

Mexico's Aerospace Industry – *Blasting Off*

The growing number of investment projects by multinational aerospace companies, such as those below, has turned Mexico into one of the most competitive and strategic destinations for manufacturing and sourcing services worldwide.

Honeywell

Gulfstream

NORTHROP GRUMMAN

LOCKHEED MARTIN

Rockwell
Collins

BAE SYSTEMS

DAHER

GOODRICH

LOCKHEED MARTIN

HELICOPTERS

SAFRAN

AEROSPACE-DEFENCE-SECURITY

Beechcraft
Fokker

TEXTRON

Honeywell

Bell

Helicopter

A Textron Company

Cessna

HELICOPTERS

SAFRAN

AEROSPACE-DEFENCE-SECURITY

GE

BOMBARDIER

EUROCOPTER

an EADS Company

MEGGITT

EUROCOPTER

an EADS Company

SAFRAN

AEROSPACE-DEFENCE-SECURITY

Entrada Group
Manufacturing Campus

Triumph Group, Inc.

Entrada Group
Manufacturing Campus

Central and Near-Border states within one day by truck from Entrada's campuses

Bearhawk

Disclaimer: Facts based on news reports up to late November, 2015. Company names and logos are intended for informational/educational purposes only and do not in any way constitute an endorsement of Entrada Group or its services.

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Strengths

- ▶ Mexico's aerospace sector has reported a growth rate of 17.2% annually since 2004. Currently, there are 287 companies and support organizations that employ more than 32,600 high-level professionals.
- ▶ Querétaro has 30 aerospace companies and support entities and has reported exports of \$693 million. Those include: Bombardier, Grupo Safran (Messier-Bugatti-Dowty and Snecma), Eurocopter, Brovedani Reme, Elimco Prettl Aerospace, Galnik, GE Infrastructure, Galnik and Crio.
- ▶ Mexico is the sixth-largest supplier to the United States aerospace industry, the world's largest aerospace market.
- ▶ Chihuahua has five OEMs and more than 37 certified suppliers, making it one of Mexico's strongest aerospace and defense manufacturing hubs.

Challenges

- ▶ Original equipment manufacturers and assemblers need to develop Mexico's in-country supply base to keep pace with production demand.
- ▶ Managing cost increases and driving innovation in design and materials are key challenges Mexico's aerospace sector must address in order to grow.

“Over the past decade, Mexico's aerospace industry has recorded an annual growth rate of nearly 20%.”

– FEMIA

Prospects for Growth

- ▶ The manufacture and development of unmanned aerial vehicles (UAVs) shows that Mexico has the specialized manufacturing capacity, research and development talent and dual-use international technology agreements needed to become one of the key suppliers for this market.
- ▶ The continuity and full implementation of the Bilateral Aviation Safety Agreement (BASA) and the FAA is in line with the strategy for Mexico to provide products and services to address the entire lifecycle of an aircraft.
- ▶ Future opportunities will allow companies to certify manufactured and/or repaired products, as well as maintenance services performed in Mexico.

On the Horizon

- ▶ The aerospace industry in Mexico is expected to report exports of \$12 billion in 2021, with a 14% average annual growth rate.
- ▶ Engine design is fueling regional growth, including the design of parts, components and/or turbines in Mexico. The main companies are GE and ITP in Querétaro, which will probably be joined by SNECMA in the near future.
- ▶ Innovation will drive future growth, and the existence of a reliable supply chain will be of paramount importance for Mexico's aerospace growth.

MEXICO: ENROLLMENT IN AVIATION/AEROSPACE ENGINEERING

