



U.S. Commercial Service Global Automotive Team Quarterly Newsletter - Spring 2013

CONNECTING YOU TO GLOBAL MARKETS

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Focus on: South Africa

There has been a rapid growth in demand for automotive aftermarket specialty equipment and accessories in South Africa. This market size is estimated to be between \$2- \$2.5 billion. In the last nine years accessorizing and improving performance of vehicles has transformed from a hobby to a fully-fledged culture of fierce competition. In the race to individualize and distinguish their vehicles from others, enthusiasts constantly seek innovative, authentic specialty components and accessories with little regard to price. In this lucrative segment, South Africans are highly receptive to U.S. brands and often follow trends set in the U.S.

Sub-Sector Best Prospects

The following performance products are sought after by dragsters in "the race to be the best": *intercoolers; ball bearing turbos; octane boosters; gauges; racing bolts; performance water injection systems, high flow injectors; racing clutches; metal head-gaskets; racing tires, nitro fed boosters, racing pistons; calipers and racing disk kits; high pressure fuel kits; gas flow cylinder heads, dynanometers.*

A constant need to distinguish and individualize vehicles creates opportunities for U.S. suppliers of automotive interior and exterior accessory products such as *body styling kits; racing seats; alloy wheels; lowering-suspension kits; graphics; steering wheels; gear and hand-brake pouches; boot spoilers and wings; aluminum pedals; xenon light kits.*

Opportunities

South African specialty equipment and accessory

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wholesalers and retailers constantly seek to expand their product range and welcome opportunities to establish distributor/agent agreements with U.S. firms. [Read the full report.](#)

Trade Event:

automechanika
JOHANNESBURG

May 8 -11, 2013. U.S. exporters have two ways to exhibit: directly or as apart of the U.S. Product Literature Center. [Learn more.](#)

Doing Business in Africa Initiative:

Africa is home to 6 of the top 10 fastest growing countries in the world and U.S. exports to sub-Saharan Africa now top \$21 billion a year. [Learn more.](#)





Upcoming Events

Our worldwide network of automotive specialists in U.S. Embassies and Consulates, and across the U.S., is dedicated to assisting U.S. companies increase exports of U.S. automotive products and services internationally. In that effort, we invite you to participate in the following key events supported by the U.S. Commercial Service. For most updated information, please visit:

<http://export.gov/industry/auto/keyevents>



Access the Western Hemisphere (April 23–24, 2013 in Minneapolis, MN). This annual conference will bring 10 Senior Commercial Diplomats covering over 15 markets across the Western Hemisphere. Participants will discover how to identify new export opportunities, increase market share and competitive edge, and develop strategic relationships with those that are on the forefront of business and exporting in these key markets. [Learn more.](#)

ACCESS 2013 International Trade Forum – Africa, Middle East, South Asia (May 1–2 in San Diego, CA). U.S. Department of Commerce Senior Commercial Officers and Commercial Specialists from Africa, the Middle East, and South Asia regions will provide information to help you identify new export markets and develop market entry strategies. [Learn more.](#)

Automechanika Johannesburg 2013 (May 8–11, 2013) – South Africa's leading international trade fair for the automotive industry targeting trade visitors from the Sub-Saharan Region. [More on this show.](#)

Autopromotec 2012 Bologna, Italy (May 22–26, 2013) is the leading biennial event in Europe and is a unique showcase for the garage, auto repair, diagnostic and servicing equipment sector, as well as a marketplace for a range of complementary industry products. [More on this event.](#)

Automechanika Middle East 2013 (Dubai, UAE June 11–13, 2013) is the leading event for the rapidly developing automotive aftermarket in the wider Middle East and Africa. This trade event covers the full range of parts for motor vehicles, as well as components for the drive, chassis, body, electrics and electronic groups, equipment for vehicle service and repair, bodywork repair and painting, tires, batteries and performance systems. [More on this show.](#)

ReMaTec 2013 Amsterdam, Netherlands (June 16 – 18, 2013). Join the USA Pavilion at this premier networking event for the remanufacturing industry which includes players in the automotive, industrial and heavy duty aftermarket sectors. [More on this show.](#)

PAACE Automechanika Mexico City 2013 (July 10–12, 2013) is Mexico and Central America's most important automotive trade show. For the first time in 2013, there will be a U.S. Pavilion at the show. Mexico ranks as the world's eighth most important automotive producer and third in the Americas after the United States and Brazil. It is the 4th largest exporter. [More on this show.](#)

