

Mexican firms are familiar with local clients, suppliers, competitors, and the regulatory environment. But for the most part they are not familiar with advanced building technologies or skilled in project planning and management methods. They are also in desperate need of outside financing.

The interest in partnerships among Mexican firms is particularly strong in the retail market for renovation materials, including do-it-yourself products. Industry experts believe foreign know-how and technology, combined with inexpensive Mexican labour, will be a winning combination.

Experience has shown that it takes time to develop partnerships with Mexican firms. Mexicans like to do business with people they know, and they place heavy emphasis on personal relationships. Companies that have succeeded are generally those which take a medium- to long-term strategy and invest the resources needed to develop a relationship.

The largest obstacles to Canadian participation in the housing sector are political and cultural. Canadians are generally unfamiliar with Mexican building styles. The Mexican political climate in the housing sector favors a nationalistic focus, and hinders foreign operations. Companies which have political connections, and are willing to make under-the-table arrangements, often prosper in this environment at the expense of more ethical operators.

Attending trade shows is an effective method of meeting potential customers, agents and partners. Major annual shows include the following:

- *Muestra de la Industria de la Construcción*. Sponsored by *Conex*, this is a construction industry show focussed on building materials. The 1995 show was in Mexico City in May.
- *EXPO-CIHAC*, sponsored by the *Centro Impulsor de la Construcción y la Habitación (CIHAC)*, Promotion Centre for Construction and Housing. Participants include suppliers of building materials and services. The 1995 show was held in Mexico City in October.