

NEM MÉXICO



MÉXICO

- The **proximity** to the **U.S. and Canada**, the main markets for the interactive media industry products.
 - **Geographic**, which gives the advantage of the same time zone these countries as well as **lower transportation** and **communication** costs.
 - **In business culture**, which makes it easier to **do business** and **establish partnerships** with companies from these countries.
- **TLC.**
- **Good infrastructure.**
- **Abundant manpower.** Mexico is the ninth global reserve of manpower.
- **A trade agreements network**, facilitating services trade in with a large number of countries.

MEXICAN TECHNOLOGY PLATFORM

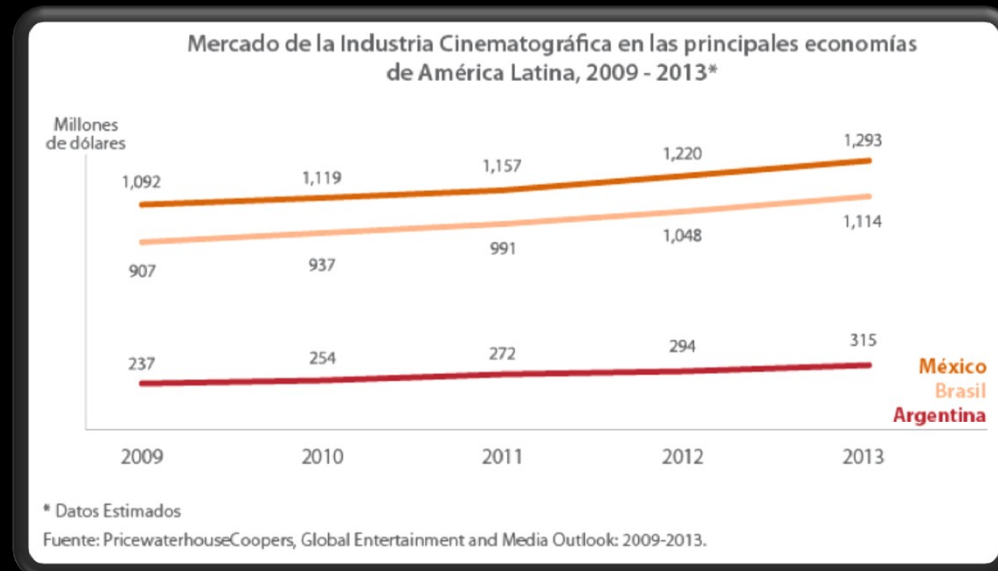
- Mexico is at the forefront of the digital culture and entertainment revolution. The country is the largest exporter of creative goods and services in Latin America. the need for specialized content that better caters to the Spanish-speaking market, along with the search for strategic partners for global media companies based primarily in North America, has placed Mexican creative industries at a leading position in the region.

MÉXICO: MEDIA INTERACTIVE INDUSTRY

- **OCDE:** The global industry of interactive entertainment software grew from 18 billion U.S. dollars in 2005 to nearly 26 billion in 2010, with a interactive entertainment market of 42 billion dollars.
- **PricewaterhouseCoopers:** The media and entertainment global market grew at an average rate of 5.6% annual, from 2008-2012, reaching nearly \$ 1.8 billion. From this, Latin America will have the most growth, with increase rates above 10%.
- **SE:** The interactive media industry is valued at <<\$ 65 million dollars>>

TELEVISION AND FILMS

- The **media sector** in **Mexico** is comprised by **advertising, broadcast television, cable television, marketing and film industry**. According to Pricewater House Cooper (PHC), in 2012 Mexico recorded **sales** of around **14 billion dollars**. PHC estimates that between **2004 and 2010**, this sector had an **annual average** growth of **7.0%**, representing the **highest growth** in **North America**. In addition, the **Mexican film market** is the **largest** of the **Latin America's three largest economies**.

