

(GIS) subsector, Canadian suppliers are usually providers of underlying technology. Procurement offices are usually responsible for buying components that have already been specified. Therefore, Canadian suppliers are advised to deal with the leaders of GIS projects as far as possible. This is the main channel for selling ideas.

Public purchases sometimes have been facilitated when companies set up a demonstration system and train government personnel. A typical demonstration might last three months. For example, the *Departamento del Distrito Federal (DDF)*, Department of the Federal District, purchased ARC-INFO as a result of a free demonstration and training program.

## PARTNERSHIPS

Traditional distributors do not play a large role in Mexican geographical information systems (GIS). Mexican companies which distribute foreign technologies and products do so as part of a much broader package of services. For the most part, they are GIS generalists who are filling gaps in their product lines. For this reason, technologies are often chosen because of the abilities of the supplier rather than the other way around. The State of Nuevo León chose ARC-INFO not because they wanted that package, but because they regarded *Sistemas de Información Geográfica (SIGSA)*, as the best-qualified GIS supplier and *SIGSA* distributes ARC-INFO exclusively.

For products other than software, the immediate buyer is normally the company that has won a contract for an integrated GIS system. Thus, the end-user, which might be a government agency or state-owned company, has no contact with the foreign supplier. The main exceptions to this generalization are federal government departments such as the *Instituto Nacional de Estadística, Geografía e Informática (INEGI)*, National Institute for Statistics, Geography and Informatics, and *Apoyos y Servicios a la Comercialización Agropecuaria (ASERCA)*, which sometimes buy directly from the foreign manufacturer.

Because of the service orientation of the GIS market, moving into Mexico almost always involves some form of partnership with a local firm. Mexican GIS companies generally have good market insights and established contacts. Indeed, some of them were started because of their contacts. In general, however, they require considerable support to execute integrated projects.

One of the most common reasons cited for the failure of joint ventures between Canadian and Mexican companies is poor partner selection. Finding the right partner and negotiating a workable contract requires a major commitment of time and money. Mexicans do business on the basis of personal trust, and that takes time to develop.

Especially in today's competitive environment, it is essential to find a partner with capabilities that are complementary and not competitive. The partnership agreement must integrate the strongest assets of both partners so they can be presented as a seamless package.