MEDICAL DEVICE INDUSTRY
Research & Innovation from Mexico

MEXICO: COMPETITIVENESS, THE KEY TO SUCCESS
Interview with Bruno Ferrari
Mexico’s Secretary of Economy
In the future, even the smallest business will be multinational.

MEXICO IS A GLOBAL MANUFACTURING HUB FOR MEDICAL DEVICES

Discover Mexico

- Mexico is the main medical device supplier to the United States. In 2011, Mexican medical devices exports reached 6 billion dollars.
- The country leads Latin American exports of orthopedic products.
- It offers the largest cost advantage to produce medical devices in the Americas.

Whether you trade in Pesos, Euros or Renminbi, global markets are opening up to everyone. At HSBC we can connect your business to new opportunities on six continents – in more than 90 currencies. There’s a new world emerging. Be part of it.

There’s more on international trade at www.hsbc.com/inthefuture

Issued by HSBC Bank plc. A222867
Contents

October 2012

COVER FEATURE

MÉDICAL DEVICES, A HEALTHY BUSINESS

From the CEO  5  Briefs  6  Business Tips  14  Mexico in the World  18  Mexico’s Partner  24  Figures  46

October 2012

Cover Feature

Medical devices, a Healthy Business

- Reduces time and cost in cargo shipping.
- Transactions are now made by electronic means.
- 13 guarantees distributed in five ports and different processes.

Interview

Bruno Ferrari
Mexico’s Secretary of Economy

For more information:

www.sct.gob.mx
www.puertoensenada.com.mx
www.puertoaltamira.com.mx
www.puertolazarocardenas.com.mx
www.puertomanzanillo.com.mx
www.puertodeveracruz.com.mx

With stronger ports, we build the foundations of Mexico’s success

Gobierno Federal  SCT

This program is flexible, without any line to political parties. You may not use it for purposes other than those specified in the program.
The Mexican medical device industry will be further strengthened by a new generation of products that are more advanced, precise, and user-friendly. As the country emerges from the global economic downturn, the Mexican medical device industry is poised for growth, driven by a combination of factors.

The talent of Mexican engineers, doctors and researchers, and the experience and infrastructure that has been built up over the years, is known as advanced manufacturing, leveraging the country’s advantages for added value and incorporate largely home-grown research, design and technology. An increasing number of companies in Mexico manufacture products with a higher added value and incorporate largely home-grown research, design and technology.

The country’s industrial sector is strongly committed to the development of what is known as advanced manufacturing, leveraging the country’s advantages for international trade and investment, as well as the strength of its multi-sector supply chains and human capital.

A fine example of an industry which incorporates advanced manufacturing into all its processes is the one responsible for the production and commercialization of medical devices. Not only does it create jobs and income for Mexico, but it puts the country in the international market spotlight with goods that meet the strictest international standards, and incorporate Mexican research and development.

The talent of Mexican engineers, doctors and researchers, and the experience and knowledge gathered by the Mexican industry are key components.

It is clear that the development of the medical device industry and other sectors in Mexico has been largely boosted by the trade openness policy that the country has maintained in recent decades. This policy has brought about exponential growth in the trade of Mexican medical inputs and finished goods, furthering the development of Mexico’s leading medical device clusters.

Today, Mexico’s new competitiveness and commercial openness strategies are unlocking new opportunities to develop sectors that employ advanced manufacturing to operate successfully, as is the case with the medical device industry. What many people have yet to realize is that many of the devices used to monitor their health, carry out diagnostic tests and operate successfully; as is the case with the medical device industry. What many people have yet to realize is that many of the devices used to monitor their health, carry out diagnostic tests and operate successfully; as is the case with the medical device industry.

The Mexican medical device industry is a part of Mexico with them, which is why here at ProMéxico we are confident that the Mexican medical device industry will be strengthened further by a new generation of products that are more advanced, precise, and user-friendly. As the country emerges from the global economic downturn, the Mexican medical device industry is poised for growth, driven by a combination of factors.
**LOGISTICS**

**DHL Keeps Betting on Mexico**

With an investment of close to 35 million USD, DHL, the giant courier service provider, opened a new Operations Center in Cuautitlán Izcalli, Estado de México, north of Mexico City. The new facility will require a 90 million USD investment and will have an annual production capacity of 200,000 tons of spiral tubes with diameters up to 144 inches.

**www.dhl.com**

---

**AUTOMOTIVE**

**Tubacero’s New Plant**

Mexican tube manufacturer Tubacero has started the construction of a new plant which will be the only one in the world to produce tubes from steel coils of 96 inches.

The new facility will require a 90 million USD investment and will have an annual production capacity of 200,000 tons of spiral tubes with diameters up to 144 inches.

**www.tubacero.com**

---

**From Mexico to the Americas**

Johnson Electric Holdings Limited, a global leader in motion subsystems and micro motors, has broken ground for a new production facility in Zacatecas, Mexico. This new plant will produce products primarily for Johnson Electric’s North and South American automotive customers. In addition to geographic considerations, Zacatecas was selected because of the availability of a stable and skilled workforce. The first phase of the project includes an 80,000 square feet plant with 500 workers.

**www.johnsonelectric.com**

---

**AEROSPACE**

**Hawker Beechcraft Confirms its Flight Plan in Mexico**

With an investment of 5.5 million USD, Hawker Beechcraft Global Customer Support opened a new factory service center at the Aeropuerto Internacional del Norte (MMAN) in Monterrey. The 48,000-square-foot (4,460 square meters) facility includes a 13,400-square-foot (1,245 square meters) paint hangar, a 24,000-square-foot (2,230 square meters) maintenance hangar and 10,700 square feet (1,000 square meters) of office and customer hospitality space. In addition to offering maintenance, repair and modification of airframes, powerplants and avionics systems, the new Hawker Beechcraft’s facility, which is certified by the DGAC (Dirección General de Aeronáutica Civil), also provides interior modification services and exterior paint capabilities.

This is the second Hawker Beechcraft’s facility in Mexico – the other one has been operating for 12 years just outside Mexico City in Toluca, Estado de México, at Licenciado Adolfo López Mateos International Airport (MMTO). The MMAN location is 120 miles from the US border.

**www.hawkerbeechcraft.com**
Nestlé has topped a list of global companies in efforts to disclose and cut carbon emissions. The ranking measures the companies on a range of factors including how they incorporate climate change into their business plans, how they monitor emissions, their transparency and actions they are taking to mitigate their impact.

Nestlé has invested more than $930,000 USD. The building is strategically positioned to counteract solar radiation and was constructed using techniques for conserving solar energy inspired by those used in the nearby ancient Mayan pyramids.

A Nestlé building in Mexico has become the first in Latin America to be awarded the world’s most prestigious standard for certifying sustainable construction and design. A natural ventilation system channels cooler air from below the ground to create a steady room temperature.

The company’s new employee centre, located at the Coffee-Mate factory in Chiapas, has received Leadership in Energy and Environmental Design (LEED) ‘Platinum Version Three’ certification from the US Green Building Council.

During the day, the building is lit by natural light and solar-powered lamps. At night, energy saving lights with presence sensors provide illumination. It is equipped with solar heating and water treatment systems, water-saving bathrooms, and a ‘green roof’ covered with vegetation to lower the interior temperatures and to filter and recover rainwater.

Whatever your company does, Mexico offers you a market full of potential clients and opportunities in every market niche.

International Desk Santander helps companies accelerate their operations in Mexico, from inception, to deployment, to growth.

International Desk Santander is backed by the best market knowledge and a strong set of financial products. We will offer you customized personal service from day one and will be your strategic partner to help you achieve your goals in Mexico.
Competitiveness: Key to Mexico’s Development

MEXICO’S SECRETARY OF ECONOMY, BRUNO FERRARI, SPOKE TO NEGOCIOS ABOUT THE COUNTRY’S STANDING ON THE INTERNATIONAL TRADE AND PRODUCTIVE INVESTMENT FRONT, AND ABOUT THE STRATEGIES THAT ARE BEING IMPLEMENTED TO ENSURE MEXICO REMAINS AN IMPORTANT PLAYER ON THE GLOBAL ECONOMIC SCENE.

Bruno Ferrari is perhaps more familiar with the business scene in Mexico than anyone else, not to mention the investment and foreign trade opportunities offered here. From 2007 to 2010, he served as CEO of ProMéxico, an agency set up by the Mexican government to promote foreign investment and the export of products and services by companies operating in the country. In 2010, he took over the Ministry of Economy, where he oversees public policies and programs geared toward furthering Mexico’s economic growth and development.

In interview with Negocios, Bruno Ferrari shared his views on the comparative advantages and opportunities Mexico offers in the business sector and the strategies the Mexican government is implementing to boost the country’s competitiveness and strengthen its standing within the global economy.
—In your opinion, why should companies view Mexico as an investment option?

Mexico is currently one of the top destinations in the world for productive investment and there are many reasons for this. According to the World Investment Report published annually since 1991 by the United Nations Conference on Trade and Development (UNCTAD), in 2011 Mexico was rated the seventeenth most popular investor choice worldwide and seventh among neighboring nations.

This can be attributed to factors such as the size and appeal of the domestic market, macroeconomic stability, preferential access to international markets, the competitiveness of Mexico’s manufacturing sector and the availability of qualified human resources. Also, Mexico is a country that affords investors protection and has a legal framework for the enforcement of property rights. But perhaps the aspect that is most appealing to today’s investor is the level of competitiveness Mexico has attained.

In its Doing Business 2011 report, the World Bank rates Mexico as the best Latin American country to do business in. Likewise, the International Institute of Management Development (IMD) selected Mexico as one of the most competitive countries in the region, ahead of Brazil, Colombia, Peru and Argentina. The country also climbed eight places to number 53 out of the 144 countries that made it on to the Global Competitiveness Report rankings published recently by the World Economic Forum (WEF).

—What does Mexico need to do to be considered as a preferred destination for productive investment?

To ensure the competitiveness of Mexico’s economy is a strategic move that will ensure the country remains attractive to investors.

To this end, Mexico is working on several levels. On the legislative front, the Mexican government has introduced one of the most far-reaching structural reforms of recent years, including amendments to the Federal Economic Competition Law that will guarantee more efficient and competitive markets.

Innovation is another area in which efforts are being made to boost competitiveness by promoting scientific research and technological development in the productive sector. Likewise, measures are being taken to consolidate Mexico as an export force.

—Why is Mexico such a staunch advocate of free trade? What role does free trade play in this drive to make Mexico more competitive?

It is common knowledge that countries that practice free trade enjoy greater economic growth and prosperity, and offer their population more and better jobs and greater wellbeing. Free trade boosts a nation’s productivity and competitiveness.

Mexico currently has 12 free trade agreements in place, in addition to nine agreements within the framework of the Latin American Integration Association (LAIA) and 28 agreements for the promotion and reciprocal protection of investments, which translates into preferential access to 44 economies worldwide, representing almost 70% of global Gross Domestic Product (GDP).

This strategy has brought Mexico tangible benefits. International trade has been one of the main drivers of the country’s growth. In 1993, foreign trade accounted for 28% of GDP; today, it makes up approximately 60%, while one out of every five jobs in Mexico is now related to companies that export or receive foreign investment. It is due to free trade that Mexico has established itself as an attractive investment hub, so that countries like the US, Japan, Australia, Indonesia, Guatemala and Paraguay have expressed an interest in joining. Uruguay and Canada have already requested observer status.

Meanwhile, August 2012 saw the first concrete actions by the Pacific Alliance with the setting up of a Business Council at the first ministerial meeting to take place in Mexico after the signing of the aforementioned framework agreement. Created to strengthen economic ties between member countries, the Business Council will facilitate dialogue and cooperation between the business communities of each country and their governments, and propose actions to promote economic growth and development in the interests of regional integration.

A Multilateral Cooperation Agreement on Tourism was also signed at said meeting, with a view to strengthening ties and promoting the development of the region’s tourism industry.

—In this context, what is the signficance of Mexico’s decision to join Trans-Pacific Partnership (TPP) negotiations?

Mexico acknowledges the strategic importance of the Asia-Pacific region. TPP negotiations are presently the most ambitious and most important multilateral trade talks taking place on the international scene. Participants include Australia, Brunei, Canada, Chile, China, Japan, Malaysia, Mexico, New Zealand, Singapore, the US, Peru and Vietnam, countries that, together, have over 658 million inhabitants – roughly 10% of the world population – and represent 30% of global GDP.

The foreign trade of these nations makes up 22% of global imports and 18% of global exports. In 2011, Mexico’s trade with all 10 TPP members was valued at $86 billion USD; exports to these countries totaled $29 billion USD, while imports stood at $35 billion USD.

This data reveals just how important it is for Mexico to be a part of TPP Talks, especially the ones that are geared toward eliminating barriers—both customs and non-customs—to the trade of goods and services, and establishing rules for foreign direct investment and a wide range of other economic activities.

By joining TPP negotiations, Mexico seized an historic opportunity that could lead to a potential 50% increase in exports. For example, Mexico has identified potential exports valued at $100 billion USD in the case of the automotive sector; $15 billion USD in the case of the electrical-electronics sector; $3 billion USD in the agro-industrial sector; approximately $2 billion in the chemical sector, and some $5 billion in the steel and perfumes and cosmetics sectors, respectively.

—What role does Latin America play in this new strategy?

In April 2013, the presidents of Chile, Colombia, Peru and Mexico signed the Lima Declaration, which sets forth general commitments and goals for the Pacific Alliance integration process. Following several rounds of talks, a framework agreement outlining the institutional guidelines for this important integration process was signed in June 2012. The Pacific Alliance aims to promote the integration of its member States (Chile, Colombia, Peru and Mexico)—some of the Latin American economies that have reported the highest growth rates in recent years—into an area that will eventually evolve into a trade and economic development platform with global reach, particularly toward the Asia-Pacific region.

