



SCARBROUGH

QUESTION/ANSWER FORUM: DOING BUSINESS WITH MEXICO





THE SCARBROUGH GROUP



SCARBROUGH
INTERNATIONAL, LTD.

Est. 1984 International Freight / U.S. Customs

Est. 1988 Asset Based Trucking Line



SCARBROUGH
LOGISTICS, LTD.

Est. 2003 NVOCC Operations



SCARBROUGH
SIX LINES, LTD.

Est. 2014 NAFTA Truck Brokerage



SCARBROUGH
TRANSPORTATION, LLC

Est. 2015 Freight Forwarder / Mexico Customs



SCARBROUGH
DE MÉXICO S. DE R.L. DE C.V.



ABOUT THE SPEAKERS



SCARBROUGH

KEVIN EKSTRAND— LCB, CCS
VICE PRESIDENT OF SALES & MARKETING
SCARBROUGH INTERNATIONAL, LTD.
SCARBROUGH DE MEXICO S. DE R.L. DE C.V.
KEKSTRAND@SCARBROUGH-INTL.COM
T: 816.584.2414

SAMUEL CAMARILLO, CCS
SOUTHERN BORDER MANAGER, OPERATIONS
SCARBROUGH INTERNATIONAL, LTD.
SCARBROUGH DE MEXICO S. DE R.L. DE C.V.
SCAMARILLO@SCARBROUGH-INTL.COM
T: 956.725.9251



MEXICAN TERRITORY





MEXICAN GENERAL CULTURE

Timing and Scheduling

- Working hours are between 8:00 am and 9:00 pm with a long lunch break (depends on the industry)
- Scheduling a meeting is always an interesting issue
- Mexico is not known for their punctuality



Language and Communications

- Verbal more than written communications
- Formal and respect
- Relationship based vs. Business Direct
- Visual presentations are important
- Main Spanish, however English coming as a common language use for business (US and foreign countries)

Body Language

- Smile, Eye Contact, Face Expressions, Hand movements, especially with foreign language
- Shake hands with firm grip at the introduction or first meet
- Short left hug after meeting, presentation or business completed and then every time you meet again





MEXICAN GENERAL CULTURE

Business Relationships

- Close business relationships; close verbal communication
- Long term relationships
- Loyalty is key. After an agreement they maintain their word



Meals & Meetings

- Breakfast between 7:00-9:00 am
- Lunch between 2:00-4:00pm
- Dinner between 8:00-10:00pm
- Celebrate with late dinner over new closed business
- Best time to schedule morning meeting @ 10:00am
- Best time to schedule afternoon meeting @ 4:00pm



Corporate Culture

- Foreign Companies in Mexico mostly create their own corporate culture with employees
- Mexican Companies starting to join in corporate culture as companies' values, mission, family, standard policies, trainings and business expansion



What To Wear




- Business casual, no denim
- For larger cities and central Mexico, tie and suit



MAIN TERRITORY BY REGIONS

 **Mexico**

Three main regions:

- North 
- Center 
- South 





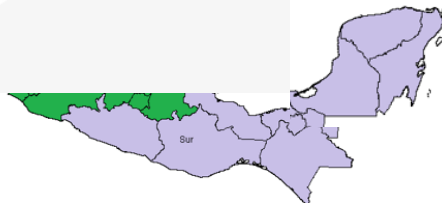
MEXICAN CULTURE BY REGIONS



- Highly Competitive region (automotive, aerospace, technology, manufacturing)
- International Investment and Manufacturing area
- Trustable to do business
- Honest, Good, Strong accent to talk, Hunting, Ranch, Beef, Cowboy, Dry Land, Hot Weather
- Average high income vs. others regions (exception on big cities)



- High Competitive region (automotive, aerospace, technology, textiles, manufacturing, tequila)
- Mexican and Foreign investment area
- Corporate Companies Headquarters area
- Need to be careful when closing business
- Friendly, Stressed, Mistrustful, Unique accent, Traffic, Pork, Mountain land, Nice weather
- Mid Average Income vs others regions (exceptions apply)

