



# EXPORTING FOR SUCCESS



**DAVID SEALL (Hons) CEng FRAeS MiMMM MIoD**

David is the Regional Chairman of IoD South. He is a former Chair of IoD Surrey and is an experienced Non-Executive Director. He is retained by DMH Stallard LLP as their Strategic Adviser Manufacturing

[www.davidseall.co.uk](http://www.davidseall.co.uk) / [www.dmhstallard.com](http://www.dmhstallard.com)

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November sees us celebrating UK Trade and Investment's "Export week", celebrating all that's best about UK businesses and reminding us of how successful we have become as an exporting nation but also of how much more we still need to do.

Several years ago, IoD Surrey ran a very well-attended event in conjunction with UKTI at the G Live in Guildford focusing on how service sector businesses could export successfully. We heard very interesting presentations from businesses successfully exporting to Southern Europe, the Middle East and the USA. This event was arranged after a challenge from a member stating that export support was focused on "widget makers" rather than service businesses. Of course, this isn't the case, but sometimes we focus on the exporting of manufactured goods rather than services and judge manufacturers in particular on how successful they are at exporting.

Some while ago I co-authored a "thought leadership" report supported by UKTI into how manufacturers went about the exporting process and, particularly, how they took their first steps. It focused predominantly on SME companies and included businesses such as Brompton Bicycles, now a household name. The report "Venturing Abroad, Practical Advice On Getting Into New Markets Overseas" can be found here: <http://www.dmhstallard.com/>

[site/publications/pressreleases/exporting\\_international\\_markets\\_business\\_growth.html](http://www.dmhstallard.com/site/publications/pressreleases/exporting_international_markets_business_growth.html)

Since then UKTI has increasingly focused on larger businesses in an attempt to pull some bigger "levers" and improve our trade deficit. Alarming, there are nearly 9000 companies of around £100m turnover who currently don't export. This may, of course, include companies that play some part in other companies' supply chains, leading to eventual export, but this is nonetheless a large number. To investigate this I conducted some further research and co-authored a follow-up report, "Export Strategies- How Manufacturers Establish Successful International Markets."

It was interesting, but perhaps not surprising, to see a very different approach taken by larger companies to those of SMEs. What was key was the highly strategic approach they had, always with the end goal in mind. This strategy was always developed after conducting considerable research, including using UKTI's "OMIS" (Overseas Market Introduction Service). Larger companies also wished to control relationships with their overseas customers and were thus reluctant to leave this to distributors or agents. Moreover, they were very keen to make extraordinary efforts to understand local communities and cultures with the aim of eventually becoming fully integrated within them. Another reason for

this was, of course, that they were better able to adhere to a compliance agenda, lessening the likelihood of being exposed to potential risks, such as bribery and corruption. For readers wishing to explore further, the report can be found here: <http://www.dmhstallard.com/site/publications/pressreleases/>

A clear message from both reports was that UKTI can add value in various ways to companies of all sizes. Let's hope that they are funded to continue this good work.

On the topic of local IoD news, some members may have noticed that the popular, last-Friday-of-the-month "8.59" breakfast meetings held at Guildford Cathedral are now being joined by some new quarterly breakfast meetings being run nearby. There is now a "Petersfield" breakfast (actually run at Liphook!) and an additional breakfast being held in Basingstoke. These events are not for Hampshire business leaders only; we'd like to see Surrey members going along too.

Additionally, December 1st brings another Bank of England Inflation Briefing to the Farnham Maltings for a look ahead to see what developments in the economy and trading conditions are forthcoming (this event, kindly sponsored by KMG, is free of charge to members and non-members). Bookings for all of these events can be made at <http://www.iod.com/Connecting/Events>.