Just to give you an idea of how important this agreement is, here is some data: the four member countries of the Pacific Alliance have a total population of 208 million and together represent 35% of Latin America’s GDP (1.9 trillion USD), while the exports of these countries have a market value of $55 billion USD, equivalent to almost 50% of the value of Latin America’s total exports.

If we take into account Colombia, Chile, Peru and Mexico, the Pacific Alliance would be the ninth-largest economy in the world and would be ranked 16th in terms of global trade.

Clearly, the Pacific Alliance stands to give the region unprecedented clout, so Mexico must continue prioritizing integration.

In its Doing Business 2011 report, the World Bank rates Mexico as the best Latin American country to do business in. Like- wise, the International Institute of Management Development (IMD) selected Mexico as one of the most competitive countries in the region, ahead of Brazil, Colombia, Peru and Argentina. The country also climbed eight places to number 53 out of the 144 countries that made it on to the Global Competitiveness Report rankings published recently by the World Economic Forum (WEF).
Mexico and Advanced Manufacturing

The reconversion of industrial activity in Mexico can largely be attributed to the growth of industries, such as automotive and aerospace, and others in which advanced manufacturing has been a key factor in attracting investment and fostering the creation of new enterprises that have contributed to the country’s development.

By María Cristina Rosas

The rapid growth of countries like China and India and ever greater global economic integration associated with the dismantling of trade barriers, the opening up of markets and the development of information and communication technologies (ICTs) have changed the face of industrial activity. And while the long-term impact of these changes—and the underlying patterns of inter-industrial specialization that have started to surface in today’s increasingly competitive world—are not yet known, they have far-reach ing implications for all nations, particularly emerging economies like Mexico, which are branching out from traditional, labor intensive manufacturing activities to ones that require more specialized human capital and technology.

For instance, in the area of advanced manufacturing, China has benefited most from the erosion of the manufacturing supremacy formerly exercised by Japan, the US and, to a lesser extent, the European Union, capturing approximately three quarters of the market ceded by the latter. This is because China has a ready supply of cheap labor, which means it can produce large quantities of low added value products at competitive prices.

Notwithstanding, in its most recent five-year plan, measures to position China as a “country-brand” were unveiled. The Chinese authorities want the country to be recognized not only as a producer of cheap, poor quality goods but also of high added value products on a par with those manufactured by the most prestigious brands in the world. Consequently, China has specialized in manufacturing products that require greater expertise and more advanced technology, which explains why it is one of the few countries with a home grown aerospace industry capable of competing with the US, Europe and Russia.

China is a prime example of how the manufacturing industry has changed, proving that countries with young, skilled workforces can compete on the international market with products that were thought to be the exclusive domain of developed nations.

Advanced manufacturing is a broad term that can include labor intensive processes, provided these employ innovative design and cutting-edge techniques and exclude companies most of us would consider at the forefront of modern technology. So broad is the definition that even experts can’t agree on where it begins and where it ends.

Generally speaking, though, “advanced manufacturing” is taken to mean the manufacture of high added value products with complex specifications that create demand for both raw materials and intermediary components, as well as financial services, transportation, software and many other products and services, making it an extremely important factor when it comes to bolstering the competitiveness of a country’s economy.

Taking China as an example again, the country’s outstanding performance can be largely attributed to its progress in the area of advanced manufacturing, specifically ICT-related products, which have experienced exponential growth in recent years. By way of contrast, progress in other, non
MEXICO IS ALREADY SHAPING UP TO BE ONE OF THE WORLD’S LEADING PRODUCERS OF MANUFACTURED GOODS THAT EMPLOY ADVANCED TECHNOLOGIES. IF IT CAN SUCCESSFULLY EXPLOIT INCREASED LABOR COSTS IN CHINA AND ITS GEOSTRATEGIC LOCATION, IT COULD TAKE THE LEAD RELATIVELY SOON.

ITC-related areas of advanced manufacturing have been less noteworthy, although certainly not negligible.

As regards Mexico, the country boasts one of the most developed manufacturing sectors in Latin America, accounting for over one third of domestic GDP (Gross Domestic Product). Likewise, the excellent growth potential of certain advanced manufacturing activities makes this a highly appealing sector for foreign investors. What gives Mexico a competitive edge over other countries is that it has production chains in the automotive, aerospace and electronics industries, while areas like embedded systems have registered substantial growth. According to the Boston Consulting Group (BCG), Mexico offers investors good infrastructure, sufficient labor and an established supplier base in advanced manufacturing sectors like the automotive one.

Another example is the aerospace industry. There are some 249 enterprises operating in that sector, where investors stand to gain from Mexico’s strategic geographic location within the regional and global context and where world class companies like Lockheed Martin, Bombardier, Honeywell and General Electric have consolidated their presence.

In terms of advanced manufacturing, Mexico is the undisputed leader in Latin America, producing 80% of all such products manufactured in the region. That is due to several factors: first, the introdution of industrial and educational development policies in key areas have fostered the manufacture of complex, high-tech products and, second, Mexico’s universities produce more engineers than any other country on the American continent. The result is a perfect mix of leadership in innovation and the assimilation of the technologies required for advanced manufacturing processes.

Advanced manufacturing is an area of particular interest to the Mexican government, which has backed its development via the Technological Innovation Trust (FIT), coordinated by the Ministry of Economy (SE) in conjunction with the National Council of Science and Technology (CONACYT). This is so, given that advanced manufacturing involves not only relatively new fields of knowledge but also because the country has the human and material resources suitable for these types of manufacturing processes.

Investment opportunities in the area range from metal forging processes for the automotive and aerospace industries, the manufacture of molds and dies, again, for the automotive industry – not just making the die but adapting it to the design innovations required by the electrical and electronics, aerospace, metal-mechanic, construction and other industries – and plastic injection molding processes to produce the highly specialized molds employed by the automotive, and electrical and electronics industries.

In light of the importance of Mexico’s automotive manufacturing sector and demand for vehicle components, it’s reasonable to assume that the advanced manufacturing processes in greatest demand that will register the highest growth over coming years will be those required by the automotive and the electrical and electronics industries. In fact, American and Canadian experts predict that Mexico will post the highest growth in demand for auto parts and electric motors, to the extent that it will out-purchase the US. In such event, the country should consider relocating its manufacturing industry with a view to producing those components in-house.

According to EADS, the global pan-European aerospace corporation that manufactures Airbus aircraft, demand for advanced manufacturing in the aerospace sector will also increase. Mexico is “strategic” to EADS’ operations in the region and its executives applaud the Mexican government’s decision to back the development of such a relevant industry. The corporation values potential business opportunities at 12 billion euros and plans to consolidate its investments in the sector, to the point where it expects to have close to 10,000 direct and indirect employees in Mexico by 2020.

Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out – Mexico is already shaping up to be one of the world’s leading producers of manufactured goods that employ advanced technologies. And if it can successfully exploit increased labor costs in China and its geostrategic location, it could take the lead relatively soon, especially if the good health of the domestic economy holds out.

From pacemakers to emergency surgical kits, this industry is like no other. Ensuring the right devices are delivered exactly when and where they are needed can help save lives.

DHL Supply Chain has unparalleled experience in warehousing and distribution. We’ll work with you to solve your most complex supply chain challenges with the right sense of urgency and regulatory compliance. So all your devices will arrive in perfect condition throughout Mexico.

Contact us to find out how our knowledge and expert network can deliver benefits for your company.

www.dhl-medicaldev.com

* Professor and researcher in the Political and Social Sciences Faculty, National Autonomous University of Mexico (UNAM)
Due to several factors, the medical device industry has consolidated itself as a highly dynamic sector in Baja California. The state has become one of the most attractive destinations for productive investments in the medical device sector.

Baja California has consolidated itself as a major international center for medical device manufacturing and distribution. Its proximity to the US and the benefits provided under the North American Free Trade Agreement (NAFTA) have allowed the state to emerge as the most important medical device cluster in Mexico with 67 companies that, together, have a share of more than 36% of total Mexican exports in the sector. These corporations make up 50% of the Mexican-based firms involved in manufacturing and assembly of equipment and components for the medical industry and are primarily located in the cities of Tijuana, Tecate and Mexicali.

In 2012, Baja Medical Device Week took place in the city of Tijuana with the participation of leading global companies such as Medtronic, CareFusion, Teleflex, DJ Orthopedics, Greatbatch, Welch Allyn, Thermo Fisher, Fisher & Paykel Healthcare, Augen, Masimo, Avanti, Medispec, Cura, NxtStage, Inhalations Medical, Martech, Smiths Medical, among many others, all of which had personal contact areas to evaluate short and medium term business opportunities, with a positive outcome for the industry.

In short, Baja California has become an extremely important bastion for the shoring up productive investments in the medical device sector, which will certainly help create more and better jobs in Mexico.

Southern California and the Mexican state of Baja California comprise a binational cluster of the most sophisticated and diversified medical products in the world. Plastic parts, orthopedic and orthodontic products and surgical instruments, to name a few, are designed, assembled and manufactured within a 400-mile radius.

- A young and highly-skilled workforce, with over 15,000 students across the different fields of engineering.
- Immediate access to California and the rest of the US.
- Modern communications and logistics infrastructure.
- World class manufacturing quality, with more than 90% of plants ISO certified.
- Business culture focused on the development of manufacturing clusters.
- More than 45 years’ experience in medical device production.

Due to the importance of the medical device industry in the state, every year the Baja Medical Device event is held with the purpose of gathering the leading companies in the sector, as well as local and international suppliers of different products and services.

Investing in Baja California significantly reduces production costs, while giving access to highly-skilled labor and strategic markets in the medical device industry.

According to KPMG, Mexico has the highest percentage of cost production savings for pharmaceutical products and medical devices throughout the Americas. The advantages found in Baja California have made it an attractive destination for investment in the medical device industry due to factors such as:

- A young and highly-skilled workforce, with over 15,000 students across the different fields of engineering.
- Immediate access to California and the rest of the US.
- Modern communications and logistics infrastructure.
- World class manufacturing quality, with more than 90% of plants ISO certified.
- Business culture focused on the development of manufacturing clusters.
- More than 45 years’ experience in medical device production.

Due to the importance of the medical device industry in the state, every year the Baja Medical Device event is held with the purpose of gathering the leading companies in the sector, as well as local and international suppliers of different products and services.

In 2012, Baja Medical Device took place in the city of Tijuana with the participation of leading global companies such as Medtronic, CareFusion, Teleflex, DJ Orthopedics, Greatbatch, Welch Allyn, Thermo Fisher, Fisher & Paykel Healthcare, Augen, Masimo, Avanti, Medispec, Cura, NxtStage, Inhalations Medical, Martech, Smiths Medical, among many others, all of which had personal contact areas to evaluate short and medium term business opportunities, with a positive outcome for the industry.

In short, Baja California has become an extremely important bastion for the shoring up productive investments in the medical device sector, which will certainly help create more and better jobs in Mexico.
MEXICO’S MEDICAL DEVICE INDUSTRY IS FIT AND ACTIVE ON THE HOME FRONT BUT IT ALSO HAS A STRONG PRESENCE ABROAD. IN 2011, EXPORTS WERE VALUED AT 6.07 BILLION USD, POSITIONING THE COUNTRY AS THE ELEVENTH LARGEST EXPORTER WORLDWIDE, THE LEADING EXPORTER IN LATIN AMERICA AND THE MAIN SUPPLIER TO THE US.

According to the survey, companies in the medical device industry has put the country on a par with leading global actors. The countless advantages Mexico offers investors in the medical device industry have put the country in excellent health. Tests run on the sector point to sustained upward trends in production, sales, exports and investment, with a favorable outlook for the future.

According to data furnished by the National Institute of Statistics and Geography (INEGI) and ProMexico, the industry’s output was valued at 8.56 billion USD in 2011 and is expected to increase to 14.91 billion USD by 2020, with an estimated annual average growth rate of 6.4%—well above projections for the North American Free Trade Agreement (NAFTA) region and major producing countries like Germany, Japan and Switzerland.

Production has grown due to increased demand, which can be attributed to factors such as demographic growth, a larger adult population and increased public and private investment in the health sector. Sales on the Mexican market alone totaled 6.45 billion USD in 2011 and could climb up to 11.97 billion USD by 2020, if estimates by Global Insight, Global Trade Atlas (GTA) and ProMexico are correct.

This translates into projected growth in domestic sales of 11.5% between 2010 and 2020, again exceeding estimates for the NAFTA region and countries like Germany, Japan and Switzerland, all of which is good news for investors.

In 2011, Mexico’s public health sector was allocated the largest budget in the country’s history, with the Mexican Social Security Institute (IMSS), the State Workers’ Health and Social Services Institute (ISSSTESO) and the Ministry of Health receiving an annual budget of 10%, 12% and 12.6%, respectively.

Over 107 million Mexicans are affiliated with a certain state funded health insurance app, massage and psychotechnical equipment, putting it on a par with major global actors in the medical device industry.

Another healthy indicator of Mexico’s medical device industry is the number of companies operating in it, which totaled 2,321 in 2010. One year later, in 2011, 744 of these—located mainly in Central and Western Mexico (Jalisco, Mexico City and Estado de México) and Northern Mexico (Chihuahua, Coahuila, Nuevo León, Sonora, Tamaulipas and Baja California)—were exporting their products.

Foreign companies operating in Mexico include Medtronic, which has been present in the country since 1970 and currently employs 2,500 people in the manufacture of technology for the treatment and control of cardiovascular disease, orthopedic devices and medical instruments; Nellcor Puritan Bennett, a member of the Covidi trol Group, which manufactures the Kendall medical device sector registered a 24.2% sales growth between 2007 and 2010.

In monetary terms, the private sector accounted for 62.7% of sales between 2007 and 2009, with the public sector making up the remaining 37.3%, although the latter reported a higher growth rate—26.6% compared to 7.5% in the private sector.

