



Financial frontera: Juárez module creation gets a lift

by Michael Hissam / Special to the Times

Posted: 08/21/2011

A binational effort led by the El Paso del Norte chapter of the Network of Mexican Talents Abroad aims to boost regional production of components to Juárez maquiladoras.

Alberto Correa, president of the chapter, as well as Quantum Research of the West Inc., said the El Paso chapter seeks to enable local suppliers to increase production of direct material components to the maquiladoras. This would be done through higher technology matched to component-product needs to warrant a larger share of that supply market.

Direct materials include components that become part of the final product shipped from Juárez to a global base of customers.

These materials represent the value added -- what the customers want to pay for in products sold to them. In plain Spanglish: bigger bucks, más dinero, compañero.

"About 2.5 percent of direct materials used in Ciudad Juárez come from suppliers in Ciudad Juárez; El Paso represents about 2 percent. This is a very big problem for the maquiladoras. That means that 95 percent of the materials or components come from other parts of the world. That's the money!" he declared.

Maquiladoras Juarenses use billions of components yearly. That's billions with a "B," mil millones en español. Correa and his group want to make sure more of them could be made here in Paso del Norte.

Correa and representatives of regional Mexican economic organizations last month signed at the Mexican Consulate in El Paso a collaboration agreement that will support the development and transfer of technology to maquiladora supplier development programs focused on Juárez: "We have contact with high-tech companies, with leading universities and leading laboratories, either directly or through third parties. In addition, we have negotiated with the Secretary of the Economy in Mexico for them to support this development. The technology is transferrable and the maquiladora suppliers do not have all the funding needed for this type of effort."

The amount of funding from the Secretary of Economy has yet to be determined as each company must identify its needs then seek federal help with the funding: "The mechanisms are already set. The government will not supply the entire funding, but they will supply a very important percentage."

In addition to Juárez, Correa pointed to other opportunities in the state of Chihuahua. He explained that once companies gain the technology to produce, they must accelerate their production activities to meet the needs of the maquiladoras or other customer entities. "In the state of Chihuahua there are several interesting clusters that have to be supported," he said. "We are talking about the manufacturing cluster in Juárez, which is the

main focus. We are also talking about the aeronautic cluster in Chihuahua City, as well as the agricultural cluster in Cuauhtemoc. All those need suppliers who have the right technology.

"We supply the technology so that the locals can manufacture the components."

Alloys and composites used in the growing aeronautic industry in Chihuahua represent opportunities for the higher-tech, supply-side manufacturing needed for support.

Working from the Hub of Human Innovation incubator in downtown El Paso, Correa, representing Team Technologies of Albuquerque, offers engineering services, technology development, precision manufacturing, instrumentation and controls to companies in the El region. "We plan to become a source of reliable technology for local need," he said. "We work for the potential integration of a binational facilities, and expect to contribute on a short- to medium-term basis to job-creation efforts pursued by regional policies."

Concerning the agreement or convenio signed last month, Correa added, "The projects derived from it will constitute a substantial advance in the integration of industry in the region to the global economy through knowledge."

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