CONDUCTING BUSINESS (cont'd):

Establishing a Presence:

When you and your company feel comfortable with the region and there is a strong belief that business for your company can be profitable; you should begin discussions with the appropriate parties to obtain a local presence in the area. The types of structure - agency or joint venture - have previously been discussed. Upon deciding who can best represent your company or who would be the best partner, begin discussions on representation and keep in mind that you will have to bargain hard to obtain the best arrangements for your side. Bargaining is a way of life in the region - you can bargain for almost everything- a taxi ride; purchasing items such as electronics, carpets, cars, accommodation, hotel rooms, etc. Thus, in business you will always be faced with bargaining - so when it comes to establishing what is hoped to be a long term business relationship it is essential that you bargain the best deal you can get.

Bidding for Projects:

Projects in the Middle East are generally put out to tender. In some cases, a government ministry or industry will want all bidders to be prequalified. This means your company must be registered with the client before hand to ensure your name is on the bidders list.

Specifications are usually issued for all projects of any consequence. These specifications will include the general terms and conditions, special terms and conditions as well as the technical requirements of the project.

Compliance to the specifications is of major importance; especially compliance to the general and special terms and conditions. Any equipment intended for the project to be supplied by your company or others must also be technically compliant.

It is crucial that your equipment be known to the customer before it is offered in response to a tender. This implies that some prior work has been done by your sales staff or agent with this customer previous to the specific request for proposal from the customer. Also remember, that the specification writer had some company's product in mind at the time the specification was prepared. A longer term target your company should have, is to have your product specified by the consultant or specification writer.