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## Mexico bans imports of most used cars, panicking South Texas dealers

**By Christopher Sherman**

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HIDALGO, Texas — Some are dented, scratched and rusty. Others rattle and belch under faded paint jobs. But the "98" soaped onto their windshields and a surprise change in Mexican import rules have turned a single year's worth of used cars into pick of the used-car lot.

Beginning today, only cars made for the 1998 model year — none older and none newer — can be legally imported into Mexico. Car dealers were given notice only a month ago.

Until now, used cars 10 to 15 years old were scooped up at auction by South Texas used car dealers and rapidly sold to Mexicans hungry for affordable transportation and "la novedad" — or novelty — of unfamiliar makes and models.

Cars newer than that were banned from imports as unwelcome competition for Mexican car dealers, and anything more than 15 years old was seen as a potential environmental and safety hazard.

But now, under pressure from Mexico's new car dealers who say "vehiculos chatarra," or jalopies, undercut their sales, the Mexican government is allowing only 10-year-old used cars to be legally imported into Mexico.

All of a sudden, 1998 Lumina, Astro vans and Ranger pickups are sought-after trophies.

The Mexican Association of Automobile Distributors, which pushed for the change, said it was needed to "stop the accelerated conversion of our country into the world's biggest automotive garbage dump."

The Mexican Consulate in McAllen said the change was made "to restrict the entry of vehicles that compete with the Mexican car industry."

A mile north of the Rio Grande, 80 percent of the customers at Walester Auto Sales are Mexican. But this past week, only one out of the 24 cars on the dirt lot boasted the magic "1998."

That vehicle was a white Chevrolet Blazer with a "Redneck" sticker on the windshield and a vanity plate of a silhouetted couple embracing in front of a tropical sunset. It was priced at \$3,200.

With the sudden change in demand, such 1998 models are appreciating for the first time since they rolled off the lot, their prices rising by \$500 to \$800, while dealers cut prices on slightly older models in a frantic effort to move them out before Monday's deadline.

"At this point we have a lot of merchandise that was going to Mexico that now will stay," said Elena Garcia, who owns Walester with her husband, Armando Garcia, who was in Florida scouring auto auctions for more vehicles.

At Gutierrez Brothers, a few Mexican car dealers milled about, shaking their heads at the limited selection.

"The worse thing we can do is buy something that we don't know if it can go across (the border)," Juan Gutierrez said. "If a 1997 worth \$3,000 can't cross, it's not even worth \$1,500."

He had to unload about 1,000 cars last month at sharply reduced prices just to avoid getting stuck with them in March.

Gutierrez said his buyers at auto auctions across the country tell him that when a 1998 rolls into the garage, 20 buyers line up where there used to be a handful.

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