The census also measured sales in terms of units sold, which grew an impressive 45% in the reference period. In this case, the private sector accounted for 75% and the public sector 25%, with the former posting 44% growth and the latter 38%.

According to the document, “This can be attributed to growth in public and private hospital services and the introduction of comprehensive service contracts by the public health system, which seek to integrate and complement the services offered by both systems in the interests of timely patient care, particularly in the case of the IMSS and the ISSSTE.”

According to the document, “This can be attributed to growth in public and private hospital services and the introduction of comprehensive service contracts by the public health system, which seek to integrate and complement the services offered by both systems in the interests of timely patient care, particularly in the case of the IMSS and the ISSSTE.”

BY JESÚS ESTRADA CORTEZ
PHOTO ARCHIVE
SEVERAL MEXICAN STATES ARE HOME TO COMPANIES OPERATING IN THE MEDICAL DEVICE INDUSTRY BUT BAJA CALIFORNIA HAS MORE THAN ANY OTHER –67 TO BE PRECISE– ALL WORKING IN CONJUNCTION WITH THE MEDICAL PRODUCTS CLUSTER, AN ASSOCIATION COMPRISED OF REPRESENTATIVES OF MANUFACTURING COMPANIES AND THEIR SUPPLIERS, EDUCATIONAL INSTITUTIONS AND ECONOMIC DEVELOPMENT AGENCIES.

The general upward trend in the industry is corroborated by investment data. Between 2007 and 2010, investment grew at an annual average rate of 24.9%, while foreign direct investment climbed a substantial 67.2% on average between 2007 and 2009.

INVESTMENT, HALE AND HEARTY
Investors are taking an increasing interest in Mexico’s medical device industry for a number of reasons. According to ProMéxico, the country has “development capacity and highly-skilled, competitive human capital. Plus, there are some 36 universities in Mexico offering degree courses in Biotechnology and Biomedical Engineering and more than nine related postgraduate courses,” while the number of engineering graduates has increased 7% over the last decade.

Furthermore, the cost of manufacturing medical instruments, electronic devices and precision components, concept testing, operating and labor costs are all substantially lower than in other countries across all levels of specialization.

For KPMG, moving its operations from the US to Mexico in 2011 represented savings of as much as 23.3%. In the case of electronics and precision component manufacturing and concept testing costs, the transfer translated into savings of 14.6%, 11.9% and 47.8%, respectively.

The same holds true for labor costs, which are much lower in Mexico than in the US and other Latin American countries, according to FDH Benchmark.

Likewise, proximity to the US facilitates logistics, closer supervision of manufacturing processes, FDA (Food and Drug Administration) plant inspections and allows companies to respond faster to sudden shifts in demand, making Mexico a strategic export platform.

That is precisely where investor opportunities abound, specifically as regards exports to the US, where 62% of imports of medical devices are currently supplied by countries like Germany, Ireland, China and Australia.

Additionally, Mexico’s extensive network of trade agreements helps companies gain a foothold in other export markets on the American continent, where sales of medical devices are valued at 51.42 billion ced.

In light of these competitive advantages, coupled with the sustained growth of the domestic industry and ever increasing global demand for medical devices as the world population ages and the incidence of chronic degenerative diseases spike, the sector’s prognosis couldn’t be more promising.

BAJA CALIFORNIA, AT THE HEART OF THE INDUSTRY
Several Mexican states are home to companies operating in the medical device industry but Baja California has more than any other –67 to be precise– all working in conjunction with the Medical Products Cluster, an association comprised of representatives of manufacturing companies and their suppliers, educational institutions and economic development agencies.

The cluster is also looking to hold the sector’s first patent and to attract five new growth-driving enterprises, while measures will be taken to streamline import-export procedures with a view to cutting down on red tape and boosting competitiveness.

Other actions carried out this year included the 5th Suppliers’ Day, where more than 250 business meetings were held with the participation of 330 Mexican companies and 35 foreign ones.

This year also saw the construction of an e-beam sterilizer in Tijuana, the first project of its kind that will no doubt prove strategic to the development of the state’s medical industry.

Extending the supply chain, attracting new strategic investment, developing the human capital the industry requires and encouraging the forging of alliances are some of the other goals the association has set for itself.

The medical device industry employs about 32,000 people in the state of Baja California, which accounts for 50% of the sector’s exports, while the presence of world-class companies like Tyco Healthcare, Smiths Medical, Cardinal Health, Pall Life Sciences, Medtronic, Gambro, Medimec, ICU Medical Inc., Hudson Act, DJ Ortho, CLP, Sunrise Medical and North Safety Products reveals just how important the cluster is to the industry.
Amgen is relatively new to the Mexican market, but according to Max Saráchaga, the company’s medical director in Mexico, it has reached excellent growth and demand for its innovative therapeutics is on the rise.

The number of jobs Amgen has created in just two years is as good a measure as any of the growth of its operations in Mexico. In 2010, Amgen employed just 18 people at its offices in the Santa Fe district of Mexico City; today, even though the company doesn’t have manufacturing facilities in Mexico, it has over 100 employees engaged in the sale and distribution of seven Amgen products—six of which are biotech drugs incorporating innovations in both cellular and molecular biology—and research into new therapies that are currently undergoing clinical trials.

Of these employees, approximately half are involved in some aspect of R&D (Research & Development), be it developing new drug therapies, taking part in the clinical trials Amgen conducts around the world, obtaining authorization for the sale of existing drugs or improving and diversifying those already approved by health authorities in different countries.

“We perform clinical trials at numerous national health institutes and private medical institutions,” says Saráchaga. “Past and projected investment is another reliable way of diagnosing Amgen’s level of commitment to Mexico—around 35 million USD; over the last six years, a figure the company estimates will climb to 100 million USD in the next five years.”

FROM THOUSAND OAKS TO MEXICO
Founded in Thousand Oaks, California, in the early 1980s, Amgen is as young and as full of potential as the market it operates on—just 30 years ago the development of insulin marked the first steps in biotechnology applied to medicine.

A leader in its field, Amgen is a solid company that continues to increase its asset value in the US thanks to its exclusive treatments for serious illnesses. Amgen offers solutions like Prolon, which is a major contributor to Amgen’s profits. This drug is designed to treat postmenopausal osteoporosis, and recently, the FDA (Food and Drug Administration), approved an avenue of this medicine.

Amgen began conducting clinical trials in Mexico in 2006, but it wasn’t until 2009, after the plant requirement for medication distribution was eliminated, that it was able to tap into the domestic market.

“We’re lucky that Mexico has one of the most advanced set of regulations in the world. Not so long ago, the Federal Commission for Protection against Health Risks (COFEPRIS) published the rules of the game, which are of great help, because they set forth in black and white what is needed to register a biotech product in Mexico,” says Saráchaga.

“In coming years, we plan to launch several highly innovative therapies for problems that currently have no solution or for which existing treatments aren’t 100% satisfactory.”

Approximately 60% of the drug therapies Amgen offers target cancer-related illnesses, while the rest are designed to treat equally serious chronic diseases like anemia and osteoporosis. These include drugs like Aranesp, a long lasting erythropoietin hormone treatment for patients with renal anemia; a treatment that requires less frequent application than other treatment options.

Amgen also offers solutions for idiopathic thrombocytopenic purpura, an autoimmune disease in which the patient produces antibodies that destroy platelets responsible for blood coagulation; metastatic colorectal cancer, and prostate and breast cancer that has metastasized to the bone. Treatment for the latter two was launched recently on the Mexican market.

“Research into new therapies typically takes into account the epidemiological reality of the market these are intended for. In the case of Mexico, “we expect to have treatments for diabetes, which is a priority health issue in Mexico and others for kidney failure, which is also a major concern,” says Saráchaga, adding that “cancer is a major health problem in Mexico and we are developing medicines to treat ovarian, pancreatic and other types of tumors.”

The last two years have been critical in positioning the company’s therapies on the market. The next step, says Saráchaga, will be to make biotechnology available to more patients.

“We have completed all the necessary procedures to ensure our medicines are available at health institutions and are making good progress in this respect,” he concludes.
ARZZT, Making Life Livable for Trauma Victims

A RZZT is a Mexican company whose specialized orthopedic products make life livable again for trauma victims. In terms of quality, it competes on a par with the most prestigious names in the world and, in keeping with its slogan—“Always one step beyond”—is currently tapping into global markets.

“Our prostheses—and the surgical instruments required to fit them—are referred to as state-of-the-art products, surpassing the quality of others available on the market,” says ARZZT director Jorge Trujillo. “We offer the same products and of comparable quality to those being developed in Germany and the US but at more competitive prices.”

Trujillo’s father founded the company in 1973 at a time when it was virtually impossible to find Mexican-made medical prostheses along with the necessary instruments to fit them. At present, ARZZT, which is headquartered in Mexico City, and its sister company, Sceclé, not only offer the most popular conventional prosthetics but also have a team of five specialists developing innovative products, with excellent results.

Take, for example, the Ins Hilden System for femoral, talus and humerus, the Talus Plate 3.5 mm and Sceclé’s new Yeixpan 3-1 central medullary nailing system.

Combining almost 40 years of know-how and expertise, the 3-1 system has exceeded market expectations as regards cost, ease of use and technique. It employs one single support and the same equipment tools can be used to locate proximal and distal orifices for the insertion of central medullary nails for the femur, tibia and humerus, thereby reducing surgical costs and the need for image intensifiers, while saving time in the operating room and hastening the patient’s recovery.

“We have several innovative products like this one,” says Trujillo, adding that ARZZT has 25 distributors in Mexico, who are guaranteed both quality and proximity, since the company oversees all manufacturing processes and certain marketing aspects. “Ours is a win-win type business model that backs exclusive distributors, whom we treat as partners,” he affirms.

To assure the quality of the prostheses and instruments they manufacture, ARZZT and Sceclé use A4TM S-138 grade steel that complies with Mexican health regulations. Enough steel for 10 months’ worth of production is purchased at a time, with exclusive batch numbers making it possible to trace the product’s origin.

“During surgery, the quality of even the smallest screw matters. We not only guarantee the quality but also the consistent quality of our products. Doctors and their patients can rest assured the product will not be an issue on the operating table,” says Trujillo.

Today, ARZZT, which is headquartered in Mexico City, and its sister company, Sceclé, not only offer the most popular conventional prosthetics but also have a team of five specialists developing innovative products, with excellent results.

ARZZT employs 70 people at its plant, all of whom are highly-skilled and committed to upholding the company’s quality standards.

These standards have opened the door to markets in Colombia and, in the not too distant future, Nicaragua. On the strength of these same standards, the brand has applied for Food and Drug Administration (FDA) approval in the US and is seeking ISO 13485:2003 certification.

“Our target market is the US, which is just two hours from our plant by plane, allowing for synergies and a successful distribution chain,” says Trujillo.

Over the next four years, ARZZT plans to expand into the Middle East, Africa, the US, Canada, Europe and Central and South America.

“We are a vital instrument in the hands of surgeons seeking to give their patients quality of life in the aftermath of a traumatic event,” states Trujillo, who firmly believes his company’s products and systems make a difference; that they can mean a before and an after in a person’s life.

ARZZT, Making Life Livable for Trauma Victims

Inspired by German manufacturing standards, the orthopedic implants and surgical instruments designed by this Mexican company are soon to be certified for sale on markets in the US, Europe and Asia.

BY SANDRA ROBLAGUE
PHOTOS COURTESY OF ARZZT

www.arzzt.com
SOFTWARE FOR THE PHARMACEUTICAL INDUSTRY

Software made in Mexico is among the best in the world and Bisoft is proof of that, having specialized in pharmacy chain management software, hardware, consulting services and business intelligence during its 18 years of existence.

BY SANDRA ROBLÁGUI
PHOTO ARCHIVE

PHARMACY SOFT, one of the software innovations of Mexican company Bisoft, is currently used in 1,800 points of sale in different regions across Mexico.

The software has made inroads into countries such as Colombia since the company administration streamlined its management in 2012, which will yield higher revenues among the members of the National Union of Argentinean Pharmacies (Unión Nacional de Farmacias Argentinas), who will secure a return on their investment in two years.

However, medicinal market sales and management are just part of the activities Bisoft does; it also serves supermarket chains, jewelry stores, public institutions and bookshops, among many other clients.

The interesting thing is that the company, founded in the state of Sinaloa in 1994, was born from farming land, as stated by its general manager, José Flores.

That year, the current CEO of the company, Jesús Hernández, designed a computerized method focused on agricultural development, a sector representing 80% of all business activity in Sinaloa.

If anyone could imagine a connection between agriculture and computers, that would be Jesús Hernández. His program was a success, since virtually for the first time in Mexico a computer helped agriculturalists control their production costs and revenues per hectare, while also calculating declining food production.

Specialized computing products for agriculture did not exist in Mexico and the idea behind that very first version of Bisoft positioned the company in the major leagues as it spearheaded its effort in Mexico.

A group of pharmacists followed, who met with developer Jesús Hernández to understand the workings of the software program that would help them simplify and manage their business more efficient.

This, in turn, led the company to a new version of its own creation.

Despite becoming known for its participation at medicinals retail points and laboratories, which make up half of its clients, Bisoft’s mission goes further. According to its website, that involves offering “versatile, high-quality software solutions with cutting-edge technology, as well as guidance, consultancy and specialized services so clients can make the best decisions with the information they have and apply best practices in all business processes.”

The Mexican company’s services are currently divided into five lines of business: wholesaler services; business intelligence (performance analysis for decision-making processes); computing infrastructure sales; tailor-made software development and training and consultancy services.

These areas are broken down into nine specific services that comprise the company’s portfolio. One is outsourcing. Another is Microsoft licensing whereby Bisoft, one of the multinational’s Gold Partners, offers its clients lower purchasing costs and personalized guidance.