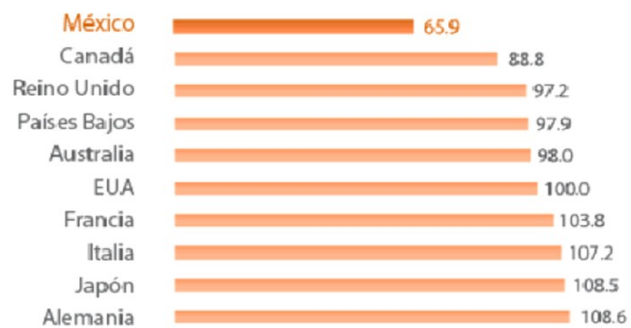


VIDEO GAMES

- *Mexico is one of the most buoyant industries of our times, which foresees sales of 45 billion usd during the course of two years.*
- *The Mexican market for video games is the largest in Latin America and the country moves forward to consolidating an industry with creations of its own. Juego de Talento (Talent Game) is an entrepreneurial venture with an innovative and propositive business model with the objective of promoting purely Mexican video game production.*
- Mexico's role in this 3D story is worth millions and is significant mainly for the producers. In 2011, the video game industry in Latin America will surpass those of Canada, Italy and Australia. Mexico is the leading consumer of the region, where 50% of the video games are sold.
- According to an Americas News Intelligence report, Mexico has a market of 15 million players that generates annual sales of 670 million usd. The manufacturers expect an income of 1 billion usd by 2010.

COST AND MARKET

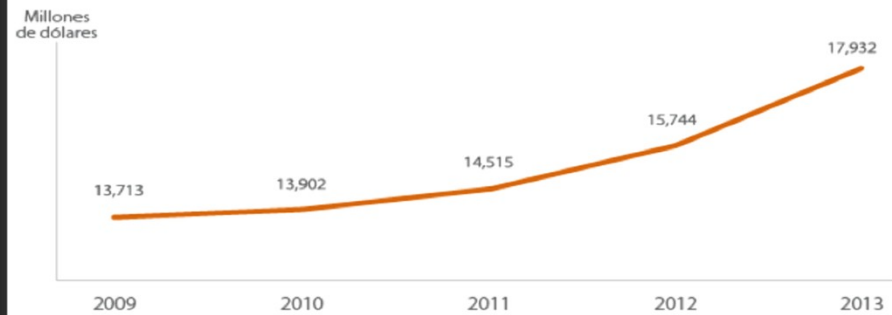
Desarrollo de contenidos Web y Multimedia Resultados Internacionales, 2010 (EUA=100.0)



Índice de costo

Fuente: Competitive Alternatives,
KPMG's guide to international business location 2010 Edition

Mercado de la Industria de Medios y Entretenimiento en México, 2009 - 2013*



* Datos Estimados

Fuente: PricewaterhouseCoopers, Global Entertainment and Media Outlook: 2009-2013.

Media Market
(Million dollars)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| EUA | 490,958 | 528,004 | 553,488 | 588,732 | 622,504 | 660,311 | 690,130 | 726,222 |
| % cambio | 5.2% | 7.5% | 4.8% | 6.4% | 5.7% | 6.1% | 4.5% | 5.2% |
| EMEA | 379,878 | 407,893 | 430,425 | 460,644 | 487,032 | 518,681 | 547,515 | 579,574 |
| % cambio | 4.2% | 7.4% | 5.5% | 7.0% | 5.7% | 6.5% | 5.6% | 5.9% |
| Asia Pacífico | 229,166 | 253,224 | 274,018 | 301,633 | 330,768 | 366,205 | 393,135 | 425,340 |
| % cambio | 6.2% | 10.5% | 8.2% | 10.1% | 9.7% | 10.7% | 7.4% | 8.2% |
| Latinoamérica | 32,483 | 35,934 | 39,763 | 43,937 | 47,383 | 51,530 | 55,173 | 59,340 |
| % cambio | 4.4% | 10.6% | 10.7% | 10.5% | 7.8% | 8.8% | 7.1% | 7.6% |
| Canadá | 28,153 | 30,054 | 31,092 | 33,388 | 35,439 | 37,476 | 39,407 | 41,432 |
| % cambio | 6.7% | 6.8% | 3.5% | 7.4% | 6.1% | 5.7% | 5.2% | 5.1% |
| Total | 1,160,638 | 1,255,109 | 1,328,786 | 1,428,334 | 1,523,126 | 1,634,203 | 1,725,360 | 1,831,908 |
| % cambio | 5.10% | 8.1% | 5.9% | 7.5% | 6.6% | 7.3% | 5.6% | 6.2% |

Fuente: PricewaterhouseCoopers LLT.

