

Mazda's New Plant in Mexico to Become Export Base for Global Market

Mazda Motor Corp. intends to turn a new plant to be built in Mexico into an export base for the global market, Mazda President Takashi Yamanouchi said Thursday, Kyodo News reported.

Yamanouchi said in an interview with Kyodo News that the automaker can have an advantage in terms of tariffs, when it ships vehicles to the U.S. as well as Latin American and European countries from the Mexico plant, which will become operational in 2013.

"We can have a business base that will not be influenced by fluctuations in exchange rates," said Yamanouchi, who is in Los Angeles to attend an auto show, citing that Mexico has free trade arrangements with the U.S. as well as a number of Latin American and European nations.

Earlier in the month, Mazda said it had agreed with Toyota Motor Corp. that it would produce Toyota compact cars at the Mexico plant mainly for the North American market from 2015.

Yamanouchi also said Mazda will maintain production bases and workforce in Japan despite the yen's strength against other major currencies.

"We have made a promise with the region in and out of Hiroshima. Even though the yen advances against other currencies, we will not transfer domestic production offshore," said the president of the company based in the western Japan prefecture.

Source: Kyodo News. 30-11-12.