



Mexico: Overview of the Motorcycle Industry

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Summary

The market for motorcycles has shown a consistent and steady growth. Mexican consumers have explored other alternative transportation options to reduce commuting time especially in large cities where heavy traffic is delaying delivery of goods and people. In Mexico, motorcycles started with an increase in messenger and fast food delivery companies as a way to serve their clients faster. On a lesser scale, Mexicans may ride a motorcycle to commute to their jobs, and enjoy riding them during weekends or with a group of friends. Mexico is an evolving market that opens up business opportunities for U.S. exporters of motorcycles, parts, and accessories. There is some local production of motorcycle components and a growing market of imported motorcycles. The United States is the second largest supplier into Mexico for motorcycles with a cylinder capacity of over 800 cc.

Market Demand

As of 2013, the National Institute of Statistics, Geography, and Information (Inegi) reported that Mexico has registered 1,536,994 motorcycles. The major concentration of motorcycles is located in Jalisco, Durango, Quintana Roo, Michoacan, Veracruz, Yucatan, and Mexico City. There is no updated data for the number of motorcycles in Estado de Mexico, which is the surrounding state to Mexico City. Statistics available for 2012 report 140,655 motorcycles. Nearly 85 percent of the motorcycles in Mexico are devoted to work activities including messengers and fast food delivery. However, others that may ride a motorcycle are students, employees, and people that enjoy motorcycles for sport.

Market Data

The Mexican Association of the Automotive Industry reported that the sale of motorcycles in the Mexican market reached 179,518 units in 2013, which represented a 20 percent growth over 2012 sales. The leading brands are Honda, Yamaha, Suzuki, Carabela, Italika, Grupo Motomex, Keeway, BMW, and Harley Davidson. There is local assembly by some companies and production of some components but there is no production of a complete motorcycle in Mexico. The motorcycle market in Mexico includes imports worldwide in units with a slight decrease of 20 percent growth from 2013 to 2012. However, the market has reported a steady and consistent growth per year from 2009 to 2012.

Mexican Market of Motorcycles
(Units)

	2009	2010	2011	2012	2013
Motorcycles (new)	117,894	119,456	200,090	244,658	220,935
Chassis	154,364	285,719	328,657	328,657	252,741
Total	272,258	405,175	539,485	573,315	473,676

Source: AMIA – Mexican Association of the Automotive Industry

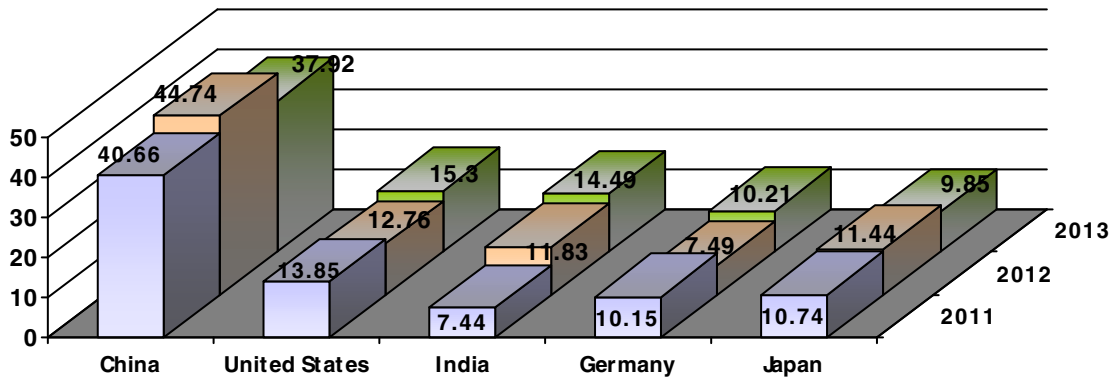
Best Prospects

Motorcycles from 50 to 250 cm³ have a market share of 79 percent while the three and four wheeler had a decrease of 9.3 percent. Accessories are also widely accepted, as travelers look for comfort during their travel and other needs including securing their belongings.

Key Suppliers

Motorcycles and parts imported into Mexico come mainly from China, the United States, India, Germany, and Japan. The United States is the leader in motorcycles with cylinder capacity over 800 cc.

**Mexican Import Market Share Percentage per Country
2011-2013**



Source: Global Trade Atlas

The following chart describes some of the major imported motorcycles as per the 8711 chapter with HS Code Number and worldwide imports into Mexico. Figures are in USD millions.

