

Special valuation provisions are in place for used equipment. Used machinery and parts are first valued according to the current cost of comparable new equipment. Some form of written certification of this value is required. Then the value is reduced by a percentage based on the age of the equipment.

CUSTOMS VALUATION FOR USED MINING EQUIPMENT
PERCENTAGE REDUCTION FROM THE VALUE OF EQUIVALENT NEW EQUIPMENT

Age	Percentage Reduction
1 - 4 years	10
4 - 8 years	20
8 - 12 years	30
12 - 15 years	40
15 + years	50

MARKET ENTRY STRATEGIES

Marketing strategies are changing as private mining companies take over as the engine of development in the mining sector.

Traditionally, imported mining equipment has been distributed in Mexico through local agents or representatives. Some large mining companies prefer to buy directly from foreign manufacturers. Buyers say this is the best way to ensure that service requirements are met, especially where used equipment is involved. Some major equipment suppliers maintain permanent sales facilities in Mexico, and have equipment on display. Recently, some European and Japanese equipment manufacturers have been inviting Mexican buyers to tour facilities in their home countries.

Some suppliers advertise in business magazines and industry trade journals. Although many buyers speak English, they may not fully understand technical specifications. Consequently, all printed materials, including brochures and specification sheets, should be prepared in Spanish. Videotapes are also a common tool for demonstrating equipment that cannot be displayed in Mexico.