

DOING BUSINESS IN MEXICO

Canadians intending to do business in or with Mexico should expect to find themselves dealing with a profoundly different way of life. For example, Mexicans tend to be more formal than Canadians or Americans. This means that you should try to arrive for meetings on time, equipped with both business cards and small talk about current events. Personal connections are important for Mexicans, who by and large prefer to meet face-to-face in the interests of closer and more trusting relationships, rather than doing business on the telephone. In fact, you may find yourself conducting a good deal of business with Mexicans over lunch in restaurants rather than in their offices.

The dominance of the family in Mexican life is often reflected in business, where the notion of delegated responsibility is not easily accepted. This sometimes means Mexican subordinates are reluctant to go beyond their instructions without specific authorization, opting instead to refer back to their managers.

Generally speaking, Mexicans value respectful conduct and prefer to avoid conflict. Thus, lower-ranking specialists may be reluctant to offer unsolicited advice to a generalist who is a senior member of the firm. By the same token, reprimands and changes in direction are handled discreetly. For example, employees are never reprimanded or corrected in front of their peers.

Mexicans are ever polite and thus reluctant to deliver bad news. They also tend to be reluctant to say no. For newcomers, this can be easily misunderstood. Those unfamiliar with this trait may require some time in the Mexican milieu before they develop an understanding of just how a "yes" response is to be interpreted.

These and other cultural characteristics may make possible ventures in Mexico seem somewhat daunting, especially for a company with limited international experience. In such circumstances, it may take considerable time to analyse opportunities, to carry out market research, to locate an agent or other type of partner, to negotiate a contract or even to reach an informal understanding, and then to battle through red tape. All of this can seem insurmountable. Sensitivity is essential, and there is no substitute for experience. For those who persevere, however, the rewards are substantial.

A good first step after weighing these and other issues related to the launch of a Mexican venture is to contact the trade officer

at the nearest International Trade Centre, or your provincial trade ministry. In Mexico, the Commercial Division of the Canadian Embassy can provide specific information on market conditions, and can assist in an initial assessment of potential demand for a given product or service. The Commercial Division can also arrange a program of appointments with potential agents or importers.

More extensive and detailed information about the Mexican economy, emerging business opportunities, strategies for penetrating the Mexican market, and Mexican business practices is contained in **Canada - Mexico:**

Partnering for Success, a publication co-sponsored by DFAIT, the Bank of Montreal, Western Economic Diversification Canada, Atlantic Canada Opportunities Agency and Baker & McKenzie. In addition, DFAIT has prepared detailed profiles of some 30 key sectors of the Mexican economy that offer opportunities for Canadian business. For copies of either the handbook or sector profiles, please contact the InfoEx Centre toll-free at 1-800-267-8376, or (613) 944-4000.
