and other countries — let's say you're setting up a manufacturing enterprise there — you will find that Mexico, like Canada, has programs and agencies to help. Programs include export loans with preferential rates.

One institution you will want to learn more about is Bancomext. Despite its name, Bancomext is more than a bank: it is like EDC and the Canadian Trade Commissioner Service rolled into one.

Just as two privately owned Mexican commercial banks, Banamex and Banca Serfin, have offices in Canada, so does Bancomext, in Toronto, Montreal and Vancouver. The head of a Bancomext office is a trade commissioner, who can provide you with valuable information about doing business with Mexico.

The government-owned agency can advise on the best place in Mexico to locate your particular business. Or set up appointments for your visit to the country. Or even have someone accompany you on your interviews. All for free.

"Actually, what we are is a trade development bank," says Marcela Orozco, Assistant to Bancomext's Trade Commissioner in Montreal. The bank lends money for export promotion, to buy raw material or to expand your Mexican plant. It would also provide "buyer's credit" to a Canadian company to buy Mexican products, just as EDC would lend to a Mexican company to buy Canadian goods or services.

You can gain access to credit available to Mexican companies by establishing a joint venture. However, even a company wholly owned by you would usually be entitled, once registered as a Mexican firm.

If you think all this cash is there just for the taking, you're mistaken. As usual, it helps if, in addition to contributing technology, you have some equity, some financial stake in the business. And, as one Canadian banker puts it, "Mexican banks ask lots of questions, more so because they don't know you."

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Finding Interest Rates That Fit

Whether you're shopping for your banking services in Canada or in Mexico, there's one thing you must never forget: you pay. Interest, commission and fee payments are part of the cost of doing business, but shop around for the best rates.

Much depends on how much leverage you have. According to Bank of Montreal's Wren: "If a company is doing well, they have good cash flow and they have a unique or proven product, then the perceived risk is lower and that obviously will affect the rates."

The kind of security you can offer may also make a difference. "If the customer is willing to provide treasury bills or cash or some form of liquid security, then banks are obviously going to lend at a lower rate because the risk is much less," Wren says.

Shopping around is particularly important if you are borrowing through the Mexican banking system, where the rates and fees are so much higher. Even smaller businesses can save money if they are willing to invest the time.

One financial adviser suggests a simple strategy. Go to three or four banks and ask for bids. Tell them you're talking to a number of their competitors — and watch the results.

Remember, though, that you can get what you pay for. Rather than assuming that the lowest interest is the best, consider such factors as the reliability of the institution. As one banker puts it, "Make sure you understand the basics of pricing and be aware if lower prices are offset by lower services or increased risk."

Ironically, it is sometimes the smaller company that is in the best position to shop around for the lowest interest. A bigger company might be more concerned with such additional factors as trade services, investment advice and cash management, employee payments and so on. For a smaller company with few employees and fewer financial decisions, the cost of borrowing money might be the one crucial factor.

Little Things Cost A Lot

Talking about cost: one of the themes heard constantly from experts on business in Mexico has to do with the importance of such steps as visits, feasibility studies and exhibitions.

Asked about these preliminaries, FITT's Chaiton says: "The little things can cost a lot of money. A rule of thumb is that you will probably need up to six visits at $3000 per visit over 18 to 24 months before you can reasonably expect to have a small to medium-sized transaction."

Isn't that a bit discouraging?

"It just means you have to know what you're doing," Chaiton reassures. The competition is quite strong, so you have to work "a little harder" in the beginning. The million-dollar question is, "Can you find a market niche and can you develop a solid working relationship with a Mexican partner to take advantage of those opportunities?"

The GeoFITT Mexico program, which is a brand new private-sector countrywide training program, is linked to the Department of Foreign Affairs and International Trade's (DFAIT) NEWMEX (New Exporters to Mexico) program.

Participants save in two ways, according to Chaiton. Companies pay $1500 for the FITT training and $950 to participate in DFAIT's NEWMEX trade mission. Normally, this could easily cost as much as $5000, and an individual visitor would