The company’s range of solutions also includes Pharmacy Express, which controls points of sale and other pharmaceutical administrative functions from a PC without the need for a server; through a user-friendly program, Pharmacy Express generates suggested and optimal order information based on daily demand. It allows for electronic service payments, keeps total control of the general cash fund, has connection interfaces with drug wholesalers and features electronic invoicing capabilities.

Another service is called Pharmacy Soft, which controls all administrative and operating processes of pharmacies—sales, purchases, return and stocks, shareholding orders, door-to-door sales and branch transfers. The program has proved efficient in 36 large pharmaceutical chains in Mexico, which have increased their profits by an average of 4%.

Its portfolio also features solutions based on client requirements: QlikView, a business analysis software package; TI Bisoft, an information technology division that includes product and program installation services and TechBisoft, which offers training courses in advanced technology.

“We develop software that competes at the same level as the one that exists in other parts of the world. Our programs lack nothing thanks to their excellent quality (certified with international standards such as the CMMI Level III) and creativity that distinguish many Mexican products,” asserts José Flores, who guarantees that no one in Latin America has improved the software offered by Bisoft, a company that currently employs 58 people.

www.bisoft.com.mx
I

It was only a year ago that Hetero, one of the fastest growing pharmaceutical companies in India, came to Mexico with an innovative vision for doing business. The company, an active elements manufacturer, did not arrive with the intention of competing directly with Mexican laboratories or multinationals established in Mexico. Its plan was to grow together. The firm offers innovative products (in India alone it has introduced around 100 active elements into the market) and the large laboratories make its infrastructure available to sell finished drug products.

Adrián G. Ruiz, director of Hetero Drugs in Mexico, confirms that this manner of doing business by leveraging synergies is being adopted by other companies that initially competed against each other in the Mexican market.

“We are looking to partner up with laboratories already established in Mexico. We have the products and they have the infrastructure and skilled staff needed to market such products, increasing their sales and ensuring our profitability, which is ultimately what all companies are looking for,” notes Ruiz.

“The company does business in 10 countries across the globe and has been in Mexico for one year, where it arrived certain in the knowledge that the country offers excellent prospects for growth.

“Many companies in Mexico, including Mexican and international businesses, were in need of new products and this helped our business grow fairly quickly,” adds Ruiz.

“This year, the company has created synergies not only with Mexican companies such as Laboratorios RIMSA and Silanes but also how to take these laboratories’ products to the Indian market, the second largest market after China, says Ruiz.

“The industry benefits because there is greater competition. It means we have to be more efficient at all levels and in all aspects and it has also allowed companies like Hetero, which perhaps had never previously shown an interest in the Mexican market because it seemed closed to the outside, to turn towards Mexico. That has led to a large number of companies investing in Mexico and committing to a greater development of new products,” notes Ruiz.

A study by IMS Health, a consultant specialized in providing information on the pharmaceutical industry, notes that 39% of all drug products sold in Mexico in 2011 were generics. At present, 90% of Hetero’s production is in active elements and just 10% in finished products. However, the firm plans to invest in this share so that 70% of its output is in finished products and just 30% in active elements.

Hetero is also committed to research focused on developing new drugs for selected therapeutic areas such as HIV and diabetes. www.heterodrugs.com
MEDIX, A FULL-SCALE ANTI-OBESETY SYSTEM

This Mexican company expects to close 2012 with over 100 million USD in sales. Its future expectations: to align exports with domestic sales in six years’ time.

BY ANTONIO VÁZQUEZ
PHOTO COURTESY OF MEDIX

Medix was created to deal with obesity, an issue that would become a serious health threat worldwide half a century later. The firm opened its doors 56 years ago with a clear purpose: to tackle overweight and obesity in Mexico. “The company’s founders knew that obesity would become a serious problem. Medix is the only pharmaceutical company in Mexico and Latin America that systematically tackles obesity,” says Roberto Goti, the company’s international business director.

When speaking of “systematically tackling” this health issue, Goti refers to a model that involves multiple factors, such as demographics, genetics, psychological, emotional and, of course, physical matters.

The Medix philosophy covers medical care, therapeutics and the consumption of 13 products the company has created to fight overweight and obesity.

“We start out with psychological treatment and a healthy lifestyle model in which our products play a major role. Our mission is to provide a full-scale treatment for obesity,” adds Goti.

In addition to the 13 products Medix sells to treat obesity, the company also features a portfolio of products to improve metabolisms, in its line of gastroenterological products and related with the central nervous system.

Medix’s model of success, as described by Goti, also covers medical training. The company has been recognized by the National Autonomous University of Mexico (UNAM) for the obesity treatment training courses it has shared with over 10,000 physicians.

“We don’t sell our products in an effort to find our place on supermarket shelves. Our products are strictly for medicinal use because we believe doctors are a key factor in this equation. The patient has to feel that the doctor is helping him solve his problems, not only in terms of aesthetics but also in terms of health,” says Goti, who explains that if someone who is overweight or obese follows the full treatment Medix offers to the letter, they can see up to a 16% improvement in their condition.

Data from the World Health Organization (WHO) indicates that obesity is a problem that is on the rise worldwide. Approximately 60% of the population in Latin America is overweight. Medix has thus been looking to reach beyond Mexico’s borders to offer its solutions in other markets, particularly in Latin America. “Latin America is heavily affected by the problem of obesity, just like countries such as Australia and the US, the latter being ranked with the world’s highest rate of obesity,” states Goti.

The company started exporting to several countries in South America nearly four years ago, followed by opening operations in Argentina in 2012, from where it intends to begin exports to Colombia in October.

Exports currently account for 3% of Medix’s sales but the objective is to increase that figure. Medix hopes to close 2012 with 100 million USD in sales and expects its exports to South America, the US and Canada to reach the $5 million USD mark by 2018. Medix has grown over the last five decades, to the point that it now directly employs more than 500 people in Mexico, 40 in Argentina and 10 in Colombia.

Roberto Goti expects the company to focus its energy on the diagnosis of obesity for future generations. “We are moving into the field of diagnosis. Doctors need more diagnostic tools to be more assertive in prescribing what patients need to have the best chance of losing weight. That is an area we are working on, that’s what our research center is for,” explains Goti. “There are numerous products and systematic treatments. That’s where Medix has an important role to play. We have the most experience in the field, we offer credible products and we believe obesity should be seen from a health perspective and not just an aesthetic one,” he concludes.
MEDTRONIC,
Growing with Mexican Professionals

Global medical device company Medtronic is growing in Mexico by leveraging its availability of skilled human capital in the highly specialized production processes it performs in its plant in Tijuana, Baja California, and, to a lesser extent, in its plant in Empalme, Sonora. In the past 14 years, the manufacturing processes performed in the country have become more complex, leaving behind the strictly “maquila” or in-bond work initially performed by its Mexican plant, which is now fully involved in the corporate group (that operates over 50 production plants worldwide) as a manufacturing center known for the quality of its processes. This transition has drawn Medtronic closer to the country’s educational institutions to attract the talent needed for the jobs the corporate group has transferred to Mexico, including mechatronic, chemical, mechanical, electronic, industrial and biomedical engineers and veterinarians.

“A wide range of disciplines are represented within the plant so that technical problems can be solved from different viewpoints. But that is not all. Many of our people have Master’s degrees in material sciences. We have metallurgical engineers in our Sonora plant since that is where those kinds of processes take place,” explains Gerardo de la Concha, Vice President of manufacturing operations.

De la Concha is part of a team that started working at the Medtronic Tijuana facility in 1998, when Baja California started to brand itself as North America’s medical device cluster. “As is the case with many companies on the Mexico-US border, our domestic share is very low, let’s say between 5% and 8%. We are therefore encouraging domestic suppliers to move closer to the region in order to be more competitive in terms of time and service,” de la Concha indicates.

As a result, the cluster, ranked among the most important in Latin America, has set several goals it must meet between now and 2020, including the development of a supply and human capital chain, encouragement of investment in technology and innovation and strengthening of its relations with government. Needless to say, Medtronic is fully committed to that strategy.

In absolute terms, our products account for 2.5 billion USD a year of a total of 17.5 billion USD (the Medtronic corporate group generates worldwide),” de la Concha adds.

The Medtronic plant in Empalme, Sonora, produces its own titanium and nickel alloy (nitinol) parts. Those are small rings that are then assembled in endovascular prostheses. However, the company continues to strive for the creation and integration of new suppliers of the parts required by the Medical Products Cluster in the Californias. Ángel de la Campa, the president of said group, which comprises 67 companies in the sector, puts the industry’s demand for supplies, particularly plastics, at 1.5 billion USD.

“As is the case with many companies on the Mexico-US border, our domestic share is very low, let’s say between 5% and 8%. We are therefore encouraging domestic suppliers to move closer to the region in order to be more competitive in time and service,” de la Concha indicates. As a result, the cluster, ranked among the most important in Latin America, has set several goals it must meet between now and 2020, including the development of a supply and human capital chain, encouragement of investment in technology and innovation and strengthening of its relations with government. Needless to say, Medtronic is fully committed to that strategy.

Medtronic is increasingly entrusting its Mexican subsidiary with manufacturing its devices because it has always met the provisions set forth by the US Food and Drug Administration and its counterparts in Europe and Asia.
ARIGMED: Affordable Quality

In the course of two decades, Arigmed, a company that started out as a family business, has become a true center of quality innovation and productivity. By Omar Magaña

Arigmed is a Mexican company that designs and manufactures equipment for medicinal gases in the state of Hidalgo, in central Mexico, which is experiencing a prosperous and long-awaited growth. The company has succeeded in identifying best practices to develop and produce medical infrastructure and in proving its ability to adapt to change by developing its own position alongside multinational companies and leveraging Mexican talent. Arigmed focuses on both the Mexican and Latin American markets, so it can identify the needs and real purchasing power of those markets.

This is how Arigmed has evolved from a company involved exclusively in the design and installation of gas distribution systems in hospital rooms to a producer of such devices. "We conducted research on international competitors' products and tried to adapt them to our business practice and to the needs and culture of the Mexican and Latin American markets," says Mario Simón, the company’s project manager.

Arigmed has 107 employees, with nearly 70 in the manufacturing division and the rest in engineering and management, who create systems and equipment that meet official Mexican standards and the standards of the National Fire Protection Association (NFPA), ISO, Deutsches Institut für Normung (DIN), the American Society of Mechanical Engineers (ASME) and the American Society for Testing and Materials (ASTM). Therefore, the company has been able to explore international markets, especially in Central and South American countries.

Medical grade compressors, vacuum pumps, jacks and equipment to manage and distribute medicinal gases, head consoles and alarms for hospital units are just some of the products customers can find in the Arigmed catalog. The company also designs special equipment based on customers’ requirements and offers preventative and corrective maintenance and the distribution of pumps, compressors, dryers and accessories made by French brand, MII’s.

Arigmed’s devices are now sold to Mexican healthcare centers via manufacturers and companies engaged in the design and installation of these systems, just as the firm was in its early operational stages. Meanwhile, gas companies are in charge of distributing such products to healthcare centers in Central and South America.

Arigmed was created in 1991. Its founder used his experience in Infra Médica, a highly regarded company in the medicinal gases sector, to develop the business by designing medical unit architectures. He started out on the right foot by securing the Mexican Institute of Social Security (IMSS) as his first client.

The company initially consisted of its founder, two of his sons and another employee. At that time, those resources seemed sufficient for the variety of activities carried out by the company. However, Arigmed saw the need to diversify and chose to engage in full-scale accessory production. Although the process of improving product design and manufacturing was measured, Simón explains that they originally set the goal that has taken the company to its current position, which consisted of “offering quality at prices that meet real market conditions.” They analyzed the working methods and standards of German developers and adapted their processes to the possibilities offered by the technical manpower and skills available in Mexico.

“Since the year 2000, we have continued to expand to reach our current task force of 107 employees,” says Simón. “Arigmed not only increased the number of its employees but also moved towards complex processes and added engineers in bi- onics, mechatronics, electronics and mechanics to its team.

The company currently runs its own aluminum cast production and injection lines, and electrical component assembly lines for the design, manufacture, assembly, testing and roll-out of printed circuit boards (PCBs).

Simón claims that “Arigmed is now an independent manufacturer of all of the equipment used to develop medicinal gases for hospital units.”

Following the experience acquired in the Mexican market and having demonstrated that it was possible to produce devices with USI and European quality at a more affordable price, Arigmed focused its attention on the Central and South American markets, which are very similar to Mexico’s.

As such, Arigmed sent its first exports to Nicaragua in 2007 and has virtually conquered all South American markets since.

“We are sacrificing some of our profits by setting a price the South American market can pay while offering the same quality that our customers get with the best options available on the market,” explains Simón.

With that strategy, Arigmed hopes to continue conquering new markets and maintain its position as one of the key players in the medical device industry in Mexico and Latin America.

Medical grade compressors, vacuum pumps, jacks and equipment to manage and distribute medicinal gases, head consoles and alarms for hospital units are just some of the products customers can find in the Arigmed catalog.

www.arigmed.com
Health Service Innovation

ARROBA INGENIERÍA, A MEXICAN COMPANY SPECIALIZED IN THE DEVELOPMENT OF MEDICAL TECHNOLOGIES, IS DESIGNING A NEW DEVICE TO DIAGNOSE CHILDREN’S VULNERABILITY TO DIABETES.

BY MARÍA SÁVID
PHOTO COURTESY OF ARROBA INGENIERÍA

Development of new medical technologies in Mexico is Arroba Ingeniería’s core principle. With more than 20 years as a leader in the manufacture of neonatology units, the company believes 2013 will provide new opportunities in detecting diabetes in children with an innovative device laboratories can use to run routine studies and determine susceptibility to the condition early on in life.

According to Juan Pablo Dovarganes, CEO of the company founded in 1980, childhood obesity is one of the main health problems in Mexico. “If we have an instrument the population can use to detect diabetes in its early stages, we can prevent a growing number of obese adults in the future who suffer from this chronic degenerative illness as a result,” he says.

