

# Machinery and Equipment

The domestic industry of machinery and equipment is primarily concentrated in the State of São Paulo. According to the Brazilian Institute of Geography and Statistics (IBGE), the State accounts for 57% of the value of industrial transformation (VTI) in the sector in the country, which corresponds to approximately US\$ 8.3 billion (2011). According to the Annual Report of Social Information of the Ministry of Labor and Employment (Rais/MTE), the State represents 49.3% of total employed persons (288,000 employees) in the Brazilian industry of capital goods (2012).

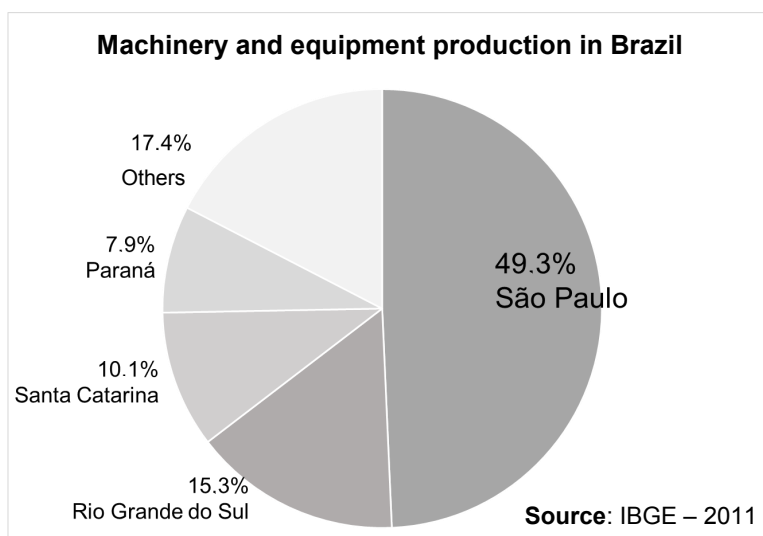
The capital goods sector is responsible for the production of a complex group of machinery and equipment used in the production of other goods, while keeping a direct relationship with the production of the other sectors, and playing an important role in the generation and dissemination of new intensive technologies.

In the State, the capital goods sector is concentrated in the Metropolitan Regions of São Paulo and Campinas, with 37% and 10% of jobs

in the sector, respectively (MTE – 2012). It is also worth noting its significant share in the industry in the regions of São José dos Campos, Central (especially São Carlos, Araraquara and Matão) and Sorocaba.

The technological innovation activity, key to improving the competitiveness of Brazilian companies at the global level, includes institutions and credit facilities specifically intended to the sector of production of capital goods.

In order to stimulate research and innovation, the Brazilian Machinery and Equipment Industry Association (**Abimaq**) created the Institute of Technological Research and Development of the Machinery and Equipment Industry (**Ipdmaq**), which has as its main objectives the encouragement of corporate actions in technological research and development and the promotion of an environment to support companies in their efforts to create competitive products and services.