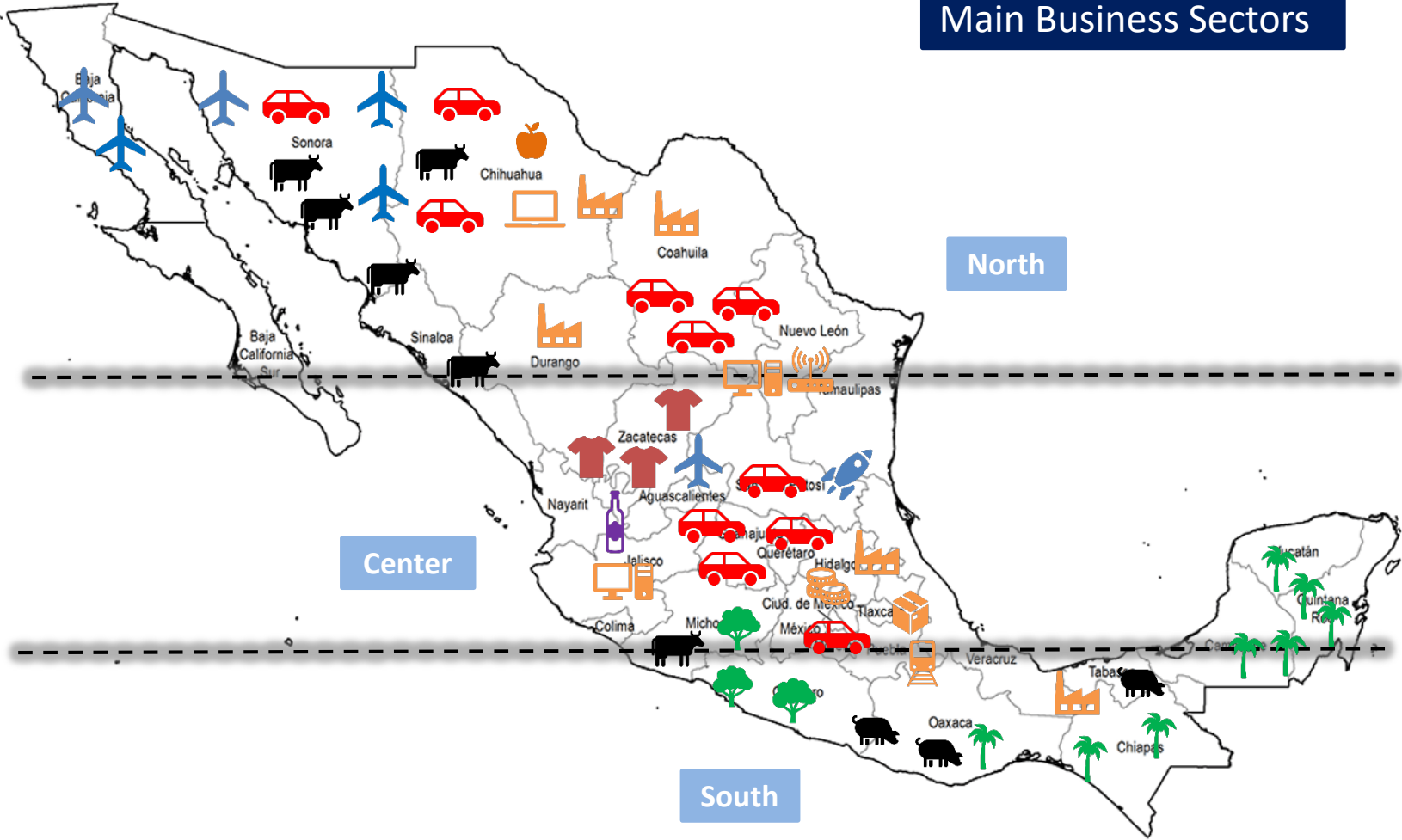


- Tourism, Cattle and Farm Business as main
- Few Foreign Investment
- Trustable to do business
- Very helpful, Happy, Innocent, Chicken, Plantation, Green Areas, Rain land, Summer Weather
- Low Average Income vs others regions (exceptions apply)