Arroba Ingeniería is a Mexican company engaged in the manufacture of incubators for newborns, transport incubators, radiant heat cribs, heated cribs and phototherapy lamps. However, that wasn’t always the case. The company was born in the late 1980s when Dovarganes was a fledgling biomedical engineer concerned with the financial solvency needed to undertake the project.

The company has invested more than 625,000 USD in machinery and 155,000 USD in software since its early beginnings. Arroba Ingeniería runs two operations centers: the first in Mexico City houses its administrative, commercial and technological development headquarters, whereas its manufacturing center is based in Cholula, Puebla, as the company intends to integrate all processes into its Puebla plant. “One way to compete is by way of technological innovation but another is by means of cost. Corporate strategy has been to focus on incorporating additional manufacturing processes to control rising costs. We originally had everything produced in other countries but now we make many of the parts used in our equipment locally,” explains Dovarganes.

Since its first year in business, Arroba Ingeniería has been developing technology. From 1989 to 1993, it manufactured cardiology, urology and neonatology equipment, working on an independent basis through 1994, when the company was incorporated and focused on manufacturing equipment for neonatal care.

“Medical technology requires substantial investment. We couldn’t afford everything when we first started out and focused on neonatology. The first thing we did was to update the incubators by outfitting old ones with new electronic technologies. We would only make the brains of the machines and put them in the incubators that were already there,” says Dovarganes.

Thanks to the ties established with the industrial design faculty of the National Autonomous University of Mexico (UNAM), Arroba Ingeniería manufactured its first complete incubator in 1997. It was very well received in the market, with the first model selling a total of 2,500 units.

The average market life of an incubator is about five years, which means that manufacturers operate on the assumption that it can take years to sell their entire production. Arroba Ingeniería currently sells around 300 incubators in Mexico per year.

Arroba Ingeniería will launch a transport incubator, its most recent innovation, in November 2012. Its production is particularly useful for the medical field, since it is designed to carry newborns in a critical condition inside and outside of the hospital.

Incubators are a source of stiff international competition, there being a number of manufacturers in countries such as China, Japan and India. The advantage that Arroba Ingeniería has is that it offers affordable prices for the Mexican market because it manufactures its entire production in Mexico, thus reducing costs. Furthermore, the company’s incubators are conceived to meet the specific needs of its market.

“We build equipment so that a country like ours can deal with a stronger hand. We imagine that the incubators will be in a place where a nurse has to look after three babies at once rather than one. They are made to prevent easy breakage,” Dovarganes explains.

Arroba Ingeniería’s new transport incubator has an examination lamp and can incorporate a ventilator, monitors and an infusion pump. Moreover, the product line includes phototherapy lamps, a gas system and heated cribs.

The technology used to design the incubator makes it a lightweight and small incubator with foldable cots. It has LCD screens and a system that controls oxygen concentration and temperature, as well as backup batteries, which allow them to run for five hours without outside power supply.

One of Arroba Ingeniería’s main goals for 2013 is to get its products certified for export to Latin American countries. “We have been working on certification for three years. We are going to start with the natural markets such as Bolivia, Venezuela, Colombia and Ecuador. Every year since 2007, we have attended the medical trade show Medica in Germany which has helped us to open up the market,” Dovarganes notes.

Another of the company’s short term plans is to incorporate numerical control lathes, machining centers and numerical control benders into its industrial premises and to invest in staff training. As far as Juan Pablo Dovarganes is concerned, the medical field can experience real growth in Mexico. “The medical device sector is one of the largest worldwide. Mexico has everything it needs to grow. It has an excellent location and enables more competitive trade thanks to its proximity to the US. We have access to all the technology and knowledge needed to develop all types of equipment. For example, our electro-medical equipment includes the production of things as simple as water baths and as complicated as imaging equipment. But I am certain that Mexico can go much further, if we truly commit to it,” he adds.

WWW.ARRobaING.COM.MX

ARROBA INGENIERÍA WILL LAUNCH A TRANSPORT INCUBATOR, ITS MOST RECENT INNOVATION, IN NOVEMBER 2012. ITS PRODUCTION IS PARTICULARLY USEFUL FOR THE MEDICAL FIELD, SINCE IT IS DESIGNED TO CARRY NEWBORNS IN A CRITICAL CONDITION INSIDE AND OUTSIDE OF THE HOSPITAL.
Somar: Growth in all Directions

Formed by 10 companies, each with a specific objective, Grupo Somar is committed to staying at the forefront of the pharmaceutical sector by developing innovative products for different markets.

**BY CARLA GARCÍA**

**PHOTOS COURTESY OF GRUPO SOMAR**

With 64 years of experience and 10 companies focused on different pharmaceutical branches, Grupo Somar is committed to diversification and flexibility in order to constantly renew itself, with increasingly ambitious plans.

In August 2012, this Mexican pharmaceutical group acquired Lakeside, a Swiss company specialized in anti-infection products that has an impressive history, as does its new owner. Grupo Somar’s Lakeside is joining a powerful group that also owns Serral, which dominates the generic drugs market, Adviata, focused on dermatology, oncology and hematology, Alliance Pharma, engaged on the manufacture of OTC (Over-the-counter) drugs; GeoVent, producer of drugs for animals; Life Sense, dedicated to nutraceutical products; Suplement, which provides healing materials; Genbio, develops biotechnological products; Sun Pharma and Kedrion, two foreign companies that Grupo Somar has teamed up with.

“Our general objective is health, in all of its shapes and forms. We have companies dedicated to brand and prescription generics, which is certainly a growing trend, as well as companies dedicated to OTC products, veterinary medicine and government, which is an important drug purchaser in Mexico. A competitive advantage of our group is precisely that diversification,” explains José Miguel Ramos, CEO of Grupo Somar.

Another of Grupo Somar’s competitive advantages is its commitment to product development. Nearly 100 people are engaged in the pharmaceutical and analytical development of drugs for human and animal use. Based on the registrations granted by the Federal Commission for the Protection against Sanitary Risks (COFEPRIS), Grupo Somar ranks second in terms of registrations granted.

“We develop new pharmaceutical formulas and new release forms,” adds Ramos.

The company looks for combinations that can preserve the right therapeutic synergies. Grupo Somar works in the field of stratified or personalized medicine, for example, which is focused on creating treatments aimed at people with greater probabilities of response rather than mass markets.

**A GROWING INDUSTRY**

Grupo Somar’s CEO views the regulations applied to the pharmaceutical industry over the last decade in a positive light as he believes that proves “we are much more solid.”

“I can tell you that things are more complex these days; the bar to enter the industry is much higher due to a number of factors such as GMP (Good Manufacturing Practices),” then you need to meet the directions of Standard 59, which are quite complex, and this has given us a level of quality we did not have 10 years ago,” notes Ramos.

The industry’s growth has been constant. In recent years, an annual growth rate of 3% and 4% has been recorded, its value represented 1.8% of Gross Domestic Product (GDP) between 2003 and 2008, and exports grew from 2.07 billion USD to 3.37 billion USD, according to data from the National Chamber of the Pharmaceutical Industry (CANIFARMA).

“We’re entering a stage of greater stability, more moderate growth and, of course, many challenges, because markets are beginning to consolidate and our growth has to be forged by actions such as the Lakeside acquisition,” says Ramos.

It is clear that growth in the generics market has a lot to do with the achievements of the pharmaceutical sector. According to data from research consultancy IMS Health, the generics market comprises 30% of its total, while in 2007 it was just 11%.

Laboratories that have a patented product with formulae that are being released to make generics are facing enormous challenges.

“They have to find a market niche that continues to welcome them in order to keep their customers in the medical sector and a great part of the population. Our group’s success is based precisely on the fact that we have companies in every market. We conduct research and have patented products but we also understand that patents last only so long and you need to have other companies that are aggressive in the market once the patent expires,” explains Ramos.

Grupo Somar is focusing its goals on developing drugs for acquired and infectious diseases. Its challenge is to become one of the major players in all matters concerning infectious diseases, whether caused by bacteria, viruses, protozoa or fungi.

“We want to be the organization that links infection with treatment and not only limit our involvement to treatments but also work in disease prevention and diagnosis, so we must now strengthen our product mix,” states Ramos.

Although there is stiff competition, Somar is committed to its value proposition and the purchase of Lakeside is a step in that direction thanks to its reputation in anti-infection drugs.

**THE TREND: BIOTECHNOLOGY**

For about five years, Grupo Somar has been working on the development of biotechnology. Ramos says that the company will have completed construction of a manufacturing plant for biotechnological products by the end of 2012.

In the words of the company’s directors, biotechnology has served as a milestone during the history of the pharmaceutical industry. In the next 20 years, the best selling drugs will have biotechnological roots.

Grupo Somar could not overlook the challenge to stay at the forefront of the industry in its commitment to diversification.

“We focus on individual projects to make sure each one of the Group’s companies is able to preserve the energy and flexibility of a start-up operating with just 80 or 100 employees. That is the reason why we have so many companies in the group, because they are all working towards an objective and have a clear vision of where they want to go. That guarantees our constant renewal as we go about creating new companies and new projects to make sure the employees stay excited about the business and the idea,” Ramos concludes.

**www.gruposomar.com.mx**

Grupo Somar is focusing its goals on developing drugs for acquired and infectious diseases. Its challenge is to become one of the major players in all matters concerning infectious diseases, whether caused by bacteria, viruses, protozoa or fungi.
With over three decades of experience, Novaprint is a cutting-edge manufacturer of materials for preserving drugs and an indisputable leader in Latin America.

Novaprint, Drug Packing Science

The company’s mission is to provide custom-made plans and just-in-time services for multinational laboratories in the region. “It is a specialized niche because there are various types of materials and packaging, but ours must be for entirely pharmaceutical purposes, having passed very high quality controls. We have to prepare them in pharmaceutical industry conditions, with the same environmental care and treatment used in drug manufacturing,” Cantú explains.

The company’s healthy environment is not only perceived in its processing rooms but also in its surroundings. On March 1, 2012, Novaprint received Clean Industry certification from the Federal Agency for Environmental Protection (PROFEPA), which carried exhaustive reviews before coming to its decision.

According to Novaprint’s executive, its sister companies must also meet the highest standards of one of the strictest industries on the planet: pharmaceuticals. For example, they are audited by clients three or four times a month to guarantee their quality processes.

Every month, Novaprint cuts and prints around 190 tons of packaging in its product lines, which are approximately 400 million blisters and 300 million pharmaceutical units. These are blister packs, casings for tablets, pills or capsules, envelopes and cellophane wrapping for sachets, stand-up pouches and stick packs and single doses for drugs in cream, gel, powder or tablet form and, finally, its line of suppositories and ovuli, i.e. rectal or vaginal pharmaceutical forms with a solid consistency and conical shape.

Meanwhile, Pharmapack receives between 5 and 7 million pharmaceutical units of bulk and packaged drug products in their different forms. “We are an extension of the laboratories,” claims company executives.

Indeed, this Mexican company provides packaging and services for pharmaceutical manufacturers such as Pfizer, Sanofi, Laboratorios Armstrong and Laboratorios Janssen, as well as 85% of Mexican pharmacologists.

Novaprint directly exports 8% of its output to countries such as Nicaragua, Ecuador, Peru, Colombia, the Dominican Republic and Brazil. Its packaging arrives indirectly to almost all parts of the world via multinational laboratories, according to the company’s Business Development Manager.

Cantú believes that the company’s success is due to the commitment of the 150 workers of its sister companies, who share the common denominator of having gone through technical or professional education in the country’s schools. “Mexican universities provide the full spectrum,” adds Cantú.

Novaprint does too. It boasts one of the best clean rooms in Latin America, the most extensive range of industry materials and the knowledge to develop products that adapt to the needs of its customers and today’s world.

www.novaprint.com.mx

This Mexican company provides packaging and services for pharmaceutical manufacturers such as Pfizer, Sanofi, Laboratorios Armstrong and Laboratorios Janssen, as well as 85% of Mexican pharmacologists.
Health care and leisure are two areas that have always gone together but it is only recently that they have started taking the same flight. Mexican agency Medutravel has made this possible, by offering medical and tourism packages on the same ticket and on some of the most coveted beaches in Mexico.

Humberto Romero and Aarón Díaz, the company’s Latin American and North American directors respectively, are the founders of Medutravel, representing a network of prestigious Mexican doctors specialized in different fields of medicine in Canada and the US. But that is only half of their daily work. The other half consists of finding top quality hospitals adjacent to heavenly landscapes with excellent services.

The result: anyone having to undergo a medical procedure can experience a health-restoring tourist procedure with their family, either beforehand or afterwards.

But why is Mexico a good choice for undergoing medical treatment that becomes a leisure trip? Humberto Romero gives concise and convincing reasons for that: because the country has excellent professional training and medical infrastructure which is in the same league as any developed country; because it offers landscapes for all tastes, from big cities to heavenly beaches, not to mention its mountain destinations; because medical procedures in Mexico cost between one third and half of what they cost in the US, Canada and Europe; because medicine in Mexico sets itself apart due to its humanistic vision and because happiness, with travel as an example, generates endorphins that produce a sense of wellbeing, which relieves pain naturally and activates the immune system.

Humberto Romero reminds people that thousands of US and Canadian citizens cross the border every year to check into a Mexican spa and submit to medical treatments, particularly as related to dermatological, aesthetic and relax procedures, specifically in Tijuana, Baja California. Medutravel is looking to attract more patients, initially from cities such as Seattle and Chicago, as many people from these cities have enjoyed an excellent experience visiting a number of destinations in Mexico.

