



Murray Vereker-Bindon

Gallagher Group Mexico

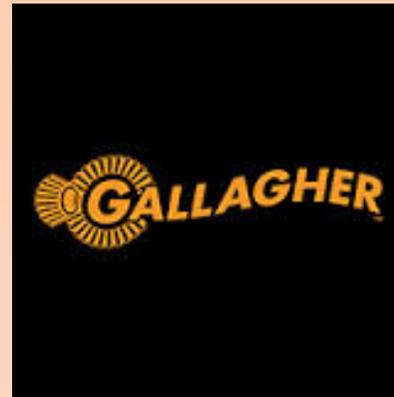


LANZA BACKGROUND

- **Law**
- **University teaching**
- **Training**
- **Charity work**
- **Gallagher Trade**

GALLAGHER GROUP

- Gasoline dispensers
- Perimeter fencing
- Access control



MEXICO ECONOMY

- **Oil** – Mexico is in trouble with oil price. PEMEX is not efficient. Possible liquidation.
- **Repatriated funds.**
An election of Trump would be a huge problem in Mexico.



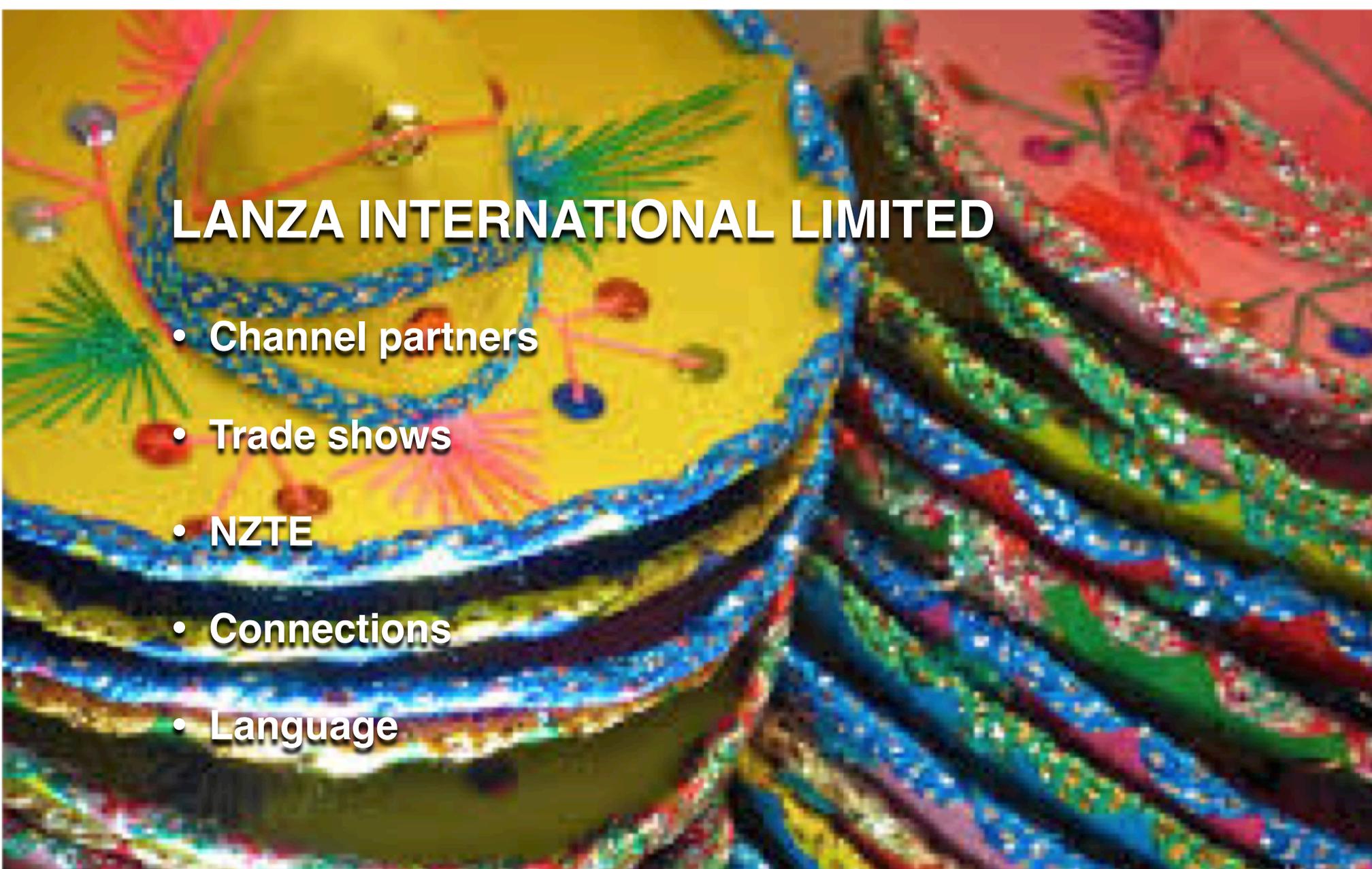
- **Automotive industry.** Many car manufacturers operate in Mexico.
- **Tourism.** US travel directives. Acapulco. Mexico City.
- **Member G20.**
- **Rank 14-16th in World.**



