

Shipping

What is in this Section?

The purpose of this section is to provide an overview of alternative modes of shipping to Mexico. It is assumed that most participants are already experienced shippers; thus the purpose of this section is to ensure a common understanding of the basics. This will allow more effective group discussion of those issues that are specific to Mexico in the following sections.

This first section reviews the advantages and disadvantages, as well as relative costs of shipping by land, ocean and air. It also discusses multimodal transportation, consolidation, terms of sale and the structure of freight rates. Participants may want to discuss these issues in terms of their own experience.

As in any other foreign market, doing business in Mexico requires preparation and perseverance. Mexican transportation services have improved considerably over the past few years. Deregulation and increased competition have shortened transit times and improved services for traffic between Canada and Mexico. But Mexican customs clearance and internal shipping is still more difficult than the equivalent practices in Canada.

Canadian products can be shipped to Mexico by land, ocean or air, or by some combination of those modes. Freight rates and services are constantly changing and negotiable. Therefore, participants are advised to make inquiries through transportation professionals before making any transport decision. If the shipment will travel through the United States, the company chosen should have facilities or affiliates in all three countries.

Identifying the needs of the Mexican customer is the first and most important step in choosing the correct transportation method for any particular shipment. This section examines the three modes of transportation and also discusses multimodal services.