The company will introduce itself to the North American market in late October 2012 during the World Medical Tourism Congress in Miami, Florida. Humberto Romero says that the company had initially signed agreements with several hospitals in Puerto Vallarta and Nuevo Vallarta, on the Mexican Pacific coast. Other medical and tourist destinations Medutravel features are Mazatlán, in Sinaloa, and Cabo San Lucas, on the southern Baja California peninsula. Medutravel currently offers cosmetic, laryngeal and pharyngeal, dental, eye and bariatric (anti-obesity) treatments, all of which are carefully performed by certified physicians.

Medutravel is preparing for exponential growth in the forthcoming years and understandably so: health and leisure are a great ticket for doing business.
In 2011, Mexico’s medical device industry exported $6.07 billion USD.

In 2011, Mexico’s production of medical devices reached $8.56 billion USD.

It is estimated that medical devices production will reach $14.91 billion USD by 2020.

The average annual growth rate (AAGR) of Mexico’s medical device industry is estimated to reach 6.4% between 2011 and 2020, higher than the NAFTA region and countries such as Germany, Japan and Switzerland.

As with production, projections for Mexico suggest a higher dynamism than the major consumers in the industry.

It is estimated that between 2010 and 2020, AAGR will be 7.1% higher than the NAFTA region and countries such as Germany, Japan and Switzerland.

According to KPMG, compared to the US, in 2011 Mexico offered:

- 47.8% savings on concept testing costs.
- 23.9% savings on manufacturing costs for the medical device industry.
- 14.6% savings on electronic manufacturing costs.
- 11.9% savings on precision component manufacturing costs.

Mexico’s main trade partners Mexican exports by country in 2011 (million USD)

- US $5,639
- France 145
- Ireland 144
- Germany 19
- Netherlands 15
- Belgium 11
- Canada 11
- Venezuela 10
- Colombia 8
- UK 8

Mexico is the main supplier of medical devices to the US.

According to KPMG, compared to the US, in 2011 Mexico offered:

- 47.8% savings on concept testing costs.
- 23.9% savings on manufacturing costs for the medical device industry.
- 14.6% savings on electronic manufacturing costs.
- 11.9% savings on precision component manufacturing costs.

Mexican Exports Main medical devices exported in 2011 (million USD)

- 4,669 Medical, surgical, dental or veterinary instruments.
- 618 Orthopedic items and devices.
- 433 Other.
- 354 Mechanical respiratory therapy, massage devices.

Source: Global Trade Atlas
In 2010, 2,321 economic units specialized in medical devices were operating in Mexico. In 2011, 744 medical device companies operating in Mexico reported exports.

The most important cluster in Mexico is located in Baja California, with companies that account for 36% of total national exports of medical devices and that are mainly related to equipment and component manufacturing and assembly.
Following an extensive tour of the US, Peru and several European countries, Fabiola, by the Belgian artist Francis Alÿs (Antwerp, 1959), has finally arrived in Mexico, where it will be shown by the Amparo Museum in Puebla. The exhibition comprises 400-plus paintings and other depictions of Fabiola of Italy, canonized by the Catholic Church and held to be the patron saint of nurses, the abused and divorcees.

Alÿs, who has been living in Mexico since the early 1990s, set out to compile a collection of reproductions of the most important works of Western art, motivated by an interest in how these affect the production economy. But when he noticed portraits of St. Fabiola kept appearing and reappearing— at flea markets and antique shops, she became his new object of desire. It took the artist around two decades to put this collection together.

At first sight, the paintings seem identical but if you look closer, you’ll notice that this apparently homogeneous collection is actually heterogeneous: each portrait is unique in its own way, which raises questions about their authenticity, the author of the original painting, artistic techniques and iconography.

Francis Alÿs. Fabiola. was curated by Lynne Cooke and commissioned by the Dia Art Foundation of New York. The exhibition will be showing at the Amparo Museum until October 15.

www.museoamparo.com

ART

David Alfaro Siqueiros. La Tallera. A great muralist and an even greater patron of the arts.

La Tallera is one of two ateliers David Alfaro Siqueiros has contributed to Mexico’s cultural heritage and is scheduled to reopen its doors this month in Cuernavaca, Morelos, after three years of renovations.

Featuring exhibition halls, a digital documentation center, an international residency program for artists, art critics and curators, conference rooms and workshops, the studio retains the industrial feel of the original space designed by Siqueiros—who took his inspiration from auto assembly plants—but incorporates elements of Russian constructivism and Mexican architecture of the 1950s. The renovations were overseen by Mexican architect Frida Escobedo, who came up with an innovative architectural plan that highlights the social aspects of Mexico’s muralist movement and the problems associated with creating such monumental works.

To mark the reopening of the atelier, curators Mónica Muntas and Natalia de la Rosa bring us La Tallera: Factory in Movement, an exhibition on the creation of the mural The March of Humanity on Earth and Toward the Cosmos, commissioned by one of Siqueiros’ greatest sponsors, Manuel Suárez y Suárez.

www.sapo-latallera.org

La Tallera: Factory in Movement

French filmmaker, writer and photographer Chris Marker—who passed away in Paris this July at the age of 91—will be the subject of a retrospective at the 2013 Ambulante documentary film festival.

The films of this multi-faceted artist span six decades and Ambulante aims to bring them together in a tribute to one of the essential figures in the documentary genre. “Chris Marker is an important author, one who has defined avant-garde visual culture in the second half of the 20th century. The retrospective will focus on several recurring themes in his films: militant cinema, portraits of people and places, imaginary travels and his homages to the seventh art. In addition to his most representative films, the work of directors who have been influenced by Marker will also be shown, with a view to offering a comprehensive overview of his oeuvre and his transcendence,” says Ambulante programmer Antonio Zirión.

Marker is known for exercising total freedom as a filmmaker, in terms of form, content and purpose, and for his unwavering political engagement, which has been described as an ode to revolution and rebellion against the cynicism of society. His is a cinema of ideas that frequently resorts to the video diary format. In fact, he has been credited with inventing the “subjective documentary.” Through his film essays, he has rescued the visual heritage of several generations from oblivion, preserving their collective memory and merging it with his own. It is a body of work that sets out to unsettle spectators, forcing them to question the world around them. And what could be more fitting for the 2013 Ambulante documentary festival, which has chosen liberation as its central theme?

www.ambulante.com.mx

FILM

Ambulante 2013 Chris Marker retrospective
San Miguel de Allende

Any weekend’s a good weekend to visit San Miguel de Allende in the state of Guanajuato. In this city of pink quarry stone and cobblestone streets, life unravels at a leisurely pace. A man sells brightly colored balloons outside the gothic church of San Miguel Arcángel, the cactus plants of the Charco del Ingenio natural reserve wax green and the works of art at the old Aurora cotton factory remind visitors of the city’s bohemian past.

BY JIMENA SÁNCHEZ-GÁMEZ
PHOTOS ARCHIVE

Friday

8:00 P.M.
Check into Matilda, a comfortable boutique hotel where attention is paid to the smallest of details and where you’re guaranteed a good night’s sleep on soft Egyptian cotton sheets. Outside, a view of the city and tree-lined courtyards flooded with sunlight inspire even the weariest of travelers. Chef Enrique Olvera has worked his magic with the menu at Moxi, the hotel restaurant, and the in-house spa offers a wonderful coffee, chocolate and mint treatment to get your weekend off to an invigorating start.

Hotel Matilda
Aldama 53, Centro
T. +52 (415) 152 3035
www.hotelmatilda.com

11:00 A.M.
Tucked in the northwest corner of Plaza Allende is Casa del Mayorazgo de la Canal, recognizable by its baroque facade. Nearby is the Palacio Municipal, which dates from 1736 and now houses the offices of the Tourism Board. This is where the trams leave from—a great way to explore the city and take in details that might otherwise escape you. A little further along is Casa de las Conspiraciones, where the insurgents of the Mexican Independence hatched their uprising.

Saturday

9:00 A.M.
After an enthralling breakfast at Moxi, it’s time to explore San Miguel. The best place to begin is Plaza Allende, the main square, where laurel trees swirl around the bandstand and the gothic towers of La Parroquia de San Miguel Arcángel stretch skywards as if trying to reach the heavens. The church has undergone several modifications over the centuries, including its facade, which dates from between 1880 and 1890 and was superimposed on the original building by the master builder Ceferino Gutiérrez.

West of Plaza Allende is the Allende Museum, once the home of Ignacio Allende, a key figure in Mexico’s War of Independence. This is an entertaining way to learn more about the city’s history—the Silver Route, which transported precious metals in colonial times, and the seeds of the insurrection that culminated in Mexico’s independence—while period furniture recreates a bona fide picture of how a well-to-do family lived in the New Spain of the early 19th century.

Museo Casa de Allende
Cuna de Allende 1
T. +52 (415) 152 2499
Opening hours: Tuesday through Sunday From 9:00 a.m. to 5:00 p.m.

10:00 A.M.

Within walking distance are the Templo de la Tercera Orden and the Templo de San Francisco, churches whose atriums have been transformed into a small tree-filled square. Directly in front is Casa de las Conspiraciones, where the insurgents of the Mexican Independence hatched their uprising.

Noviembre ProMéxico | The Lifestyle

11:30 A.M.

Friday

8:00 P.M.
Check into Matilda, a comfortable boutique hotel where attention is paid to the smallest of details and where you’re guaranteed a good night’s sleep on soft Egyptian cotton sheets. Outside, a view of the city and tree-lined courtyards flooded with sunlight inspire even the weariest of travelers. Chef Enrique Olvera has worked his magic with the menu at Moxi, the hotel restaurant, and the in-house spa offers a wonderful coffee, chocolate and mint treatment to get your weekend off to an invigorating start.

Hotel Matilda
Aldama 53, Centro
T. +52 (415) 152 3035
www.hotelmatilda.com

11:00 A.M.
Tucked in the northwest corner of Plaza Allende is Casa del Mayorazgo de la Canal, recognizable by its baroque facade. Nearby is the Palacio Municipal, which dates from 1736 and now houses the offices of the Tourism Board. This is where the trams leave from—a great way to explore the city and take in details that might otherwise escape you. A little further along is Casa de las Conspiraciones, where the insurgents of the Mexican Independence hatched their uprising.

Saturday

9:00 A.M.
After an enthralling breakfast at Moxi, it’s time to explore San Miguel. The best place to begin is Plaza Allende, the main square, where laurel trees swirl around the bandstand and the gothic towers of La Parroquia de San Miguel Arcángel stretch skywards as if trying to reach the heavens. The church has undergone several modifications over the centuries, including its facade, which dates from between 1880 and 1890 and was superimposed on the original building by the master builder Ceferino Gutiérrez.

West of Plaza Allende is the Allende Museum, once the home of Ignacio Allende, a key figure in Mexico’s War of Independence. This is an entertaining way to learn more about the city’s history—the Silver Route, which transported precious metals in colonial times, and the seeds of the insurrection that culminated in Mexico’s independence—while period furniture recreates a bona fide picture of how a well-to-do family lived in the New Spain of the early 19th century.

Museo Casa de Allende
Cuna de Allende 1
T. +52 (415) 152 2499
Opening hours: Tuesday through Sunday From 9:00 a.m. to 5:00 p.m.

10:00 A.M.

Within walking distance are the Templo de la Tercera Orden and the Templo de San Francisco, churches whose atriums have been transformed into a small tree-filled square. Directly in front is the San Agustín coffeeshouse, which serves up delicious churros and hot chocolate all day long. And if you peek into La Pamplonada (Juárez 23), you’ll see a display of traditional Victoriano candies—eggnogs, marzipans and jellies just begging to be gobbled up. Don’t leave without trying the tumbagón, a kind of rolled-up fritter typical of San Miguel.

11:30 A.M.

Within walking distance are the Templo de la Tercera Orden and the Templo de San Francisco, churches whose atriums have been transformed into a small tree-filled square. Directly in front is the San Agustín coffeeshouse, which serves up delicious churros and hot chocolate all day long. And if you peek into La Pamplonada (Juárez 23), you’ll see a display of traditional Victoriano candies—eggnogs, marzipans and jellies just begging to be gobbled up. Don’t leave without trying the tumbagón, a kind of rolled-up fritter typical of San Miguel.

Within walking distance are the Templo de la Tercera Orden and the Templo de San Francisco, churches whose atriums have been transformed into a small tree-filled square. Directly in front is the San Agustín coffeeshouse, which serves up delicious churros and hot chocolate all day long. And if you peek into La Pamplonada (Juárez 23), you’ll see a display of traditional Victoriano candies—eggnogs, marzipans and jellies just begging to be gobbled up. Don’t leave without trying the tumbagón, a kind of rolled-up fritter typical of San Miguel.
3:00 P.M.
For lunch, Casa Allende is an excellent option. The restaurant is owned by Chef Eduardo Osuna, who learned his culinary techniques from the Roca brothers of Spain but who has used them to give new meaning to Mexican cuisine. We recommend the duck carnitas and crema bandera, a soup inspired by the colors of the Mexican flag.

Casa Allende
Avenida San Francisco 25
Centro
T. +52 (415) 152 1860

5:00 P.M.
North of the city, just before the exit to Dolores Hidalgo, is Fábrica La Aurora, a factory where cotton was processed from the early 20th century right up until it closed its doors in 1991. A decade later, it has been occupied by contemporary art galleries and workshops, book, jewelry and handicraft stores. If you’re lucky, you might see an artist at work, the odd machine in the background serving as a stalwart reminder of La Aurora’s industrial past.

Fábrica La Aurora
Calzada de la Aurora S/N
La Aurora
T. +52 (415) 152 1312
www.fabricalaaurora.com

7:30 P.M.
There are two buildings in San Miguel you simply have to visit: the Ignacio Ramírez “El Nigromante” Cultural Center (Hernández Macías 75) and the Allende Institute (Ancha de San Antonio 22). The former used to be the University Academy of Fine Arts. In the 1930s, it set the city’s bohemian scene and was famous among American artists and war veterans. Eleanor Coen, Pablo O’Higgins and Canada’s Leonard Brooks are some of the artists who walked its halls and Mexican muralist David Alfaro Siqueiros lectured here. The Allende Institute took over from the academy in the 1950s and became so famous it drew figures like the Beat Generation’s Jack Kerouac and Neal Cassady.

