

One of the difficulties faced by Canadian companies moving into Mexico is that Canada and Canadian companies are not well known. Advertising and promotion is one way for Canadian companies to raise their profile in Mexico, prior to seeking representation there. This works best in well-defined industries, where trade journals reach a highly targeted audience. Many industry associations publish monthly journals which contain advertisements. Lists of such publications are provided in the contacts sections of DFAIT's sectoral Market Profiles. Direct contact with industry associations is another way to identify them.

In general, advertisements should feature the technical and innovative aspects of the products. Mexican executives are keen to know about new technologies in other countries. Some companies follow up advertising by providing technical seminars. Industry association officials can help to publicize such events.

## MANAGING THE DISTRIBUTION RELATIONSHIP

When a potential distributor or partner has been located, the next step is to negotiate a contract. This requires perseverance and patience. Successful Canadian companies almost always comment that this process took longer than they expected. In general, Mexican business people like to get to know prospective partners before they get down to serious business. Moreover, failure to choose the right partner is the most frequently cited reason for the failure of Mexican ventures.

Canadian executives contemplating negotiations with prospective Mexican partners are advised to read the publication *Key Cultural Aspects of Doing Business in Mexico*, which is part of the DFAIT Export *i* Mexico series and available through the InfoCentre.

Successfully distributing Canadian goods and services in Mexico requires that the exporter take account of important differences between the Canadian and Mexican ways of doing things. Some of the methods used in Mexico reflect longstanding traditions that are slowly changing. Some are the result of shortcomings in Mexican infrastructure. Some are the result of legal and political realities that require a greater degree of trust between business associates than is the case in Canada. Still others are a consequence of the Mexican culture, with its strong emphasis on the family and personal friendships. All of these factors must be taken into account when building a distribution network with the help of Mexican associates.

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**(1)** 

**(II)**