HS CODE	MEXICAN IMPORTS PER PRODUCT/EQUIPMENT	2011 USD Million	2012 USD Million	2013 USD Million
8711	Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without sidecars; sidecars	197	240	249
871110	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity not over 50 cc	0.63	0.46	0.61
871120	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 50 cc but not over 250 cc	114	143	137
871130	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 250 cc not over 500 cc	5	8	6
871140	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 500 cc not over 800 cc	20	28	29
871150	Motorcycles and cycles with an auxiliary motor with reciprocating internal combustion piston engine, cylinder capacity over 800 cc	54	58	72
871190	Motorcycles and cycles fitted with an auxiliary motors, side-cars, others	2	1	2

Source: Global Trade Atlas

Chart with imported motorcycles with HS Code Number, U.S. import market share and followed by other countries as major competitors.

HS CODE	MEXICAN IMPORTS PER COUNTRY	2011	2012	2013
		US Exports	US Exports	US Exports
8711	Motorcycles (including Mopeds) and cycles fitted with an auxiliary motor, with or without sidecars; sidecars	13%	12%	15%
	Leading Competitor	China 40%	China 44%	China 37%
871110	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity not over 50 cc	1%	4%	0%
	Leading Competitor	Italy 42%	China 68%	China 86%
871120	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 50 cc but not over 250 cc	0%	0%	0%
	Leading Competitor	China 69%	China 73%	China 67%
871130	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 250 cc not over 500 cc	4%	3%	1%
	Leading Competitor	Austria 34%	Austria 38%	Austria 38%
871140	Motorcycles and cycles with an auxiliary motor, with reciprocating internal combustion piston engine, cylinder capacity over 500 cc not over 800 cc	1%	1%	0%
	Leading Competitor	Japan 49%	Japan 48%	Germany 40%
871150	Motorcycles and cycles with an auxiliary motor with reciprocating internal combustion piston engine, cylinder capacity over 800 cc	46%	49%	51%
	Leading Competitor	Germany 21%	Japan 18%	Germany 18%
871190	Motorcycles and cycles fitted with an auxiliary motors, side-cars, others	24%	36%	19%
	Leading Competitor	China 40%	China 49%	China 65%

Source: Global Trade Atlas

Prospective Buyers

Consumers vary in Mexico since there is a market for individuals that prefer motorcycles. Other sales channels can be industries that sell products and need motorcycles for their delivery. Opportunities exist for companies that serve their customers on an urgent basis such as messenger companies, spare part distributors, or food delivery.

Market Entry

The best strategy for successfully entering the Mexican market is to find a locally based distributor. Normally, they handle several brands and rely on their business model as to whether they want to expand with a complementary line or not. In this market it is essential to provide after sale service and spare parts. Consumers look for convenience and feel attracted to established companies that offer those spare parts and maintenance when required. Therefore, U.S. exporters need a local distributor that can provide initial training, spare parts, and service. After Mexico City, the largest cities with opportunities for market entry are Guadalajara and Monterrey.

Market Issues & Obstacles

Like the United States, Mexico uses the Harmonized Tariff System (H.S.). However, Mexico uses only eight digits while the U.S. uses up to ten digits. The first six digits used under the H.S. system, are identical for all countries, the rest may vary. HS codes are mostly universal, but a few U.S. and Mexican codes are different. Depending on the H.S. code number and motorcycle cylinder capacity, the requirements may vary but two recurrent standards required are NOM-040-SCT-2-1995 requires the volume and weight for transportation vehicles and NOM-131-SCFI-2004 for the vehicle identification number.

Notwithstanding, there are no major barriers to the importation of motorcycles and its parts. However, U.S. exporters are advised to work closely with their importers and customs broker to ensure that any specific requirement for their motorcycles is met, avoiding complications at the border.

Certificate of Origin

Products qualifying as North American under the NAFTA rules of origin must use the NAFTA Certificate of Origin to receive beneficial tariff treatment. The manufacturer should complete this certificate. The U.S. Commerce Department's Trade Information Center can assist U.S. exporters with product classification, and specific NAFTA regulations and documentation. For assistance through the Trade Information Center, please contact: 1-800-USA-TRADE (1-800-872-8723) or <http://export.gov/FTA/nafta/index.asp>

Trade Events

Expo Moto

November 20-23, 2014

World Trade Center

<http://www.expomoto.com.mx>

Salon Internacional de la Motocicleta

October 2-5, 2014

Expo Bancomer Santa Fe

<http://www.salondelamotocicleta.com.mx>

Resources & Contacts

Global Trade Atlas

<http://www.gtis.com/english/>

Mexican Association of the Automotive Industry

<http://www.amia.com.mx>

National Institute of Statistics, Geography and Information

<http://www.inegi.org.mx>

For More Information

The U.S. Commercial Service in Mexico City can be contacted via e-mail at: monica.martinez@trade.gov; Phone: 011-52-55-5080-2000 x 5218; Fax: 011-52-55-5566-11115 or visit our website: <http://www.buyusa.gov/mexico>

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