9:00 P.M.
To end the day on a high note, go for dinner and drinks at Harry’s New Orleans Café & Oyster Bar. Specialties include oysters au gratin with seafood cream and breast of duck in raspberry sauce. But be warned – the great atmosphere and good food mean it’s always packed!

Harry’s New Orleans Café & Oyster Bar
Hidalgo 12
T. +52 (415) 152 2645

Saturday
9:00 A.M.
If you’re longing to wake up to the smell of homemade bread and pastries, Cumpanio is just the ticket for a wholesome breakfast. Next it’s off to La Esquina, a museum that boasts a collection of over 1,000 traditional toys from all over the country. Cardboard dolls, a roller-coaster made from spikes of wheat, a miniature circus woven out of palm leaves and little tin sheet boats take you back to carefree childhood days.

Cumpanio
Correo 29
T. +52 (415) 152 2984
La Esquina, Museo del Juguete Popular Mexicano
Núñez 49
T. +52 (415) 152 2802
Opening hours: Tuesday through Saturday from 10:00 a.m. to 6:00 p.m.
Sundays from 10:00 a.m. to 3:00 p.m.
www.museolaesquina.org.mx

Sunday
9:00 A.M.
If you’re longing to wake up to the smell of homemade bread and pastries, Cumpanio is just the ticket for a wholesome breakfast. Next it’s off to La Esquina, a museum that boasts a collection of over 1,000 traditional toys from all over the country. Cardboard dolls, a roller-coaster made from spikes of wheat, a miniature circus woven out of palm leaves and little tin sheet boats take you back to carefree childhood days.

Cumpanio
Correo 29
T. +52 (415) 152 2984
La Esquina, Museo del Juguete Popular Mexicano
Núñez 49
T. +52 (415) 152 2802
Opening hours: Tuesday through Saturday from 10:00 a.m. to 6:00 p.m.
Sundays from 10:00 a.m. to 3:00 p.m.
www.museolaesquina.org.mx

5:00 P.M.
There are two buildings in San Miguel you simply have to visit: the Ignacio Ramírez “El Nigromante” Cultural Center (Hernández Macías 75) and the Allende Institute (Ancha de San Antonio 22). The former used to be the University Academy of Fine Arts. In the 1930s, it set the city’s bohemian scene and was famous among American artists and war veterans. Eleanor Coen, Pablo O’Higgins and Canada’s Leonard Brooks are some of the artists who walked its halls and Mexican muralist David Alfaro Siqueiros lectured here. The Allende Institute took over from the academy in the 1950s and became so famous it drew figures like the Beat Generation’s Jack Kerouac and Neal Cassady.

9:00 P.M.
To end the day on a high note, go for dinner and drinks at Harry’s New Orleans Café & Oyster Bar. Specialties include oysters au gratin with seafood cream and breast of duck in raspberry sauce. But be warned – the great atmosphere and good food mean it’s always packed!

Harry’s New Orleans Café & Oyster Bar
Hidalgo 12
T. +52 (415) 152 2645
2:00 P.M.
If you drive 14 kilometers in the direction of Dolores Hidalgo, you’ll come to the Santuario de Atotonilco. The walls and ceilings of the central nave and chapels of this 18th-century church are decorated with mesmerizing religious imagery. You could spend an entire lifetime admiring this tour de force by the artist Manuel Antonio Martínez de Pocasangres.

Charco del Ingenio
Paloma S/N
Las Colonias
Tel. +52 (415) 154 8383
Opening hours: Monday through Sunday from 9:00 a.m. to 6:00 p.m.
www.elcharco.org.mx

3:00 P.M.
Two kilometers from Atotonilco, on the road back to San Miguel de Allende, is Nirvana, a heavenly retreat created by Juan Carlos Escalante. Swim in a pool of thermal water, pamper yourself at the spa surrounded by lush vegetation or take a stroll through the eucalyptus, walnut and American pepper trees. A vegetable garden produces the organic ingredients that end up in the dishes Juan Carlos dreams up. There are nine guestrooms sculpted out of adobe but if you can’t spend the night, at least stay to experience the restaurant’s daily gourmet food ceremony.

Nirvana
Antigua Vía del Ferrocarril 23
El Cortijo
Tel. +52 (415) 185 2194
www.hotelnirvana.mx

6:30 P.M.
You can’t leave San Miguel without visiting Paseo del Chorro, a cobbled street that follows what used to be the course of a natural spring whose waters have since been piped. It winds its way downhill, resting momentarily at the balconies and slopes of the Cultural Center before continuing on through the trees to Los Lavaderos – a series of red public wash tubs where people used to wash their clothes, and still do today. If you carry on right to the end of the street, you’ll find yourself at the entrance to the Benito Juárez Park (Alameda and Diezmo Viejo). What better way to say goodbye to San Miguel de Allende than with a relaxing stroll in the company of Mother Nature?
Unarguably, León Larregui is the national hero of today’s rock scene in Mexico. Along with his Latin Grammy Award-winning band Zoé, Larregui last year sold out a series of shows performing the unplugged session originally recorded for the album MTV Unplugged: Música de Fondo, a collection of Zoé’s hits to date. After touring extensively with Zoé, León took a much needed break but instead of relaxing, the unstoppable rock star decided to use the time wisely and pursue an inner ambition, to work on his own music, thus Solstis was born.

Recorded in Paris and with influences pointing to Serge Gainsbourg, Agustín Lara, 70s classic rock and French chanson, his debut solo album took everyone by surprise, including León himself, who was not really planning on releasing a full length until his friend and Solstis co-producer Adanowsky convinced him to do so. Highly applauded by Zoé fans and media in general, a few days after the release, Solstis reached number one on iTunes.

León is not planning to leave Zoé. This is just another aspect of the highly prolific and multidisciplinary artist, who one day abandoned art school in order to pursue a career in music. And judging by the vastness of León’s creative cosmos, we should not be surprised to see his spirit filtering into poetry, films and other art forms with the same authenticity and quality.

---

**What is your favorite place in Mexico to relax?**

The beach. Mexico has so many beautiful beaches that I try to go whenever I get the chance.

**Where is your favorite place in Mexico to relax?**

My home in Mexico City.

**Which is your favorite Mexican beach to wind down on?**

Tulum, in Quintana Roo.

**Which Mexican town do you find most inspirational?**

There are two: Tepoztlán, in Morelos, and Pátzcuaro, in Michoacán.

**Name a Mexican restaurant that serves excellent food.**

Mi Gusto En, a seafood restaurant in Mexico City.

**Name one place in Mexico every tourist should visit.**

Teotihuacán.

**Do you have any Mexican handicrafts at home that you’re particularly attached to?**

A mask from the state of Guerrero.

**What is your favorite building in Mexico?**

The Palace of Fine Arts, in Mexico City.

**Name a contemporary Mexican artist whose work you admire.**

Gabriel Orozco.

**What is your favorite museum in Mexico?**

The National Museum of Archaeology, Anthropology and History, in Mexico City.

**Where in Mexico is the best place to hear live music?**

El Plaza Condesa, in Mexico City.

**Is there anywhere in Mexico you haven’t been to and that’s on your “must visit” list?**

Las Barrancas del Cobre, in Chihuahua.

**What do you miss most about Mexico when you’re abroad?**

Mexican food, people and weather.

**What do you love most about Mexico?**

Its people.
José Álvarez: Staring Reality in the Face

This former radio station director has achieved international fame as director of the documentaries Flowers in the Desert and Dog Days. In interview with Negocios, José Álvarez talks about how he made the leap from radio to the big screen.

By Naomi Palovits
Photos courtesy of José Álvarez

After 11 years with the legendary Mexico City radio station Radioactivo 98.5 FM, few can claim to have José Álvarez’ understanding of music and new communications media in Mexico. Radioactivo, which he manned from 1992 to 2003, launched the first online radio station in Latin America.

Together with Alejandro González Iñárritu and Olallo Rubio, Álvarez features on the list of Mexican filmmakers who began their careers in radio. Unlike his colleagues, though, Álvarez opted for the documentary. Flowers in the Desert (Flores en el desierto, 2009) and Dog Days (Canícula, 2011) are the two documentaries that have earned him international acclaim.

“I HAVE ALWAYS CONSIDERED MEXICO TO BE A COUNTRY THAT OFFERS A GREAT DEAL OF POSSIBILITIES. IT IS A VERY INTERESTING MARKET AND A GREAT PLATFORM FOR DEVELOPING AND EXPANDING THE BRAND. I REALLY LIKE MEXICO.”

—It seems a little radical to leave radio for cinema. Why?
Radio and cinema are very similar disciplines as far as their creative and production processes are concerned. You work with human concepts, critiques that require keen observation and at the end, it gets public exposure. Plus, both processes have the same goal: to communicate.

When the media group where I worked for almost 13 years was sold, I thought it was time to make the leap from radio to cinema. I’ve always loved music – promoting it, concerts, rock, the critical humor – but I’ve always been fascinated by cinema, too. I simply took the second option open to me.

—Can you describe your first experience behind the camera?
In 1996, I directed The Silence of Sarajevo (El silencio de Sarajevo), my first documentary on the post-war in Sarajevo. At the time I was still working in radio. It was an enriching experience, although somewhat complicated. Working with a team of professionals when I wasn’t yet one myself gave me a slightly unorthodox training and showed me a path that was to determine my future. And here I am today!

—Why did you choose the documentary over other genres?
Mexico has plenty of good stories, interesting characters, amazing locations and excellent photographers. With a little bit of effort and some common sense, you can make a documentary with those basic cinematographic elements. You become a witness and must aim not to alter the natural chain of events with your presence. If you can do that, then you can document your experience visually.

The documentary is a genre that entails a great deal of responsibility because it has to reflect reality as it is. This is an honest, authentic human genre by nature and, in some cases, confrontational.
What is your view of contemporary Mexican cinema?
In my opinion, the best films being made in Mexico today are documentaries. There are some very respectable exceptions in the fiction category but they are few and far between. Conversely, documentary filmmaking has experienced something of a boom and is recognized worldwide. The contemporary Mexican documentary covers an immense variety of themes and is of an excellent standard.

Have you considered dabbling in fiction?
I think fiction should be left to the great maestros. Recreating reality requires a level of sensitivity and extremely self critical. It’s hard to recreate reality and make it seem credible, which is why so few exceptions in the fiction category but they are few and far between. Conversely, documentary filmmaking has experienced something of a boom and is recognized worldwide. The contemporary Mexican documentary covers an immense variety of themes and is of an excellent standard.

Where did you get the idea for Flowers in the Desert?
Hugh Fitzsimons, the film’s producer, who I met during the screening of Venus at the Telluride Festival in the US, asked me to direct it. After Hugh saw Venus he suggested we do a film about the Huichol. Personally, from the first time I came into contact with the Huichol or Wariarika in the desert – during a peregrination – I’d wanted to film them. In that moment, two of my wishes materialized. The Huichol have a very complex, all-encompassing cosmogony. We shot them for over two years on different trips to their communities in the Sierra Occidental, the Wariarika desert in San Luis Potosi, San Blas beach in Nayarit, Lake Chapala and Mexico City. All those trips coincided with Huichol ceremonies held according to an agricultural calendar, festivities at which they ask for the blessing of Mother Earth and thank their gods for the gifts they have bestowed on mankind. The Huichol offer up prayers and express their gratitude for everyone, even those who don’t share their beliefs.

The hardest part was editing the film. We had almost 100 hours of footage and it was important not to repeat what had been done before. Plus, we had to find a way of putting very complex events across in an understandable format. In the end, the editor and I decided to show how we came to forge a close relationship with the community we worked with for over two years, thinking this would help shed light on the inner workings of the group. And that’s the story behind Flowers in the Desert.

What did you take away from the experience?
It taught me to look at Mexico’s customs from a new perspective, with greater attention and respect. I learned a great deal about a type of spirituality that fails naturally into step with daily life and that is concerned with the wellbeing of the planet as a whole. As we filmed that amazing group of artists, we installed the camera as a kind of “third eye” on the statue of the patron saint from the local church and takes it to his home so the faithful can pray, ask favours and offer up thanks to it.

We had almost 100 hours of footage and it was important not to repeat what had been done before. Plus, we had to find a way of putting very complex events across in an understandable format. In the end, the editor and I decided to show how we came to forge a close relationship with the community we worked with for over two years, thinking this would help shed light on the inner workings of the group. And that’s the story behind Flowers in the Desert.

How do you get the protagonists of your documentaries to trust you?
It taught me to look at Mexico’s customs from a new perspective, with greater attention and respect. I learned a great deal about a type of spirituality that fails naturally into step with daily life and that is concerned with the wellbeing of the planet as a whole. As we filmed that amazing group of artists, we installed the camera as a kind of “third eye” on the statue of the patron saint – in this case, Mary Magdalene – and shot over 200 people coming up and praying to her. The entire shot is a subjective portrait of Mary Magdalene, which is why we never get to see her; the spectator becomes the saint. The film garnered international recognition and paved the way for my next project.

Our films have been applauded by cultures other than our own. What does that mean to you?
Foreigners are interested in learning more about our country. Mexico has worlds that amaze and astonish them, that jolt them out of their own reality, even if it’s only momentarily. Mexico incites reflection and amazement; it plays on spiritual chords, especially in the Judeo-Christian world, which finds examples of syncretism and a surplus of references to draw on. Also, foreigners tend to appreciate the color, music and human beliefs of cultures alien to their own.
Red for Independence

Mexican wines are no longer the sole domain of big bodegas. Independent winemakers are now gaining ground, pleasantly surprising even the most discerning of palates. Here is a small sampling of home grown wines that are just begging to be tasted.

