

• Survey of Quebec Exporting Firms Regarding Trade with Mexico •

- Less than 1 year, 38 percent;
- 1 to 5 years, 28 percent;
- 6 to 10 years, 24 percent; and
- 11 or more years, 10 percent.

The surveyed firms were optimistic about the future growth of their business in Mexico. No firm foresaw a decline. The anticipated rate of growth was as follows:

- High increase, 24 percent;
- Moderate increase, 33 percent;
- Stable, 38 percent;
- Decline, 0 percent; and
- Didn't know, 5 percent.

Firms Planning to Do Business in Mexico Over the Next Few Years

Almost 75 percent of the firms intending to do business in Mexico planned to penetrate this market over the next five years. The breakdown was as follows:

- Under 1 year, 29 percent;
- 1 to 5 years, 45 percent;
- 5 or more years, 2 percent; and
- Didn't know, 24 percent.

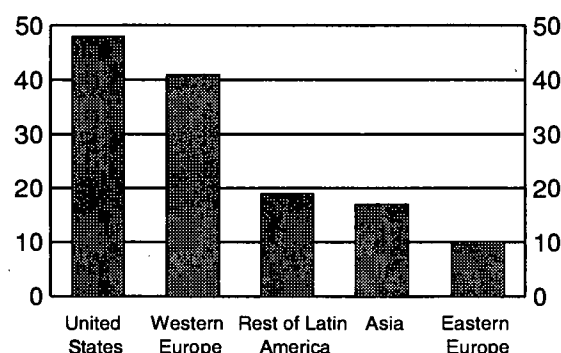
To determine their seriousness, the firms were questioned about the status of their business plans for Mexico. The findings were as follows:

- Trade mission, 7 percent;
- Negotiation, 9 percent;
- Data collection, 44 percent;
- None, 36 percent; and
- Other, 4 percent.

Notably, 16 percent of respondents claimed to be undertaking negotiations or trade missions in Mexico, a relatively advanced degree of progress.

Of the respondents planning to do future business in Mexico, 11 percent considered Mexico a priority in their diversification strategy. The rest gave other markets a higher priority (see Figure 2).

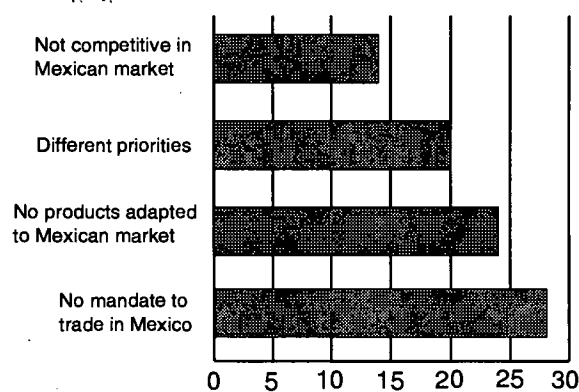
Fig. 2: Preferred Markets (percent)



Reasons for Not Doing Business with Mexico

Figure 3 provides the reasons and percentage of firms that did not wish to do business with Mexico in the next few years.

Fig. 3: Reasons for Not Doing Business (percent)



4.2 Difficulties and Sources of Assistance

Usefulness of Available Services

Respondents were asked to assess the usefulness of the services that were available to help firms enter the Mexican market. The firms varied widely as to whether they were already active in Mexico or planned to do business there.

The Mexican Embassy and consulates in Canada received the highest rating for usefulness. Government agencies were generally considered more useful than private organizations, with the