NEW! Auto Supply Chain Trade Mission to Mexico City and Monterrey, Mexico (September 23–26, 2013). This mission is intended to focus on a variety of U.S. industry and service providers, particularly those suppliers of spare parts, original equipment manufacturer (OEM) parts and components, hybrid vehicle components, precision assembly devices and systems that enhance efficiency in the OEM manufacturing process. [More on this trade mission.](#)

NEW! Automotive Meetings in Queretaro, Mexico (November 12–14, 2013) is an outstanding supply chain oriented business forum aimed at B2B connecting with automakers and Tier 1 suppliers operating facilities in Mexico. [More on this B2B matchmaking opportunity.](#)

SAVE THE DATE

May 28–29. Webinar Series: Explore the Transportation Market in Turkey (Ports, Highways, Rail). Contact: Jorge.Arce@trade.gov

May 29. Webinar: Discover Opportunities in Mexico's Automotive Market – B2B Meetings in Queretaro. Contact: Eve.Lerman@trade.gov

Check for updates at:
www.export.gov/industry/auto



Market Research

Our specialists abroad develop market research to help you evaluate markets for your automotive products and services. Research ranges from short reports on areas of opportunity to detailed market and sector reports. Below are a few examples of our recent market research reports available at NO COST. Download them from our website – <http://export.gov/mrktresearch/>– or contact [your local trade specialist](#) and ask for latest reports.

Canada: Government Automotive Innovation Fund Renewed with Further \$250 million

As part of the 2008 federal budget the Government of Canada created the Automotive Innovation Fund to invest in research and development projects in the auto sector. On January 4, 2013 the Government of Canada announced that it will extend the program for another five years with another repayable contribution of \$250 million to support continued innovative development in the auto industry. This decision will contribute to a stronger automotive industry in North America. It will allow for American companies either through their Canadian subsidiaries or through partnerships to benefit from increased investment in automotive research and development. [Read the full report.](#)

Saudi Arabia: Jeddah Metro Project

Rail transportation is playing an increasing role in the Saudi transportation sector. The government has launched a number of initiatives to develop this sector through major railway projects connecting the different regions of the Kingdom and cities therein. Presently, the current value of executed projects is estimated at SR 50 billion (USD 13.33 billion). [Read the full report.](#)

Mexico: Automotive Repair and Maintenance Equipment

Mexico ranks as the world's eighth most important automotive producer and third in the Americas after the United States and Brazil. Last year, Mexico produced 2.68 million cars. However, 83 percent of its production is devoted to exports and just 17 percent for the local market. Less than one million cars are sold in Mexico each year. Lack of financing and fiscal incentives as well as high taxation rates reduce local new car purchases. The average lifespan of a vehicle in Mexico is much greater than in the United States. Therefore, there are many opportunities in replacement parts as well as new technologies to keep automotive repair and maintenance businesses operating as efficiently as possible. [Read the full report.](#)

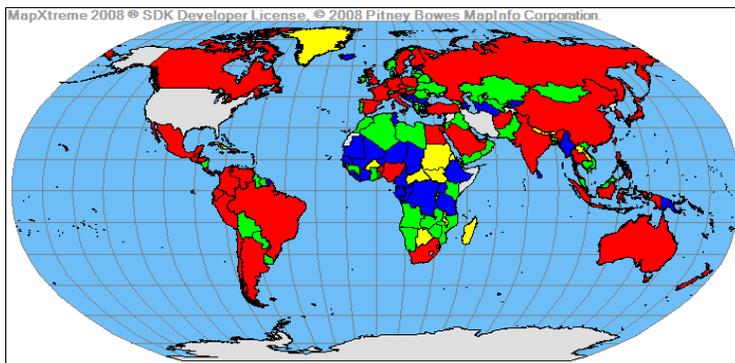
Brazil: 2014 World Cup and 2016 Olympic Games

The 2016 Rio Organizing Olympic Committee will pay special attention to sustainable development in their procurement announcements. However, unlike other procurement opportunities in Brazil, it is our understanding that there will not be as strong of an emphasis on local content requirements since the services will be considered a one-time purchase. Therefore, U.S. firms that are not invested in Brazil may still have a strong incentive to bid on these projects, especially firms that have had experience supplying goods and services to previous Olympics or major sports events and can address Brazil's sustainable development goals within their bids. [Read the full report.](#)

