CHAPTER- 4

BARRIERS IN DOING BUSINESS WITH LATIN AMERICAN COUNTRIES

1. Long distance for traveling, expensive cost of travel.

2. Language problem, as the entire Latin American speak Spanish except the Brazilians speak Portuguese.

3. Shipping facilities were not available for direct shipment, lengthy transit time and higher freight rates.

4. Unsecured Payment terms.

5. Letter of Credits was not offered. Even offered, only on usance basis of 90 days and above.

6. Absence of Line of Credit.

7. High Interest rates charged by the Banks.

8. Tariff and Non-Tariff barriers.

9. Stringent Visa formalities and time delay in getting visas.

10. Requirement of local representatives for after sales service and for business follow up.