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4/10/15
To whom it may concern

Senate inquiry

ISG Pit-to-Ship Solutions welcomes the opportunity to make a brief submission to the *Senate Inquiry into Australia's relationship with Mexico*.

Our company supplies an environmentally friendly dust free logistic and loading solution for the mining, grain and ship loading industries. We have considerable business across Latin America – including Argentina, Chile and Peru – and are now expanding operations into Mexico.

ISG Pit-to-Ship Solutions has very much relied on Austrade across the region and the globe to support us in developing business opportunities. Most recently we participated in a trade mission, managed by Austrade, to the Mexican State of Sonora, where we visited a number of Grupo Mexico mines, as well as the bulk commodities port of Guaymas. We deeply appreciate the efforts of the Trade Commissioner, Chris Rodwell, and the Business Development Manager, Manuel Barbera, in organising such a comprehensive, high-level programme for our company and other participants. They both possess very strong commercial expertise and an outstanding work ethic. (The team even managed to sort an appointment with the Port of Guaymas on a Mexican public holiday, which was attended by the Director of the Port.) Importantly, our company is currently in the process of finalising some business opportunities that arose from this trade mission.

In addition, we are also exhibiting at the *Australia Unlimited* stand at the 31st International Convention of Mining in Acapulco from October 7-10. Austrade's co-ordination of such activities, where it showcases Australia's reputation in the mining and transport & logistics sectors, is critical to the growth of our business.

Our company strongly recommends that this type of support to Australian companies is continued. In fact, our company recommends that consideration be given to providing further resources to Austrade in Mexico so that it can increase its level of activity in the marketplace such as the ports in Mexico where the loading of commodities take place.

It is clear that other markets in the region – such as Peru and Chile – have been preferred by Australian companies in recent history. Having now spent significant time in Mexico it would appear that an equal if not greater opportunity exists in Mexico. However, it is clear that opportunities in the country are less well understood as Australian companies have traditionally focussed on entering the Latin American

market in Santiago. Given Mexico is in North America, this means it has been too often ignored. As such, it would be beneficial if the Australian Government could further ramp up its efforts in this sector in order to accelerate the penetration of Australian companies into a range of value chains in well recognised Mexican conglomerate companies such as Grupo Mexico and Grupo Bal.

The other point to make about Mexico and the region is that our company has found it less complex to do business in Mexico than in many other countries in other regions such as Asia and Africa. Also, Australia does not seem to understand the scale of the Mexican economy and its current and future importance, both on a regional and global level. It needs to address this issue urgently. It appears that other economies are well advanced of Australia in addressing opportunities in Mexico such as Canada who have a large presence in the mining industry in Mexico. Now that we have finalised the Transpacific Partnership (TPP) it is appropriate that Australia change its approach to Mexico.

We look forward to reading the outcomes of the Inquiry.

Yours sincerely,

Garry Pinder
Managing Director
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