BY MÓNICA ISABEL PÉREZ 
PHOTOS COURTESY OF THE WINERIES

Mexico’s wine industry is headed in the right direction—and not just profit-wise. The established bodegas are producing more and better wines, while independent winemakers are giving them a run for their money, creating original, expressive wines that look set to do national cellars proud. To prove it, here is a choice of six reds that won’t let you down in front of your connoisseur guests.

Convertible Rojo
By Viñas Pijoan

Born in Catalonia but Mexican by choice, Pau Pijoan grew up accustomed to seeing wine on the dinner table. Tradition soon blossomed into passion and led him to establish his own bodega in Ensenada, Baja California, which he describes as “a very small family business that specializes in making honest, wholesome wines.”

That philosophy has produced wines that embody the properties of the region’s soils, from the sandiest to the most iron-rich. And while perfect for drinking on their own, these are wines that enjoy the company of good food and dinner table conversation of family and friends—just as the Pijoans always intended.

We recommend
Convertible Rojo, an ephemeral wine made from a blend of 80% Ruby Cabernet, 10% Barbera and 10% Colombard grapes that confer it an expressive force its creators liken to the engine of a finely tuned sports car. This same vigor gives way to a smoothness that lingers on the palate. Convertible Rojo is the perfect complement to meat dishes.

Del Viko
By Vinícola Torres Alegre & Family

Victor Torres Alegre boasts one of the most impressive careers of anyone in Mexico’s wine industry. Not only does he hold a PhD in Enology from the University of Bordeaux, in France, where he conducted important research into winemaking, but also he is the only Mexican to have sat on the jury at international wine competitions in Viña del Mar, Brussel, Slovenia and other major venues.

After years studying the science of winemaking, Torres Alegre went on to found his own winery where he and his family produce quality wines renowned for their flavor and meticulous production processes.

We recommend
Del Viko, a blend of Cabernet Franc, Grenache, Merlot, Nebbiolo, Tempranillo and Zinfandel, with a deliciously enduring fruity bouquet and velvety texture. This wine is the perfect accompaniment to pastas and seafood.

Sang Bleu
By Mariatinto

Quite possibly the country’s most famous wine project, Mariatinto started out in 2002 making accessible wines for the European market.

Ten years down the grapevine, its style remains unchanged, with founders Chef Guillermo González Beristáin and sommelier Humberto Falcón providing a guarantee of quality and vision. The only difference is that today Mariatinto offers wine lovers more blends and labels to choose from. In addition to their vineyards in Valle de Guadalupe, the duo has purchased 1.9 hectares in Roussillon, in the south of France, where production is overseen by the Catalonian enologist Josep Anton Llaut, known for spearheading the Freixenet project in Mexico.

We recommend
Sang Bleu, This aromatic blend of Shiraz, Grenache and Garignano is one of the wines produced at Mariatinto’s vineyards in Roussillon. Intense, elegant and well balanced, it explodes on the palate and ends on a long note of cherry. Sang Bleu is a noble wine that pays liquid homage to the Old World.

www.mariatinto.com

www.vinicolatorresalegreyfamilia.com

www.vinospijoan.com

www.mariatinto.com

We recommend

**Jardín Secreto**

By Adobe Guadalupe

When Tru and Don Miller left California, inspired by their son Arlo’s passion for Mexico, little did they imagine how inspiring their presence would be for the inhabitants of Valle de Guadalupe and the region’s winemakers.

In 1998, they began a small wine-making business that now comprises 60 acres of vineyards – whose fruits have earned them countless national and international awards – a Bed & Breakfast (B&B) and breeding facilities for Azteca horses.

It all began as simple curiosity and a love that Tru Miller associates with a childhood memory. As he told Vinisfera magazine: “One day I was driving through the Italian countryside with my parents in a Citroën and I happened to look out the back window. What I saw stayed with me: on one side of the road were horses grazing peacefully and on the other, vineyards. Right then I thought: “Vineyards and horses, that’s what I want some day.” Thanks to the passion conjured up by that memory, today Mexican quality wines can be enjoyed.

www.adobeguadalupe.com

---

**We recommend**

Jardín Secreto 2, a wonderful blend of Tempranillo and “other varieties” that, as the name suggests, are strictly classified. Some tasters say it’s a combination of Cabernet, Shiraz and Grenache but whatever the secret formula, there can be no doubt whatsoever about this wine’s balanced, approachable flavor.

---

**Zonas México**

By Humberto Falcón

Humberto Falcón is a well-known name in Mexico’s wine world. An enologist and sommelier, his career got off to a robust start in 1998 at Vinoteca and in 2002, he and Chef Guillermo González Beristáin started Mariatinto – one of the most transcendental wine ventures Baja California’s Valle de Guadalupe has ever witnessed.

Following his instinct for adventure, Falcón created Zonas México, a project that initially consisted of bottling eight barrels of wine – two for each of the four regions of Mexico and type of grape chosen for its specific characteristics: Grenache from Valle de Ensenada, Shiraz from Valle de Parras, Malbec from Zacatecas and Cabernet Sauvignon from Querétaro.

www.vinicolafraternidad.com.mx

---

**We recommend**

**Boceto**

By Vinícola Fraternidad

There is a building in Valle de Guadalupe whose vanguard design immediately catches the eye. Architects will instantly recognize it as the work of Legorreta+Legorreta. This building houses Vinícola Fraternidad, one of the world’s most famous wineries and creator of several wines that have earned it the admiration of connoisseurs from every corner of the globe.

The utmost care is taken at every stage in the production process to guarantee wines that uplift the senses. Artfully marrying Baja California’s fertile soils and the sensibilities of house enologist José Luis Durand, these wines are designed to win over the hardest palates.

www.vinicolafraternidad.com.mx

---

**We recommend**

Boceto. Tempranillo, Cabernet Sauvignon and Nebbiolo come together to create an intense, fruity bouquet that is confirmed by the palate. Its spicy notes and remarkable integrity make this a delicate and well-structured but powerful wine.

---

**Jardín Secreto**

By Adobe Guadalupe

When Tru and Don Miller left California, inspired by their son Arlo’s passion for Mexico, little did they imagine how inspiring their presence would be for the inhabitants of Valle de Guadalupe and the region’s winemakers.

In 1998, they began a small wine-making business that now comprises 60 acres of vineyards – whose fruits have earned them countless national and international awards – a Bed & Breakfast (B&B) and breeding facilities for Azteca horses.

It all began as simple curiosity and a love that Tru Miller associates with a childhood memory. As he told Vinisfera magazine: “One day I was driving through the Italian countryside with my parents in a Citroën and I happened to look out the back window. What I saw stayed with me: on one side of the road were horses grazing peacefully and on the other, vineyards. Right then I thought: “Vineyards and horses, that’s what I want some day.” Thanks to the passion conjured up by that memory, today Mexican quality wines can be enjoyed.

www.adobeguadalupe.com

---

**We recommend**

Jardín Secreto 2, a wonderful blend of Tempranillo and “other varieties” that, as the name suggests, are strictly classified. Some tasters say it’s a combination of Cabernet, Shiraz and Grenache but whatever the secret formula, there can be no doubt whatsoever about this wine’s balanced, approachable flavor.
Celebrating Mexico’s Creative Talent

BY PAOLA VALENZUELA
PHOTOS COURTESY OF PREMIOS QUÓRUM

Since 1992, Quórum has been celebrating the best of Mexican design. Year in, year out, these awards go to media and innovative projects that fuel the growth of small and medium businesses and the development of the country in general.

To mark its 20th anniversary, this year Quórum adopted the slogan Year Zero, inspired by the Maya 2012 end-of-the-world prophecy.

The Palace of Fine Arts in Mexico City was chosen as the venue for this year’s award ceremony. Here is a small sample of the work of Mexico’s most creative minds of 2012, who have made Year Zero worth remembering.

Quórum Awards

Industrial Design

Category: Technology, Communications & Transport
Award: Best Industrial & Discovery Project
Winning Project: New Sugarcane Harvesting Machine
Author: Francisco Lindoro Meza

Designed to improve the working conditions and productivity of sugarcane farmers, this machine can be used on both flat and sloped terrain. Its ergonomic design incorporates a safety feature that ensures operators are always at a safe distance from the blades to prevent injury. It also has a compartment large enough to store a day’s supply of food and water.

An added advantage of Lindoro’s machine is that it eliminates the need to burn the sugarcane before harvesting, substantially reducing air pollution.

There is currently no other machine like it on the market.

Francisco Lindoro is from Mexico and studied a Master’s in Advanced Product Design at the Umeå Institute of Design in Sweden. His sugarcane harvesting machine served as his thesis project. He currently works at the Atlas Copco Industrial Design Competence Center, where he designs industrial equipment for the mining and construction industries.

“Not only does it meet Quórum’s criteria of concept, craftsmanship and coherence to a T but also it has a highly professional design and is beneficial to society.”

— Industrial Design jury comprised of Ariel Rojo, Cecilia León de la Barra, Mónica Benítez and Federico Sánchez.
Graphic Design

Category: Graphic Identity
Award: Best Graphic Design Project
Winning Project: Sofía
Agency: Anagrama | Brand Intelligence Group

Sofía is a building in the municipality of San Pedro in Nuevo León, designed by the architect César Pelli for One Development. Using logos and a specially designed typography, the development’s graphic identity seeks to convey a sense of sophistication and exclusivity to prospective buyers and occupants.

Attention to detail and the graphic elements of the brand successfully express the grandeur of the architectural project.

Anagrama | Brand Intelligence Group specializes in branding and the design and development of objects, spaces and multimedia projects.

www.anagrama.com

Animation

Category: Short Film
Award: Best Animation Project
Winning Project: Dame Posada
Agency: El Bigote de Chaplin

This project combines computer generated animation and modern creative techniques to bring one of the precursors of the plastic arts in Mexico to life.

José Guadalupe Posada is the star of this entertaining animated film by El Bigote de Chaplin. Well produced and moving, with a touch of the avant-garde, Dame Posada received a warm round of applause at the 2012 Quórum award ceremony.

El Bigote de Chaplin was founded by Cecilio Vargas in 2008 as a creative forum in the visual, theatrical and performance arts.

www.elbigotedechaplin.com

Digital

Category: Conceptual
Award: Best Digital Project
Winning Project: Painting with Tweets
Agency: Hotpixel

The Cromafest audiovisual festival commissioned Hotpixel to develop an interactive installation in a public space that would allow visitors to connect with their surroundings. The result was Painting with Tweets, a digital sculpture created by visualizing tweets bearing the hashtag #CROMAfest.

When users send a tweet, a sphere with a picture of their avatar comes into view on screen, which in turn generates a unique sound. The sculpture was mapped to give it physical limitations and recreate the effects of gravity, collision and space.

Founded in 2008, Hotpixel is an art, design and technology studio engaged in the development of new interactive media.

www.hotpixel.mx

Fashion

This year, Quórum acknowledged fashion as a discipline central to Mexico’s design culture, with special mentions going to trailblazing couturiers like Julia y Romata, Carla Fernández, Jesús & Bertholdo, Trista and A7.

“Because this was the first time fashion was included as an award category, we decided to acknowledge the most exceptional designers in terms of experience, originality and coherence. The decision was unanimous and four outstanding clothing designers and one footwear designer were selected, because in fashion—as in any other branch of design—a healthy balance between quality, originality, discourse and functionality needs to be struck.”

—Fashion category jury comprised of Mariana Luna and Malafacha, Lucy Lam, José Manuel Ruiz, Beatriz Cisneros, David Souza, Johann Mergenthaler, Anna Fusoni, Javier Romero, Mauricio Olvera and Norma Verdín.

www.anagrama.com
A Brief History of THE DAY OF THE DEAD

Only a few places in the world celebrate death; Mexico just happens to be one of them. That’s not to say death is taken lightly or that it’s a reason for rejoicing. On the contrary, the Day of the Dead, a festivity that takes place every year in early November, is a time when Mexicans commemorate their dead and honor their continued presence among the living.

Like so many other Mexican traditions, the Day of the Dead is a syncretism of Pre-Columbian and Spanish cultures. The evangelizing zeal of the conquistadors absorbed countless indigenous customs that subsequently came to be part of the Colonial Mexican identity.

An unusual fiesta that is still celebrated in many parts of Mexico, the Day of the Dead fuses the Spanish tradition of evoking the deceased by offering up prayers and reciting the rosary to help them attain the grace of God with aspects of indigenous religions that survived the cultural impositions of the Conquest. The Mixtec, Maya, Purépecha, Totonac, Mixtecs and Zapotecs worshiped both death and the dead and, judging from recovered vestiges of these civilizations, the afterlife was a central theme in their art and literature.

Combining symbols associated with the Catholic religion, like the cross, with the worldview of these Pre-Hispanic cultures, the Day of the Dead festivities vary from region to region although certain recurring elements make it a tradition immediately recognizable to any Mexican.

In honor of the dead, a table is covered with a white tablecloth to create an altar of sorts that is then decorated with offerings: flowers, colored tissue paper cut-outs, candles, photos of the dearly departed and a few of their personal objects, toys, candies, traditional foods and beverages like hot chocolate and atole and glasses of water.

This colorful tradition remains strongest in Central and South Mexico, mainly in the states of Oaxaca, Michoacán, Puebla, Estado de México, Veracruz, Yucatán and Mexico City, which were home to civilizations that built sacred sites and whose festivities coincided with the agricultural calendar.
We have a very competitive Foreign Exchange team.

Our team of experts brings personalized service and complete assistance in every Foreign Exchange trade to fulfill our client’s needs.

We offer competitive levels and timely execution with the highest levels of confidentiality and security.

We are professionals in the Foreign Exchange Market.

Contact us:

01 800 627 2300

servicio.divisas@bbva.bancomer.com