

Some sources of potential agents can be the *Canadian Embassy*, the *Baltic Business Council*, the *Latvian Chamber of Commerce and Industry* and contacts within Latvia. Companies that do locate a good agent who is aggressive and dedicated to serving the market for the client's products have been very successful at selling in Latvia.

Some suggestions for identifying a good agent and avoiding bad ones are discussed below:

Exclusive Agencies

Be cautious about signing long-term exclusive agency agreements prior to careful study of the local situation. Changing agents is difficult and not well received by buyers. Do make sure that the agent understands the commitment to exclusively work for your company.

Multiple Agencies

Latvia is a small country. There is little experience with multiple **non-exclusive** agencies in the country. Often agents will not exert any promotional energies in the belief that the other agents will benefit. If the range of your product line, or the diversity of your potential customer base, dictates against a single exclusive agent, we suggest that you form multiple **exclusive** agency agreements. This can be done by carefully segmenting your product line, or your customer base, or the suggested sales territory in Latvia, and signing exclusive agency agreements for each segment. As experience in other countries suggests, Latvian agents will most likely perform much better when working under the contract of an exclusive agency.

Non-Resident Agents

In other countries Canadian companies have signed agency agreements with companies or agents based outside of Latvia. While there are sometimes compelling reasons for this, Embassy experience is that these arrangements are generally not productive. In the last two years, some companies have signed agency agreements with companies in Russia or other CIS countries to represent the Latvian marketplace. This is not well regarded by Latvian customers and can lead to a loss of sales.

Canadian Latvians often claim to have excellent contacts in Latvia. Though these claims are usually valid, **a physical presence in Latvia** is still generally necessary to generate sales, and should be the primary reason for selecting a resident Latvian agent in the first place.

Conflict of Interest

Though the marketplace is not yet fully developed, agents can represent competing companies, which leads to obvious conflicts of interest concerns. The Embassy can find out what other companies a potential agent represents.