

Trading Considerations

Following is a discussion of issues that should be considered when doing business with Latvia.

Communication

Communication is an area where cultural differences between Latvia and the Western business world appear. For example, the discipline of keeping minutes or notes of business meetings, keeping business associates or colleagues fully informed, actively taking a telephone message is rarely practiced. This is not ill will, but a remnant from the former Soviet system.

Telecommunications in Latvia are now being modernized; a cellular phone system is developing quickly. Though many offices in Latvia are now equipped with rapid access telephone lines, there are still many frustrations in reaching business in certain parts of Rīga -- or outside of Latvia. The Latvian telephone system should be largely improved in Rīga by the end of 1995 and the whole network digitized by 1997 with the result of easier telephone communications and data transmission.

Thus, it is prudent to rely on written communications rather than the telephone. Furthermore, written communications provide a record of business activities and commitments for future reference. A telefax followed up with a letter is an effective approach.

Be careful to avoid making assumptions about what individuals in the industry know or how they approach specific issues. Many problems are caused when Western businessmen assume that anyone within a specific industry must be aware of certain requirements, technologies, limitations and so on. Be careful when using acronyms, slang, abbreviations and "buzz" words, and make sure that both of you mean the same thing when using a marketing vocabulary.

Contact Person

Pick one or at most two, individuals in your firm who will be responsible for business with Latvia. Consistency is an advantage. This individual should sign all correspondence, visit Latvia if it becomes necessary, attend all meetings relating to business with Latvia.