRH, Dura Automotive & Fisher Dynamics.

2006: Delphi opens engineering center for interior system technology.

IT ALL STARTS HERE



METAL FABRICATION & RELATED

Metal Fabrication cluster has been the backbone of the regional industry, and is one of the clusters identified by the State of Texas, State of Tamaulipas, CODEM & BEDC as part of a long-term, strategic job creation plan.

This cluster is made up of various sub-clusters: Metal Stamping, Heavy Fabrication, Recycling & Finishing. The regions recognized universities and technical colleges, highly trained workforce, strong government and private business support, and a thriving business climate make the Brownsville-Matamoros area a national and global site for the metal fabrication related industries.

Products

- Metal Stamping
- Ship Dismantling
- Metal Recycling
- Metal Finishing Treatments
- Industrial Joist
- Oil Rings Manufacturing & Repair
- Industrial Filtration Systems
- Pipes for Oil & Gas Industry

Industry Employers

- Keppel Amfels
- Collado Ryerson
- Shaw Group
- Steel Technologies
- Gobar Systems
- Olson international
- National Electric Coil
- Siderurgica del Golfo
- Tella Tool
- American Welding / Durr Filters
- G-Shank
- Bright Finishing

Recent Industry Trends

- 2010** Olson and Fisher Dynamic expansions.
- 2009** Hilti and Inteva start operations
- 2008** Atlantic Durant announce their new facility in Matamoros
- 2007** Tella Tool announced they will expand their services with a 1,000 ton press.
- 2007** Shaw group announced the construction of 400k sq. ft building with the creation of 1,200 jobs
- 2006** AMFELS opens an Engineering center in Matamoros
- 2005** AMFELS announced the creation of 1,500 jobs in Brownsville within the next 3 years

IT ALL STARTS HERE



Nanotechnology, Semiconductors, Aerospace Manufacturing

Products

- Actuators
- Guiding systems
- Seat covers
- Components
- Custom Electronic
- Silicone key pads
- Fiber optics
- Semiconductors
- Bio Chemicals

Industry Employers

1. Kearfott Precisiones
2. Mecanismos Sincronizados
3. Cyoptics
4. Littlefuse
5. Cedro de Mexico
6. Siltech

Recent Industry Trends

*The University of Texas in Brownsville will invest 17 million USD in the ITEC for a for gravitational wave astronomy center. that is funded by NASA and NSF.

*Texas State Technical College offers Aviation Maintenance Technology and Biomedical Engineering Technology programs where 30 students graduated in 2008 .

2008: 8 million USD investment in Airport infrastructure to enhance MRO, component manufacturing and assembly, pilot training and general aviation companies.

2005: Kearfott Precisiones expands 50,000 sq. ft. for their guiding systems product.

2001: Cyoptics build a 80,000 sq. ft. facility.

IT ALL STARTS HERE



MEDICAL DEVICES

Medical Device Manufacturing cluster is a growing regional industry, and one of the clusters identified by the State of Texas, State of Tamaulipas , CODEM & BEDC as part of a long-term, strategic job creation plan.

This cluster is made up of various sub-clusters: Pharmaceuticals, Plastic Injection Molding, Research & Development. The regions recognized universities and technical colleges, highly trained workforce, strong government and private business support, and a thriving business climate make the Brownsville-Matamoros area a national and global site for the automotive industry.

Products

- Hearing Aids
- Respiratory Systems
- Blood Bags
- Orthopedic supports
- Power tubes
- Laboratory Equipment
- Disposable Protection products
- Headwalls
- Hospital Beds

Industry Employers

1. Starkey (2 Plants)
2. Burle Industries
3. Core Products
4. Sloan Medical
5. Pari
6. Advance Scientific

Recent Industry Trends

- 2011:** Joerns Healthcare Start Operations
2009: Starkey Expansion
2008: Advanced Scientific Start operations



Matamoros Economic Development Committee

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