

The Goal

The ultimate goal of the Action Plan is to accelerate the entry of Canadian exporters into the Mexican market and to help them take maximum advantage of opportunities throughout Mexico. This means understanding the needs and expectations of current and prospective Canadian exporters, large and small. It means collecting and disseminating advanced market information and intelligence focused on emerging opportunities, market dynamics and access issues. It means representing the interests of Canadian companies in Mexico, collectively and individually. And it means developing the human and technical resources to present Canada's substantial capabilities, in their best possible light, to potential Mexican buyers.

The Plan

The Action Plan for Mexico responds to these challenges and goals with practical measures to help exporters succeed. The essence of the Plan is to provide integrated information about Mexican markets in Canada so that businesses can prepare their export strategies at home. They will then be equipped to take full advantage of the knowledge and skills of the trade commissioners in Mexico. Four main principles underlie the Plan's design and describe a new approach to carrying out the trade commissioners' mandate.

Principles

- A clear distinction between market information and market intelligence. The former can be packaged and disseminated in Canada on a sectoral basis. The latter requires on-the-ground support in Mexico and a detailed knowledge of each company's unique capabilities.
- A move away from event-driven activities, such as national pavilions at major Mexican trade shows, and towards information-

driven activities based on emerging economic and market trends. Incoming missions that bring prospective Mexican buyers to Canada will receive greater priority.

- A greater emphasis on helping small to medium-sized Canadian companies become export-ready before they leave Canada. This will put them in the best position to take advantage of the intelligence-gathering capabilities of the Trade Commissioner Service.
- A special focus on providing customized business advice to Canadian companies that have a high probability of success in exporting. This principle is designed to accelerate their export development, thereby creating more jobs and stimulating economic growth in Canada.

Mandate

Market Information and Analysis

Understanding Mexican markets requires accurate and timely data, but in raw form this information is often not relevant to business needs. The Action Plan therefore stresses value-added market research. DFAIT's Export *i* market information publications feature concise evaluations of emerging opportunities and market-access issues, as well as profiles of customers, competitors and regulatory agencies. Statistics, while helpful in describing last year's market, reveal nothing about next year. Export *i* strives to present a realistic outlook on emerging markets over the near to medium term. The objective is to orient Canadian companies to the Mexican market in their sectors, before they develop their own market-entry strategies. The use of current but pre-packaged information for this purpose enables trade commissioners to focus on providing market intelligence and other counselling services to Canadian businesses.

Market Intelligence

Market intelligence differs from market information in that it relates to the specific market position of an individual company or product rather than to the market in general. It typically involves confidential information needed to implement a company's market-entry strategy. Intelligence is therefore not usually disseminated on a sectoral basis.

Each company has its own unique products and capabilities, which may or may not find a niche in Mexico. Upon request, the trade commissioners can provide advice to help companies gather their own market intelligence. Trade commissioners can also point exporters in the right direction by facilitating contacts with customers, agents, potential partners and local consultants, who can provide more detailed market intelligence.

Market Access

Sometimes, even a perfect match between a Canadian product or service and a Mexican need is not enough to ensure success. Although the main obstacles to exports and investment have been eliminated or reduced under the NAFTA, some barriers remain. Eliminating trade impediments for specific products and services requires constant vigilance and advocacy by the Trade Commissioner Service and trade policy officials.

The advocacy role of Canadian officials in Mexico also extends to logistical issues such as facilitating the flow of goods across the Mexico-U.S. border. Most Canadian goods enter Mexico at Laredo, Texas, and bottlenecks there have been an impediment for some exporters. The monitoring of border issues is just one of the responsibilities of the Canadian consulate in Monterrey.

Interaction between Canadian businesses and Canadian officials in Mexico is essential to ensure that the efforts of the latter are closely

linked to real problems experienced in the marketplace. Trade commissioners are available to troubleshoot specific problems faced by individual companies.

Outreach and Awareness

One obstacle to expanded Canadian trade with Mexico is lack of awareness of Mexican opportunities. Another is lack of familiarity with Mexican business culture and practices. The Trade Commissioner Service works with the other members of Team Canada to disseminate information in both of those areas. The Export *i* Mexican Knowledge Base is the centrepiece of this effort. The publications in this knowledge base provide not only market information, but also guidance on a wide range of marketing, financing and logistical issues, with special emphasis on the cultural dimension of doing business in Mexico. Continuous updating is a key feature of the Mexican Knowledge Base, and the Action Plan includes systematic efforts to publicize its availability.

Outreach activities also include export preparation. Although DFAIT does not deliver training directly, it develops practical training tools and provides these to members of Team Canada as well as to some business organizations.

Training material is available on:

- Understanding Mexican Business Culture: Keys to Success
- Shipping Goods to Mexico
- Marketing Your Services in Mexico: First Steps
- Negotiating and Concluding a Contract

In addition to prepared training materials, a speaker service and other types of training support are available from the Department's Mexico and Inter American Division.