

6. AGENTS, DISTRIBUTORS, ETC.

The situation is essentially open. Exporters are free to appoint agents and distributors of their choice to enter into franchise agreements or to establish their own Thai company. In the latter case, the company must be 51 percent Thai owned. An exception however is made in the case of subsidiaries of United States companies where there is no prescribed percentage of Thai ownership in most cases. This creates a distinct competitive advantage for American firms and should be taken into account when assessing the competitive advantage. Exceptions are also made to those companies that qualify for specific Thai Board of Investment privileges.