Facilities and Infrastructure

- According to KPMG's Competitive Alternatives 2010 report, Mexico offers the greatest cost advantages for the development of software, video games, Web and multimedia, among 102 countries. KPMG's report considers all competitiveness variables: logistics, labor and transportation costs, as well as net sales, among other factors.

The talent

- According to ANUIES (Asociación Nacional de Universidades e Instituciones de Educación Superior) in Mexico, close to 125,000 students graduate each year from animation, digital design, filmmaking, virtual media communication, image and sound design, interactive design and digital media engineering careers.

Competitive cost

- According to KPMG's Competitive Alternatives 2010 report, Mexico offers the greatest cost advantages for the development of software, video games, Web and multimedia, among 102 countries. KPMG's report considers all competitiveness variables: logistics, labor and transportation costs, as well as net sales, among other factors..

Industry-tailored incentives

- Mexico offers attractive industry-tailored incentive schemes and created to prompt grand scale international productions in Mexico.
 - EFICINE
 - FIDECINE
 - FOPROCINE
 - FONDO PRO AUDIOVISUAL
 - PROSOFT
 - PROMEDIA
 - PYME
 - 226
 - FONDO INNOVACIÓN
 - CONACYT

The Spanish-speaking Market

- Mexico is one of the most important consumer markets and the gateway to the highest growing markets in the world. According to several analyses: Mexico exported **5.17 billion usd** worth of creative goods and services in **2008** and is the largest exporter in Latin America, followed by Brazil's 1.222 billion usd during the same year. In fact, Mexico exports more than Latin America and the Caribbean combined.

Mexico's audiovisual contents.

- Mexico is the largest film market in Latin America, with 190 million tickets sold during 2010 and the second largest of the Americas after the US.
- Mexico is ranked among the 15 main video game markets in the world and is the first in Latin America with more than 50% of the region's sales, equivalent to 757 million usd during 2010.

CATEGORIES

Content

- Information and references.
- E-Learning and education.
- Interactive: Entertainment and simulation
 - Animation.

Media technologie

- Animation.
- Software Development.
- Visual Effects.

CONTENT

Interactive

- Video game development: consoles, mobile devices and personal computers
- Simulation

E-Learning y Education

- Corporate training
- E- Learning.
- Interactive education

Information y reference

- Web
- Advertising and promotional

Animation

- Creation (intellectual Property)
- Art and design.
- Development and programming of dynamic.

MEDIA TECHNOLOGIE

Software development

- Design and development of tools for the interactivity and the entertainment

Visual Effects

- Design and development of special effects for cinema and television.

Animation

- Design and development of animation for cinema, video and games and television.

DIGITAL CREATIVE CITY

HOME OF THE SPANISH DIGITAL WAVE

- Government policy has specifically identified the creative industries as a focus for growth, encouraging the development of a 'creative cluster' model which concentrates talent, skills, learning, employment and facilities. That encourages collaboration and cooperation between experts and pairs complimentary activities and in doing so facilitates the exchange of knowledge and ideas. That is the rationale behind the creation of a world-class media production hub to be built in Guadalajara, which will be known as Digital Creative City (DCC).
- This urban development, which will be created under the guidance of MIT's Media Lab and a multidisciplinary group of Mexican specialists will be the largest purposebuilt media community in Mexico and Latin America and the largest Spanish-content production center in the world. In addition to state-of-the-art studios, DCC will have an unparalleled communications structure, that will increase Mexico's presence and influence in media content production around the world. DCC is a digital media node that will be developed in several phases and it is projected to have a population of 50,000 inhabitants, including media industries and information technology professionals and diverse global media corporations.

welcome to
the future.
(everywhere else feels so 2012.)

“imagine combining silicon valley entrepreneurship
with mexico's unique culture. guadalajara is set
to become the new magnet for the global creative class
with the ciudad creativa digital.”

—dr. carlo rattl, director MIT senseable city lab

méxico
today
mexicotoday.org



guadalajara