INDUSTRY SECTORS BY REGION

Main Business Sectors





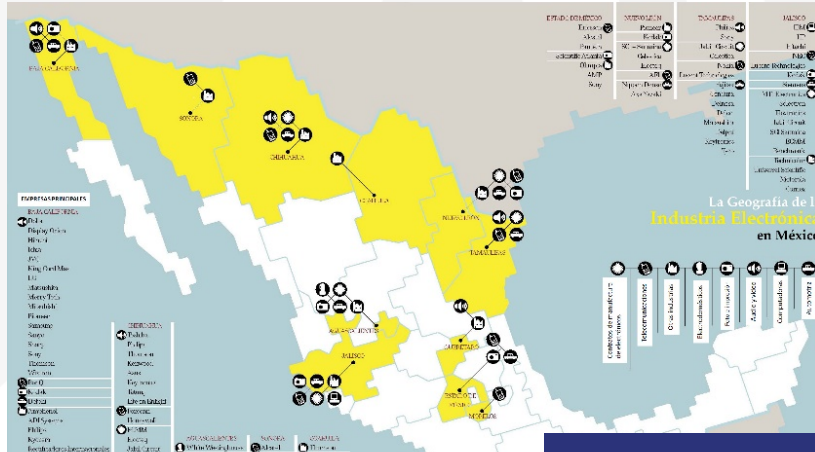
INDUSTRY SECTORS BY REGION





INDUSTRY SECTORS BY REGION

Electronics & Technology

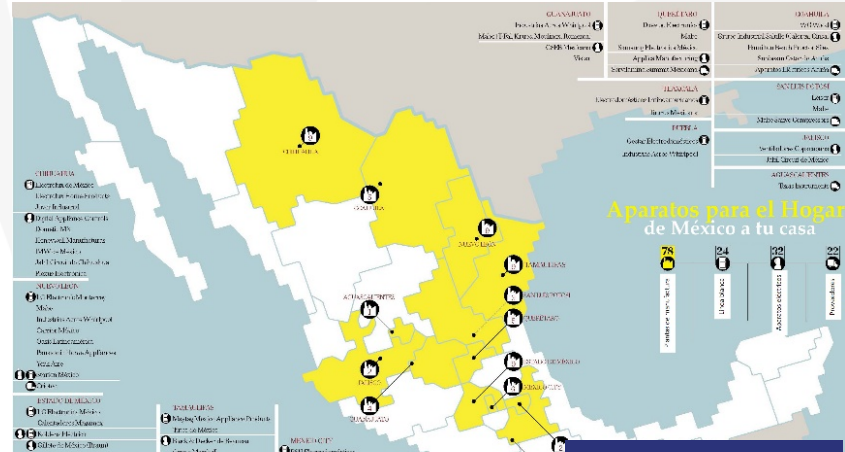


Ubicación en México de Plantas de Vehículos Ligeros

Automotive



Electronics & Appliances



Aerospace

CLUSTER AEROSPAZIAL



Fuente: Secretaría de Economía, 2016.



MEXICAN INDUSTRIES STATES IN GROWTH

Mexican States with the highest growth and projection for the next three years





MEXICO CUSTOMS AND SAT

SHCP

SECRETARÍA DE HACIENDA
Y CRÉDITO PÚBLICO



Mexican Federal
Secretary of Treasury



SAT

Servicio de Administración Tributaria
SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO

Federal Government Office
who administrates
Mexican Department of Treasury



Is this an assault?

