

Selecting franchisees, either directly or through master franchises, is more complicated in Mexico than in Canada or the U.S. Many potential investors have unrealistic expectations and little experience in business. In general, the best prospects are those who are already successful in business, have a good income and are well capitalized. Investors of this type will probably not want to manage the operation. They will be interested in master franchises, or will hire employees to handle operations. Doing business in Mexico usually involves getting to know potential partners personally, through extensive social contact, and developing solid business relationships can take time and effort.

Even the most capable Mexican franchisees need close supervision, because product and service standards are often not as high as they are in Canada. Equipment maintenance can be a problem, and extensive training will be required. This means preparing training material and product or process instructions in Spanish.

Finally, in a market such as Mexico City, high rent and the limited availability of suitable land-sites are significant obstacles for the franchise operators to overcome. One, therefore, needs to be creative in the way negotiations are undertaken for new store sites.

WHERE TO GET HELP

The Department of Foreign Affairs and International Trade (DFAIT) is the Canadian federal government department most directly responsible for trade development. The InfoEx Centre is the first contact point for advice on how to start exporting; it provides information on export-related programs and services; helps find fast answers to export problems; acts as the entry point to DFAIT's trade information network; and can provide companies with copies of specialized export publications.

InfoEx Centre

Tel.: 1-800-267-8378
or (613) 994-4000
Fax: (613) 996-9709

The **Commercial Division of the Embassy of Canada** in Mexico City promotes trade with Mexico. There are several trade commissioners at the Embassy, and there is a satellite office in Monterrey. Trade Commissioners can provide a range of services including introducing Canadian companies to potential customers in Mexico, advising on marketing channels, assisting those wishing to participate in trade fairs, helping identify suitable Mexican firms to act as agents, and compiling credit and business information on potential foreign customers.

Commercial Division
The Embassy of Canada in Mexico
Schiller No. 529
Col. Polanco
Apartado Postal 105-05
11560 México, D.F.
México
Tel.: 724-7900
Fax: 724-7982

Industry Canada (IC)

The Distribution Services Directorate of Industry Canada monitors trends and developments in international franchising and maintains contact with franchisors, associations and professionals in Canada, and selected countries such as Mexico.

Distribution Services Directorate
Distribution and Construction Industries Branch
Industry Canada
235 Queen Street
Ottawa, ON K1A 0H5
Tel.: (613) 954-2987
Fax: (613) 952-9054

International Trade Centres have been established across the country as a first point of contact to support the exporting efforts of Canadian firms. Co-located with the regional offices of Industry Canada, the centres operate under the guidance of DFAIT and all have resident Trade Commissioners. They help companies determine whether or not they are ready to export; assist firms with marketing research and market planning; pro-

vide access to government programs designed to promote exports; and arrange for assistance from the Trade Development Division in Ottawa and trade officers abroad. Contact the International Trade Centre nearest you.

The **World Information Network for Exports (WIN Exports)** is a computer-based information system designed by DFAIT to help Canada's trade development officers abroad match foreign needs to Canadian capabilities, experience and interests of more than 30,000 Canadian exporters. To be registered on WIN Exports, call (613) 996-5701.

The **Market Intelligence Service** provides Canadian business with detailed market information on a product-specific basis. The service assists Canadian companies in the exploitation of domestic, export, technology transfer, and new manufacturing investment opportunities. The intelligence is used by Canadian business in decisions regarding manufacturing, product development, marketing, and market expansion. The information includes values, volume and unit price of imports, characteristics of specific imports (e.g. material, grade, price, range, etc.), names of importers, major countries of export, identification of foreign exporters to Canada, Canadian production, Canadian exports, and U.S. imports. Two-thirds of the clientele for this service are small business. Call: (613) 954-4970.

The **Embassy of Mexico**, Mexican Trade Commissioners in Canada, and Mexican consulates can provide assistance and guidance to Canadian companies in need of information about doing business in Mexico.

Embassy of Mexico
130 Albert Street, Suite 1800
Ottawa ON K1P 5G4
Tel.: (613) 233-8988
Fax: (613) 235-9123

