

If compelled to provide additional security for the asset being financed, the exporter should be selective with the additional assets that are offered. The exporter should remember that export financing by its very nature is expensive: the quality of a loan's underlying security may determine whether its provisions are a sound enough basis to proceed with the export order.

Compared to normal commercial lenders, export lenders tend to be few in number, selective in the deals they choose to finance (including government lending agencies) and focussed either geographically or by product.

Exporters should choose their financiers (in reality, partners in an export market) carefully and develop a relationship of trust and honesty with them. Above all, they must not allow their product to deteriorate, for it alone justifies the export loan.

Finally, the exporter should consider finding a reliable Mexican representative or partner to help with the transaction. As well as "hard" items such as facilities, a good partner will provide invaluable "soft" support, including up-to-date market intelligence, and guidance on managing cultural differences and human resources. Those aspects of successful exporting are especially important where a firm has no previous Mexican market presence or experience, or in service businesses which depend on a high degree of personal contact and cross-cultural communication.

A trusted partner on the scene can prove to be a key strategic asset. Finding a suitable partner can be time-consuming. But the investment more than pays for itself in sustained export sales. Once a good partner is found, the relationship should be carefully nurtured and the Mexican counterpart treated as an integral part of the company.

Coming to terms with Mexico's complex and very different business climate can be a major challenge for the Canadian exporter. Yet the growing number of Canadian firms that have succeeded in this market are proof that, with careful planning and perseverance, obstacles can be overcome.