No, it's another tax



Mexican IRS Revenue



Federal IRS Audit



Mx IRS Tax Compliance

ADUANA MEXICO



Mexican Customs



MEXICO CUSTOMS AND SAT

SHCP

SECRETARÍA DE HACIENDA
Y CRÉDITO PÚBLICO



Mexican Federal
Secretary of Treasury



ventanilla única



Servicio de Administración Tributaria
SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO

Federal Government Office
who administrates
Mexican Department of Treasury



Mx IRS Tax Compliance



Federal IRS Audit



Mexican IRS Revenue



Mexican Customs



MEXICO PORTS OF ENTRY

17 OCEAN PORTS

- Acapulco
- Altamira
- Cancún
- Ciudad del Carmen
- Coatzacoalcos
- Dos Bocas
- Ensenada
- Guaymas
- La Paz
- Lázaro Cárdenas
- Manzanillo
- Mazatlán
- Progreso
- Salina Cruz
- Tampico
- Tuxpan
- Veracruz

11 INTERIOR PORTS

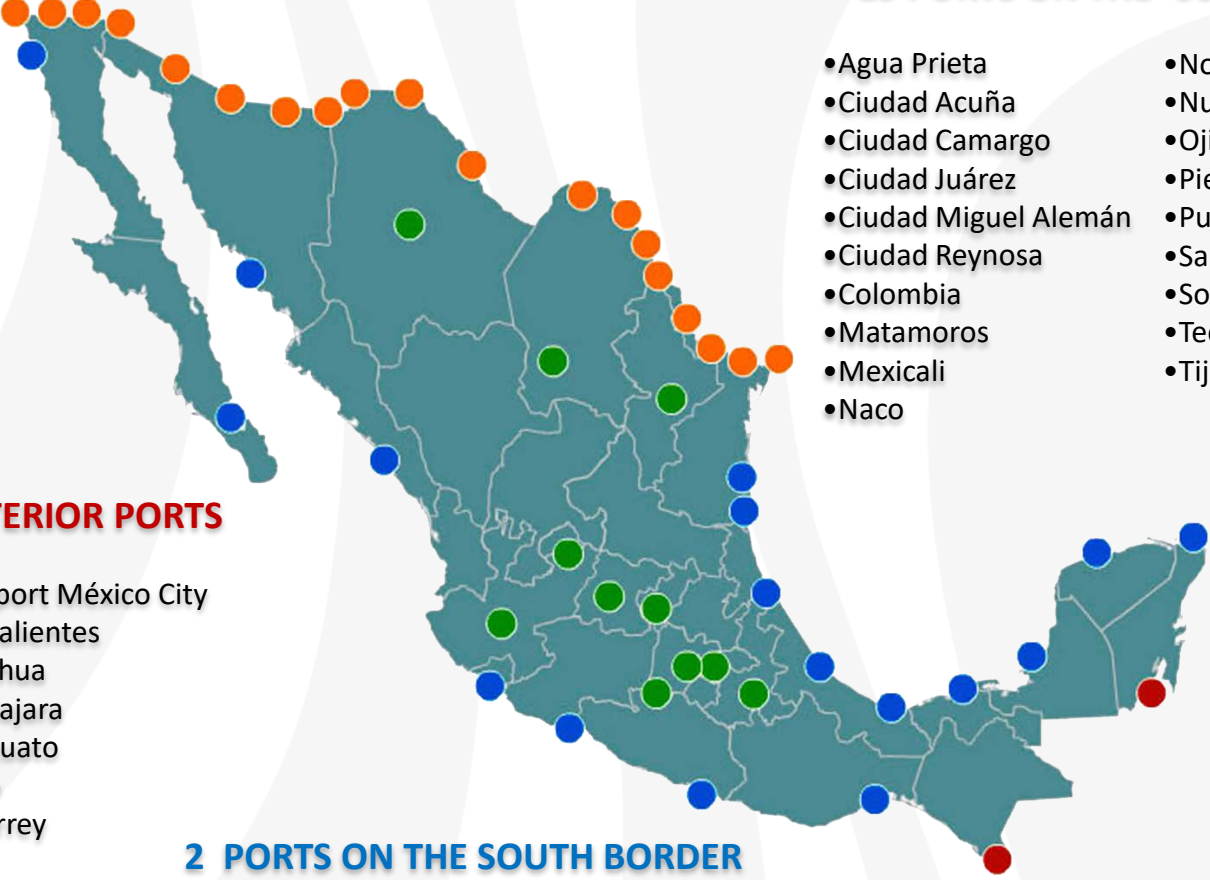
- Intl Airport México City
- Aguascalientes
- Chihuahua
- Guadalajara
- Guanajuato
- México
- Monterrey
- Puebla
- Querétaro
- Toluca
- Torreón

