

BOVAR

Bovar is a Calgary-based company specializing in pollution control and waste disposal technology, a leading edge manufacturer of engineered and specialized environmental technologies. Bovar moved into the Mexican market in recent years to take advantage of Mexico's growing need for pollution monitoring and control technology.

Bovar found that one of its biggest challenges in Mexico was to find a local partner that was both capable and qualified enough to represent the company's products. The first partner did not meet the company's expectations. Eventually, however, they found a more suitable representative with the help of the Canadian Embassy, and the company began to experience a rapid expansion of its Mexican business.

Mexican marketing practices are so unique that Bovar leaves its representative the freedom to act appropriately. The company has generally found that it takes much longer to finalize a deal than in the rest of North America. Bovar's experience in the Mexican marketplace convinced it to pay close attention to cultural differences. Mexicans value friendliness; honesty and openness are received extremely well. Forming real friendships that transcend the business relationship is crucial. Thus Bovar's message to its staff is simple: "do business the Mexican way".

In order to adapt to the new demands of strategic alliances, some companies have restructured themselves. In one case, the vice president for indirect marketing looks for the right partners, promotes the company both internally and externally, does the initial negotiations, manages contractual relationships, and provides guidance on sales and marketing approaches. The business manager of this company spends time with the partner, assists on initial sales and marketing efforts, coordinates resources, is locally-based and understands business practices. The technical support position provides technology transfer, does technical training, puts people on-site during the start-up period, provides telephone support on an ongoing basis, and consults on the internationalization of technology. Any alliance will benefit from having commitment from both operational and executive levels.

Some companies have successfully adopted a team approach in which people with critical functional expertise form a team and work closely with the other company's team on alliance-related tasks. Each company contributes specialists from its particular areas of strength. This approach not only devotes human resources to work exclusively on the alliance, it also creates the perfect opportunity for people to buy into the alliance at an early stage in the alliance-building process.

Using the team approach, members meet regularly as a group and individually as required. This way all the members of the project understand both the obstacles encountered and the successes achieved. A project team provides a forum for frequent communication, ensuring all members understand the issues. It also helps foster a spirit of cooperation and commitment.

Companies may choose to place more emphasis on the role of the champion. Staff are encouraged to develop direct links as the relationship develops. The champion is informed on the outcome of discussions. Many companies develop a sophisticated communication infrastructure which identifies key people in different areas and links them together.

Regardless of the number of people in the network, a simple organizational structure is often most effective. In fact, business in general is seeing a trend toward organizations with fewer levels of hierarchy and less bureaucracy. This trend is particularly suited to strategic alliances because it encourages communication between employees and between firms.