
Questions to ask after the initial movement:

- Did the customer receive the shipment on time and in good order?
- If you used an intermediary for your first few shipments, are you now familiar enough with the territory, or are your sales volumes growing enough for you to deal with carriers directly?
- After a few shipments, are you still comparing rates between carriers or current rates to past rates to make sure you are getting a good deal?
- If you have regular movements and regular service requirements, have you considered negotiating specific commodity rates (as opposed to class rates) with common carriers?
- Are you reading trade and transportation publications, and generally keeping your eyes open for new, innovative and perhaps cheaper transportation alternatives?

(b) Rate and Service Negotiations:

Detailed attention to transportation costs and service can yield substantial competitive benefits to Canadian exporters. Exporters should, in addition to an internal review of corporate transportation policies and procedures, consider rate and service negotiations with carriers. Carriers are willing to discuss rates and services, but the exporter should be prepared to answer probing questions on volumes, values and characteristics of various commodities as well as willingness to commit a substantial portion of the exporter's business to that carrier.

In deciding to negotiate, the exporter should keep a "logistics" approach in mind, remembering that transportation costs are not the only or even the most important element in the equation. That is, the exporter should look at inbound and outbound movements, warehousing, customer service requirements and quality of the carrier. In today's competitive environment it is usually possible to wring rate concessions from one carrier or another. But unless rates are factored into a host of service considerations, the exporter may be only laying the groundwork for long-term problems.

During the negotiations, exporters should approach the carrier in a positive light. That is, look at the carrier as a prospective partner whose goal is similar to yours, which is to develop, retain or enlarge its share of the Mexican market — yours is for a product, the carrier's is for a service. The carrier is interested in your business and wants you to succeed — your success will translate into the carrier's success.