19 PORTS ON THE USA BORDER

- Agua Prieta
- Ciudad Acuña
- Ciudad Camargo
- Ciudad Juárez
- Ciudad Miguel Alemán
- Ciudad Reynosa
- Colombia
- Matamoros
- Mexicali
- Naco
- Nogales
- Nuevo Laredo
- Ojinaga
- Piedras Negras
- Puerto Palomas
- San Luis Río Colorado
- Sonoyta
- Tecate
- Tijuana

2 PORTS ON THE SOUTH BORDER

- Ciudad Hidalgo
- Subteniente López





HOW TO START AN ENTITY IN MEXICO



- Law Firm creates Company Articles agreement
- Determine kind of Mexican Entity or Partnership (i.e. Inc, Co, LLC)
- Business services and amount to investment
- Provide Company name
- Provide list of shareholders (in case)



- Public Notary revise and approve company agreement and articles
- Submit name to Mexican SAT
- Submit Mexican new Entity request of company creation (i.e. Inc, Co, LLC)
- Provide address and list of shareholders
- SAT proceed to verify all info and approve the provided list of shareholders (in case)



- Receive request from Public Notary
- SAT proceed to verify all provided information
- Approve name and partnership creation
- Approve and register address and list of shareholders
- Provide the Mexican Tax ID and Electronic Keys and EDI process for SAT obligations, taxes, etc.)
- Approve Importer of Record Registration (in case)



HOW TO FIND A MX SUPPLIER OR MX BUYER

Websites to find Companies, Suppliers and Buyers in Mexico

- <https://www.siem.gob.mx>
- <https://www.gob.mx/se>
- <http://www.ccmexico.com.mx>
- <https://www.canacintra.org.mx>
- <https://camimex.org.mx>
- <https://www.infofed.com.mx>
- <https://www.directorio-de-empresas.com.mx>
- <https://www.conexionpymes.com.mx>



UNITED STATES ORGANIZATIONS

Websites to find Companies, Suppliers and Buyers in Mexico (locally)

- [U.S. Commercial Service](#)
- [Export.gov • U.S. Commercial Services by Location](#)
- [U.S. Economic Development Administration \(National\)](#)
- [Local Economic Development Centers by State](#)
- [Small Business Administration \(National\)](#)
- [Small Business Administration by Location](#)
- [Global Cities Initiative](#)
- [Mexico Consulate in U.S.](#)



QUESTIONS

DOING BUSINESS WITH MEXICO





ABOUT THE SPEAKERS



SCARBROUGH

KEVIN EKSTRAND— LCB, CCS
VICE PRESIDENT OF SALES & MARKETING
SCARBROUGH INTERNATIONAL, LTD.
SCARBROUGH DE MEXICO S. DE R.L. DE C.V.
KEKSTRAND@SCARBROUGH-INTL.COM
T: 816.584.2414

SAMUEL CAMARILLO, CCS
SOUTHERN BORDER MANAGER, OPERATIONS
SCARBROUGH INTERNATIONAL, LTD.
SCARBROUGH DE MEXICO S. DE R.L. DE C.V.
SCAMARILLO@SCARBROUGH-INTL.COM
T: 956.725.9251