

## GOODFELLOW CONSULTANTS INC.

Goodfellow Consultants Inc. (GCI) is a Mississauga-based, Ontario engineering firm specializing in ventilation design, air pollution control, occupational health and safety, and environmental studies. Approximately 60 percent of their revenues are generated from exports.

In 1986, GCI designed air-emission capture hoods for *Hysla*, a Monterrey-based facility. In 1992 and 1993, the company developed three environmental standards for the *Instituto Nacional de Ecología (INECO)*, National Institute for Ecology. Two were sourced through a bilateral cooperation agreement between Canada and Mexico, and the third was through the World Bank.

Subsequently, Goodfellow made a decision to develop a more permanent presence in the Mexican market. They developed two "technical cooperation agreements." The first was with *Contral Ambiental e Ingeniería Van Ruymbeke*, a firm in Mexico City focussing on environmental impact assessments (EIAs). The second was with *Procesadora Metalmeccánica de Toluca*, a manufacturer of air pollution control equipment.

According to a GCI executive, a careful selection process was necessary to identify suitable partners. More than 50 potential partners were interviewed before a choice was made.

## ANALYZING ENTRY OPTIONS

("XX" INDICATES SPECIAL EMPHASIS; "X" IDENTIFIES THE ISSUE AS A CONCERN)

If the company is concerned that ....	Then it should consider....			
	Direct Exporting	Joint Venture	Licensing	Franchising
Market demand remains unproven.	xx		x	
The market requires quick responses.	x	xx	x	x
There is a strong preference for local suppliers.		x	xx	x
There are high trade barriers.		x	x	x
Exchange rates remain volatile.	xx			
Local content and/or ownership is required.		xx	x	x
Its intellectual property must be protected.	xx			
Locally-based competition is a threat.		xx	x	x
It needs access to R&D in Mexico.		x		
Mexico can be a base for regional expansion.		xx	x	xx
It should stay close to Mexican customers.	x	xx		
It needs to develop local contacts.		xx		
It does not have to invest a lot.	xx			
It is dependent on Canadian suppliers.	xx			
Canadian suppliers have limited capacity.		xx	x	xx
It will not become dependent on Mexican suppliers.	xx			
It has high inventory requirements.		xx		
It depends on highly personalized service.	x	xx		x
A high knowledge of the product is required.		xx		xx
On-site service and support is required.		xx		xx
Risks remain low.	xx		x	
Cashflow remains steady.			x	x