

Mazda To Release Subcompact In Mexico

Mazda Motor Corp. (7261) plans to introduce the Mazda2 subcompact car in Mexico during the year through next March.

The car, whose release date has not been set, will initially be exported from Japan. In fiscal 2013, the automaker will place a Mexican plant into service and begin local production of the Mazda2 and Mazda3.

Subcompact exports have low profit margins due to the strong yen, but the company sees the need to prime the subcompact market in Mexico with an eye on local production of the Mazda2.

Mazda first entered the Mexican market in 2005. Sales temporarily slowed due to the financial crisis in 2008, but grew sharply in 2010 to a record 25,117 vehicles, up 33% from the previous year.

At present, the automaker's offerings in the Latin American country include the Mazda3, Mazda6 and CX-7. With the introduction of the Mazda 2, it aims to achieve record Mexican sales volume in 2011.

In 2012, the company will also enter Brazil, where subcompacts are the hottest segment. By introducing the Mazda2 in Mexico first, it hopes to glean insights into cultivating the Brazilian market.

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