

Mauritania's Ore Travels on Brazilian Wheels

Contributed by Leonardo Lénin
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For the last ten years, the National Mines Company (SNIN) of Mauritania, has been using wheels produced in Brazil on their railway wagons. The company trains cut the Sahara desert taking ore from the interior to the ports.

The wheels are made by a joint venture between Amsted Maxion, a partnership between Brazilian company Lochpe Maxion and North American Amsted Industries.

According to Vicente Abate, the Marketing and Sales director at the company, 100% of the wagon wheels used by SNIN are produced in Brazil. So as to sell to Mauritania, Amsted participated in a tender against companies from France, Italy and South Africa.

The factor that weighed most heavily in the SNIN decision was the resistance of the Brazilian wheels, which are made out of cast steel. "The railway crosses the desert, an aggressive environment with sand storms. The sand corrodes the tracks and, consequently, the wheels," he said.

The company also exports to countries on the Atlantic coast of Africa, among them Guinea and Gabon, is participating in a tender in Kenya and has its eye on the Saudi market.

"We are always quoting prices to Saudi Arabia, but, for the time being, we have closed no orders," stated Abate.

Apart from the wheels and freight cars, the company produces a wide range of products for the railway and truck transport business.

They also produce and export products for industrial use, civil construction, the automotive industry and mining. Abate also pointed out the exports of the so-called fifth wheel, for use on lorry trailers.

Norms

According to the executive, sales to Africa and the Middle East are no larger only due to the production norms of these countries, which are different from those of Amsted.

The Brazilian company follows the NBR ISSO 9002 production norms, by the American Railway Association, which requires larger railway cars that support greater weights, whereas a large part of the Arab countries follow European norms, where railway cars are smaller.

In this case, there is no need for the parts to be made out of cast steel - which is more resistant - as is the case with Amsted products.

On the American continent, the company exports to Canada, the United States, Argentina and Mexico, among others. In Europe, Amsted Maxion supplies products to Belgium and Italy.

Vicente Abate explained that, currently, 15% of the domestic production is exported. "But the volume may rise as high as 30% this year if the strengthening of the Brazilian currency, the real, does not create difficulties," he said.

Other barriers mentioned by the executive are: export taxes, which are high, and, in the case of the Middle East, the geographic closeness with China and India, which are Brazilian competitors and have competitive prices.

History

Amsted Maxion started operating in February 2000. Last year, the company supplied 74% of the national cargo car market and 40% of the railway wheel market.

Exports totalled US\$ 30.2 million - a growth of 68% when compared to the previous year. Foreign sales answered to 15% of Amsted net revenues.

Still in 2004, the company invested in its industrial park, inaugurating two new units. The first, in the city of Osasco, in greater São Paulo - in southeastern Brazil -, focuses on the production of parts, and the other, in the city of Hortolândia, also in southeastern Brazil, assembles railway cars.

The main factory is in the city of Cruzeiro, in the interior of the state of São Paulo. Amsted Maxion currently employs 4,200 people and has a production capacity of 7,200 railway cars a year. For this year, the company should produce around 6,000 railway cars.

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