

THE ACADEMY OF ELECTRICAL CONTRACTING

**Paper Presented by
Andrés Quintana, Fellow**

CROSS-BORDER JOINT VENTURE INITIATIVE

June 2005

As many of you undoubtedly know, I was invited to become a member of the Academy by some very good friends who believe that my commitment to working in the Electrical Construction Industry is significant enough to warrant my participation.

During the course of my business career doing electrical installations, and in my role as President of UNCE, NECA's Mexican counterpart, I have gathered some important experiences I believe merit sharing. I've also been privy to information delivered by installers working on international projects outside of Mexico, not only in Central America and the Caribbean, but also those involved with companies from the European Union. I feel these experiences are valuable because they deliver constructive lessons about working with people from different countries towards a common goal.

Doubtless some of you have already worked on projects of this kind. However, this is the question I would like to pose: Given the success of all those who have participated in such projects, I wonder why we UNCE/NECA members – having developed joint training systems, having already known each other for over ten years – have not yet managed to carry out partnership projects outside of our own countries?

I have given thought to this question, searching to find if there is anything that could help unite us and lead us into developing such projects. We currently enjoy much in common, having established similar working environments both North and South of the border:

- Our work is regulated by the same standard – the National Electrical Code.
- In many cases, we employ similar, if not the same, materials and equipment.
- We frequently share clients.
- Our governments have signed the Free Trade Agreement (NAFTA), more closely linking our enterprises.

- We have one of the longest borders between any two countries in the world, so interaction between us is necessarily great.
- We employ the same procedures for completing projects.
- Our countries are located in the same Geographic and Trade Region, in terms of how International Trade currently defines itself.

Taking all of the above points into consideration, it seems obvious that we have the capacity to complement each other in competing in the World Market.

I also have given thought to the circumstances which could be preventing our successful collaboration, and I came up with the following:

- We speak different languages.
- Our educational and training models are different.
- The economies of our countries differ, both in scale and in form.
- Our access to technology is very different.

Given these commonalities and differences, how can we supplement each other's needs so we can all successfully compete in the World Market?

I would pose the idea that specifically *because* our economic models are different, we have access to complementary activities and resources, pooling our similarities while at the same time, converting our differences from liabilities into assets. Let me explain.

Together:

- We can access the resources of the US Banking System.
- We have access to equipment and tools which enhance efficiency at work, through the culture of tool use prevalent in the US, but not in Mexico.
- We have access to top technologies devel-

oped in the US.

- We have access to products involving high volumes of efficient and qualified labor which are developed in Mexico.
- We have access to a larger pool of qualified electricians who are willing to travel in order to work towards improving their quality of life, while maintaining competitive wages.
- We have access to qualified field supervision personnel in both countries, which brings together the best of both cultures in the workplace.
- Our personnel can collectively work in any weather, because of the diversity that our countries present geographically.

What is yet required to penetrate that growing market, located neither in the US nor in Mexico?

First of all, we need a *desire* to expand our business in a manner which responds to the real needs of today's construction industry. Second, we must develop an *interest* in addressing the concerns which currently prevent us from working together. These concerns might be summarized by the following:

- a lack of confidence in the other's work ethic.
- ignorance of relevant migration and work visa laws.
- a lack of knowledge regarding available business opportunities.
- fear of loss of existing markets.

Needless to say, not all of us will be participating in business outside our local areas. However, the growth of our countries' economies, coupled with the links created by Free Trade, can be of benefit to us all, inasmuch as we can respond to changing conditions of a global industry.

The market is there for the taking. If we do not rise to the occasion, somebody else will.

After nearly eleven years of effort to develop this north/south relationship, I believe it is time to take that all-important second step, and address the issues which prevent us from a more complete participation in the business of our own regions, so we can also take a bold, *joint* step towards the World Market.

NECA has almost 5000 members. UNCE has nearly 500. However, we do not control the larger portions of the US and Mexican markets. The markets of Central and South America remain untapped, and precious little contact exists with our other Free Trade partner, Canada. This is the situation we are faced with today. This is the "low-hanging fruit" my friends.

What I would propose is to take that bold second step by focusing *jointly* on the development of four tools with which to overcome these obstacles and join hands across the border:

- 1) Create a targeted Market Analysis which provides us with accurate, up-to-date figures and information.
- 2) Develop a Joint Venture Initiative within our organizations, seeking to provide feedback and support for those companies which desire to create, or are already working within, such a framework.
- 3) Create a vehicle by which information resulting from the Joint Venture Initiative can be disseminated throughout both organizations' memberships.
- 4) Use the Training Project ETI as an educational opportunity through which ongoing relations between our two countries, as well as the world, can be spearheaded.

Too many reasonable opportunities are slipping through our collective fingers for our current situation to continue without definite and positive action. We must today build on the good work already accomplished, focus our relationship on becoming pro- rather than re-active in the global electrical construction industry; and begin by creating the tools necessary to accomplish the

work that is before us.

These are exciting and challenging times. Let us begin in our own back yards. Let us break down whatever barriers are keeping us from cross-border cooperation and partnerships that will enhance our existing marketplaces.

Andrés Quintana, Electrical Engineer since 1975, is the CEO of Quintana Ingenieros in Mexico City, Internacional de Servicios Técnicos in Irapuato Guanajuato, and QPS in México City Mexico, began his affiliation with NECA in 1994 when his company joined as an International member. Andrés played a critical role in the establishment of the NECA-AMERIC Chapter in Mexico City where he has served as the Governor and is currently the chapter President. In 2004, he along with a group of other electrical contractors, founded UNCE, the Mexican Electrical Contractors National Association and he is the first President. He is highly involved in NECA and the Electrical Contracting Foundation and works diligently to forge international partnerships, educational programs and new business opportunities.