**Total net sales (US\$ thousand)**

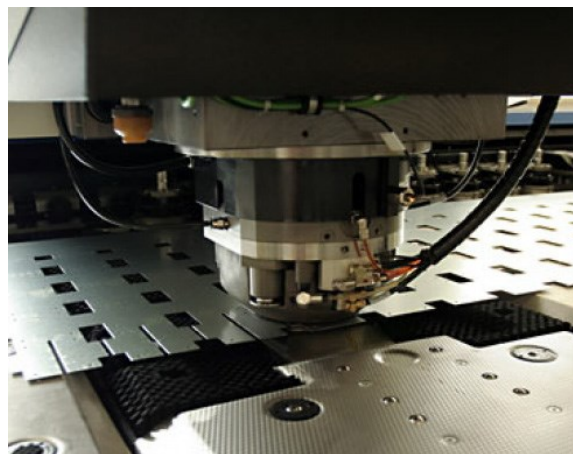
<b>Manufacture of machinery, appliances and equipment</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Generators, converters and electrical engines	961,855	1,106,934	636,487	756,779	937,694
Batteries and electric storage batteries	2,680,264	5,267,650	4,495,593	6,824,750	6,679,152
Equipment for energy distribution and control	6,233,254	5,661,737	4,534,422	6,032,758	7,444,523
Lamps and lighting equipment	229,558	323,117	299,547	657,265	522,831
Electrical appliances	X	77,279	X	74,767	83,922
Other electrical devices	X	X	X	12,034	11,479
<b>TOTAL</b>	<b>12,021,042</b>	<b>15,766,285</b>	<b>13,826,054</b>	<b>17,814,161</b>	<b>20,522,823</b>
<b>Manufacture of machinery and equipment</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Motors, pumps, compressors and transmitters	6,473,950	6,887,864	5,820,729	8,114,416	8,715,768
Machinery and equipment for general use	6,423,447	7,522,030	5,921,640	8,561,164	9,703,606
Tractors and equipment for agriculture	2,136,394	2,712,656	2,022,618	3,263,151	4,084,812
Machinery-tools	1,271,943	1,635,033	1,234,801	1,733,237	1,926,870
Machinery and equipment for mining and construction	3,680,235	4,675,186	2,624,441	5,192,936	3,776,904
Machinery and equipment for specific industrial use	2,995,342	3,677,308	2,947,291	3,595,068	4,078,216
<b>TOTAL</b>	<b>22,981,310</b>	<b>27,110,077</b>	<b>20,571,520</b>	<b>30,459,972</b>	<b>34,703,352</b>
<b>Computer equipment electronic and optical products</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Electronic components	926,156	1,035,838	580,786	695,414	875,116
Computer equipment and peripherals	2,249,656	4,843,974	3,746,525	5,796,432	5,713,134
Communication equipment	5,678,251	4,911,074	3,640,169	5,613,838	6,935,995
Devices for reception, reproduction, recording and amplification of audio and video	217,947	298,447	290,248	618,971	501,322
Devices and instruments for measuring, testing and control; chronometers and watches	1,288,979	1,476,547	1,250,574	1,543,964	1,707,646
Electromedical devices, electrotherapeutic devices and irradiation equipment	250,088	357,817	285,724	243,458	255,251
Photographic and cinematographic optical equipment and instruments	X	66,611	X	56,193	64,692
Blank, magnetic and optical media	X	X	X	9,778	9,234
<b>TOTAL</b>	<b>10,675,306</b>	<b>12,998,986</b>	<b>9,854,053</b>	<b>14,578,049</b>	<b>16,062,390</b>

Source: IBGE - 2011

### Credit facilities






With respect to the financing programs, **Desenvolve SP** – São Paulo Development Agency – offers an exclusive program: the **FIP Simplificado** (Simplified Funding for Investments in São Paulo), intended for the isolated acquisition of new machinery and equipment, giving priority to manufactured products.

The National Bank for Economic and Social Development (**BNDES**) also provides aid intended to technological innovation in general and specific credit facilities for the sector, such as **BNDES PSI - Capital Goods** (for the production and acquisition of new machinery and equipment) and **Productive Capacity – Capital Goods Industry** (intended for the implementation, modernization and expansion of industries that manufacture machinery and equipment).



**Desenvolve SP – Simplified Funding Program** funds the isolated acquisition of new machinery and equipment

### Why invest in the Machinery and Equipment sector in São Paulo?

-  The State is a leader in the production of machinery and equipment in the country.
-  It concentrates the largest industrial consumer market.
-  It has a great infrastructure network and distribution channels.
-  It has specialized labor at all stages of production.
-  It offers special credit facilities for the sector.

### Contact us

We would like to invite you to learn more about the reasons that make the State of São Paulo the right choice for your business. Investe São Paulo is always ready to serve you promptly, efficiently and free of charge. Check out how this Investment Promotion Agency can assist your project by visiting our website [www.investe.sp.gov.br](http://www.investe.sp.gov.br) or contact us by e-mail: [investesp@investesp.org.br](mailto:investesp@investesp.org.br).

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