DOING BUSINESS IN MEXICO

- Relationships
- Getting paid
- Loyalty





LANZA INTERNATIONAL LIMITED

- Channel partners
- Trade shows
- NZTE
- Connections
- Language



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LANZA BACKGROUND

Before our company LANZA INTERNATIONAL LIMITED became the Mexico Trade Manger for the Gallagher Group of Companies in 2014, I had 46 years in private legal practice in Hamilton. I acted for many companies as lawyer or Notary Public involved in international trade.

My wife, Yolanda Estrada Garcia, a native of Mexico City, lectured in the School of Engineering at UNAM, the National University, for 25 years. Also Yolanda had a period with Nestle and with Ericsson; a business managing a large property portfolio, and a business training company executives. Yolanda also voluntarily coached office holders in some of the 7000 private groups providing social services in Mexico City.

LANZA imported silver from Mexico and for 5 years exported NZ wines to Mexico.

Now that Yolanda and I are both retired from our former careers we are free to devote our full time to Mexico trade. We currently spend approximately an equal amount if time in each country.

MEXICO ECONOMY

Mexico is a member of G20; a signatory to TPP and around the 15th biggest economy in the world and second to Brazil in Latin America.

Biggest earners are;

- Oil (before the current price slump).
- Repatriated funds from Mexicans working in USA and other countries.
- Automotive Industry (manufacture and assembly of vehicles and vehicle parts).
- Tourism.

The Mexico economy is closely aligned to USA, providing high quality products manufactured at a fraction of the USA cost because of the very low wage rates.

There is a long standing Free Trade Agreement (NAFTA) with USA and Canada.

There are very significant business opportunities for NZ companies in Mexico.

GALLAGHER GROUP

LANZA represents GALLAGHER in Mexico in three areas.

1. Security, especially electric perimeter fencing for prisons and other commercial or industrial sites. Gallagher has fenced more than 100 prisons worldwide and countless mines, security installations, energy installations, airports and industrial sites.
2. Access control units such as swipe cards and fingerprint recognition, often integrated with other security systems. In many cases this involves over 1000 doors.
3. Gasoline forecourt dispensers and, likely in the near future, vapour recovery systems to capture vapour currently being released into the atmosphere when filling cars or storage tanks.

Gallagher currently sells into around 140 countries. Its preferred method to enter a new country is to carefully select a local business to be a "channel partner". This is usually a small to medium size company with owner-operators in the business. Usually an exclusive distributorship is entered into, sometimes with a minority interest in the local company.

DOING BUSINESS IN MEXICO

Entry into the Mexico market is not straightforward. Individuals and businesses often have a preference for ethnic and cultural similarities, for example Spanish with Spanish, Lebanese with Lebanese etc.

In general, the best contacts are made through personal connections.

That provides an introduction to the decision-maker in the Mexican business, which otherwise can be difficult and frustrating.

Mexicans are much less direct than NZ business people. Rather than reject an approach they commonly will express real interest, but not respond to later communications.

As one of our local customers put it, "we Mexicans are very good at saying yes, but not saying when". However, once communication and trust is established, Mexicans tend to be loyal partners.

Trade shows can lead to business opportunities, and New Zealand Trade and Enterprise in Mexico City is always willing to assist serious approaches.

But nothing beats personal referrals.

Language is not generally a problem. Most Mexicans in business speak English, but they certainly appreciate being able to converse in Spanish.

Yolanda is bi-lingual. I speak passable Spanish.

As always, doing the due diligence on your prospective customer and clearly establishing payment terms are a priority. Failure to do so can be very expensive.

LANZA INTERNATIONAL LIMITED

LANZA is able and willing to assist your company to enter the Mexico market.

As a university graduate and lecturer, a businesswoman and a lifetime Mexico City resident, Yolanda has a wide network of contacts in business and others who can connect us to their business friends.

I have a knowledge of New Zealand business, importing and exporting with Mexico, passable Spanish, and a deep love of both countries as well as a desire to see NZ businesses succeed in Mexico.

LANZA also has an associate, Mario Cristo, a former banker and construction company owner, who looks after its interests when myself and Yolanda are in New Zealand.

Mario and Yolanda graduated together from UNAM.

Typically, LANZA would receive an enquiry from a particular business to enter the Mexico market; assess the market possibilities and recommend a channel partner for a pre-agreed fee; then receive a commission on sales at an agreed percentage for an agreed period while remaining as a go-between for maintaining communication and assisting to resolve any difficulties during the agency period.

LANZA contact details are set out below.

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