

## **GUIA DE PROVEEDORES Y SERVICIOS EN EL AREA DE LA SALUD**

The Guía de Proveedores y Servicios en el Área de la Salud, a Guide for Health Services Providers, is published in Mexico. It is a catalogue of products and the agents or manufacturers who are promoting the products in the Mexican market place. It provides information by product sector, for example: for the treatment of alcoholism, ambulances, ophthalmology, etc. It is an important tool for those Canadian companies who may be looking for market information on products available in Mexico or details about agents and distributors.

## **MAINTENANCE AND SERVICE ARE CRITICAL TO EVENTUAL SUCCESS IN THE MARKET**

Maintenance services are a critical part of any bid on equipment for the medical sector. It is important to detail what guarantees are provided, how maintenance will be provided and what training may be considered as part of the bid submission.

Local agents or distributors may be qualified to provide maintenance services. In the case of equipment which offers a new technology and is particularly sophisticated, the purchasing agency may want to deal directly with the manufacturer. The training element should be highlighted and included as part of the package. The availability and price of spare parts will be an important consideration in the award of a contract.

## **AGENTS**

An agent represents the interests of the supplier, and arranges contracts with end-users, but does not take title to the goods. The sales contract is between the Canadian exporting company and the purchasing entity. This way, the supplier retains control over the price, promotion and market strategies and also bears the risks of the deal. The agent receives a commission or a salary. To represent the supplier in bid proceedings, the agent must be given formal powers to commit the company.

A person who acts as an agent is protected by the federal labour law, which includes the right to severance pay in the event of wrongful dismissal.

## **DISTRIBUTORS**

A distributor differs from an agent in that the distributor normally takes title to the goods. A distributor buys from a variety of suppliers, and maintains at least a limited stock of equipment and spare parts. The distributor contracts directly with the buyer and therefore bears the risks and is responsible for all promotion and sales strategies in Mexico. The disadvantage of this arrangement is that the exporter cannot control the distributor's mark-up or the price charged to the end user.

## **SELECTING AN AGENT OR DISTRIBUTOR**

The selection of an agent, representative or distributor can be one of the most important decisions a firm will make in entering the market. One of the most difficult tasks is screening and assessing potential local agents. It is common to take six months to a year to choose the ideal candidate. The main steps in the process are the following:

- contact the Canadian Embassy to inquire about established agents, representatives or distributors promoting or carrying medical equipment;
- contact the local *Cámaras* in this sector and ask for the same information;
- meet with the people recommended to you;
- screen them in accordance with pre-established criteria;
- ensure that you check into their financial position and their moral reputation in the market;
- look for their dedication to the market;
- visit their place of work and arrange to interview key members of the staff;
- obtain references from customers and colleagues; and
- assess the capability of each potential partner to meet your sales objectives in Mexico.

