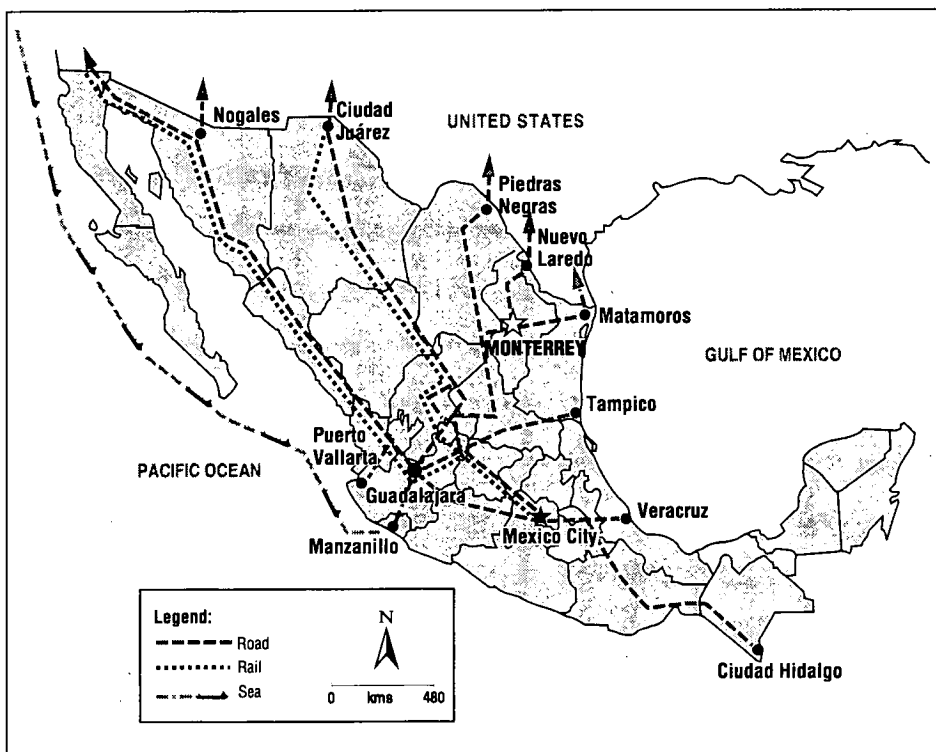


There are also plans to create an in-bond area on the Mexican side of the bridge. This would benefit Canadian exporters, who could take advantage of full truckload (FTL) rates to stockpile inventories in Mexico, without the need to transfer cargo to Mexican trucks. The Mexican government authorized an in-bond area in April, but improvements to the facility must first be made to meet Mexican customs requirements.

TRANSPORTATION ROUTES



Currently, about 70 percent of all of Mexico's merchandise trade passes through the northeastern region. The bulk of this traffic goes through Nuevo León and Tamaulipas and crosses the Río Grande at Laredo, Texas. Other major border crossings are located in Coahuila which connects by road to San Antonio, Texas and in Tamaulipas, across the Río Grande from Brownsville, Texas. These land crossings handle large amounts of cargo destined for ocean transportation abroad. The port of Houston, Texas handles more Mexican ocean cargo than all of Mexico's sea ports combined.

A new highway which will reduce the 12-hour drive to Mexico City by three hours is in the planning stages.