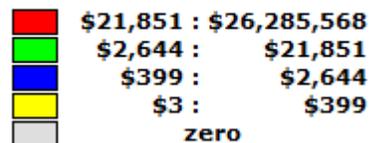
Exports, Jobs, and Foreign Investment. See the impact of international trade on your State's economic infrastructure: <http://www.trade.gov/mas/ian/statereports/>

Trade Data Snapshot

2012 Exports of NAICS 3363 – MOTOR VEHICLE PARTS



2012 Exports of NAICS 3363



in thousands [\$ USD]

Partner	2012		
World	\$58611236367		
1. Canada	26285567159		
2. Mexico	19577281887		
3. China	1318005800		
4. Australia	1178564254		
5. Japan	1038434352		
6. Germany	977031203		
7. Venezuela	824331014		
8. Brazil	665098655		
9. United Kingdom	662960194		
10. South Korea	545141442		
11. United Arab Emirates	366004393		
		12. Belgium	321944437
		13. Chile	316080116
		14. Singapore	272519730
		15. Thailand	256492396
		16. France	255819126
		17. Italy	229100264
		18. India	208902555
		19. Saudi Arabia	207412082
		20. Russian Federation	204526633
		21. South Africa	192830196
		22. Colombia	190878091
		23. Spain	144340173
		24. Hong Kong	135735720

Additional trade data is available through the [TradeStats Express](#)

Tradeology Blog Posts

The official blog of International Trade Administration (ITA)

SEMA and ITA Partner to Expand Exports of Automotive Specialty Equipment

The Specialty Equipment Market Association (SEMA) recently came up with a new, resourceful way to help its members to increase their exports. SEMA, with the help of a partnership with the International Trade Administration (ITA), has purchased and imported a Toyota HiLux truck as part of a new SEMA program to offer members access to vehicles that are popular for customizing and sold worldwide, but are not sold in the United States. [Read this blog.](#)

Promoting the RV Lifestyle in China: Recreational Vehicle Industry Association Receives Cooperator Award

The U.S. RV industry believes there is great potential for RVs in China. RVs and RV camping are becoming increasingly popular in the country, and U.S. exports of RVs to China are growing. In 2011, U.S. RV exports to China exceeded \$24 million, an increase of 78 percent since 2009. China is the third largest market of U.S. RV exports, following Canada and Mexico. [Read this blog.](#)



Trade Leads

To ensure timely response and follow up, please work with [your local trade specialist](#) to pursue any of the following leads.

- Distributor in **India** looking for U.S. manufacturers of car black boxes. For more information, please contact: Sham.Shamsudeen@trade.gov
- A well-known company in **Cambodia** planning to develop a tire manufacturing plant is looking for U.S. makers of tire manufacturing equipment. For more information, please contact: Wanwemol.Charukultharvatch@trade.gov
- A buyer in **Kuwait** is looking to import Electric Auto Tint (EAT) Glass. Interested U.S. manufactures should contact Xavier.Muthu@trade.gov for more information.
- A company in **Morocco** is looking for U.S. manufactures of Lithium Iron Phosphate batteries that may be interested In licensing their technology to serve the regional market. For more information, please contact: Thanae.Bennani@trade.gov
- The **Moroccan** Ministry of Health launched an international tender for the supply of THIRTY (30) ambulances, diesel engine, 4wheels drive type, with sanitary equipment. To obtain the tender document and participation requirements (available only in French), please contact: Thanae.Bennani@trade.gov
- A domestic transportation company in **Chad** is interested in purchasing 30 or more large buses. For more information, please contact: ColombiniPC@state.gov
- Government of **Mongolia** announced a tender offer for building freight railways in Mongolia. To get the tender documents, please contact: WycheDL@state.gov
 - A public electric utility buyer in **El Salvador** is looking for potential American suppliers of work trucks (including ones with aerial lift basket, cranes, fuel tank and flat beds). The tender to come out soon. Interested U.S. suppliers should contact Cecilia.Avila@trade.gov for details.
 - Subaru **Uruguay** needs spare parts for automatic transmissions suitable for Subaru, and other-brand vehicles. [Click here for more information.](#)
 - **Polish** company interested in regular purchases of spare parts for U.S. made cars. [Click here for more information.](#)

Billions of dollars' worth of international projects are funded every year through the World Bank and the various multilateral development banks (MDBs). [Learn more about these Opportunities](#)



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