

AGENTS & DISTRIBUTORS

Responsibilities of Mexican agent or distributor/importers may vary from case to case, as they are always subject to negotiation. Often, responsibilities include obtaining any necessary permits in advance, advising on labelling and documentation requirements, and arranging for the physical clearance of the goods through Mexican customs. Depending on the product, these can be very simple or quite complex. Most of the Mexican regulations affecting imports are binding on the importer of record. However compliance with some of them requires support from the exporter. Seemingly small errors in documentation can cause serious delays at the border. Therefore it is extremely important to remember that as a practical matter, the responsibility for compliance often falls on the Canadian exporter.

AGENTS

An agent is an exclusive representative of the Canadian exporter who has the right to act on the company's behalf and conclude contracts. The agent is also responsible for the Canadian company's visible presence in Mexico.

Companies that want to import on their own behalf, and maintain control over the importation and physical distribution process, often do so through an agent. This may be an individual who works exclusively for the supplier, or it may be a company that handles complementary lines, which agrees to handle the exporter's product on an exclusive basis. Either way, the agent does not take title to the goods and is usually paid on commission. The agent follows the supplier's instructions regarding promotion activity and is compensated for out-of-pocket expenses.

Under Mexican law, goods may be imported only by a person or company that is listed in the Importers Registry and has a taxation registration number called *Registro Federal de Causantes* (RFC). The importer must have a business address in Mexico.

The following are some helpful hints on how to select a good agent to represent your interests in Mexico. It is critical that this selection not be done in a haphazard manner, but that each candidate be investigated thoroughly.

- Check with Mexican industry associations in the sector to learn who the most reputable agents are.
- Ask the Canadian Embassy in Mexico City and the consulates in Monterrey and Guadalajara for any information available about the agent
- Attend trade shows and interview a selection of prospects.
- Verify key details of the agent's résumé or corporate profile, to make sure that all the experience claimed is genuine.
- Ask the agent to name existing clients and call on them to learn about their experience.
- Question candidates carefully to assess their knowledge of the product and the market.
- Review the other products represented by the agent and look for potential conflicts.
- Obtain credit references through a financial intermediary. (See Link to the left)

WANT MORE INFO?

CLICK BELOW

- [Export-4, Business Guide Distribution Channels, pg 19, 25](#)

WANT MORE INFO?

CLICK BELOW

- [There are companies that provide credit reference services. Click Here to go to Annex A for a list of these firms.](#)