How to sell overseas

A beginner's guide





As the world becomes ever more globalised and digital, the potential for you to reach out to new customers and lucrative new markets beyond the UK has never been greater.

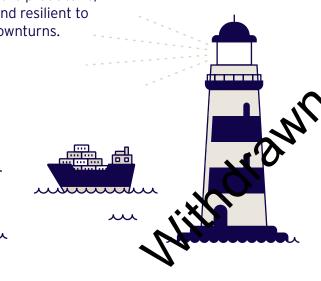
Whatever your sector, there's a market out there for your products and services.

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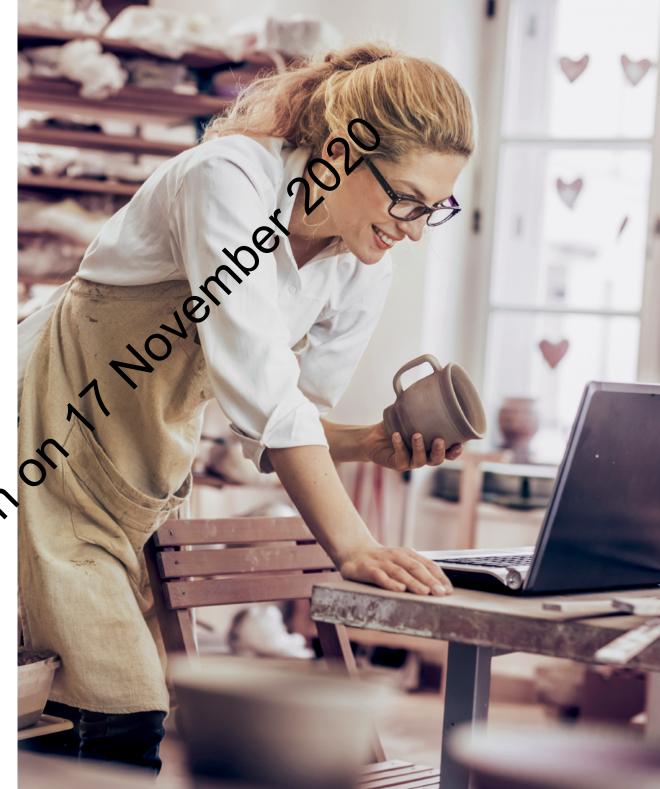
People are looking for your goods, skills and services

If you have a product or service that is performing well at home, there will almost certainly be demand for it overseas. If you're a small company in an unusual sector don't be put off - two out of five companies with fewer than 10 employees are already doing business in at least one high-growth market.

Not only is exporting a way to grow your business, it can also make you more productive, innovative and resilient to economic downturns.



The demand is out there. You should be too.



What selling overseas can do for you

MANUFACTURER



Whatever your size or sector, the rewards from selling your products or services abroal can be huge.

ng business outside the UK can:

lake you more profitable, competitive and innovative.



Help you get better economies of scale that aren't always possible at home.



Boost your profile at home and internationally.



Give your products and services a longer commercial life, because you have access to new customers and markets.



Help you grow your business, because you're selling to new customers and accessing new revenues.



Transform vour financial performance and balance sheet.



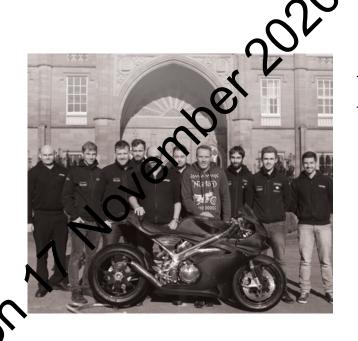
Make you more resilient and allow you to spread your business risk.

Success stories: if we can, you can



Eco Glitter Fun

Sophie Awdry and Noemi Lamanna created biodegradable glitter to replace common plastic glitter that harms the environment. Their London-based company Eco Glitter Fun supplies parties and festivals all over the world, including in India.



Norton **Motorcycles**

Norton motorbikes, which are hand-built in Castle Donington, are once again exported to the US after a 30-year gap.

Forest Gin

Lindsay and Karl Bond developed their own hand-crafted, small-batch gin using botanicals native to Macclesfield Forest. Now their company Forest Gin exports to Germany.



Tangerine

London-based design consultancy Tangerine works for global brands such as British Airways, Virgin Australia, Samsung C&T, Sky and Nikon. The award-winning company also has overseas offices in Korea and Brazil.



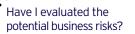
Eight things to consider:







Do I need to work with an overseas partner to succeed?





What are the legal issues I need to consider?



What do I need to do to get paid and deliver my products on time?



Who will be leading this project in my company?



Do I have the resources - finance, time, expenses and skills - I need to deliver this project?



In which country, region, sector or segment should I start?



Four steps to exporting

There are four tried and tested steps you should take to help you





Research

Market and customer research is essential, along with understanding how to protect your rights.

Ask yourself:

they look like.

overseas demand product or service?

ho is your competition and how do you compare?

What are the legal, financial and cultural differences of your target market?

How can you protect your intellectual property (IP)? It's one of the most valuable assets you own so you need to know how IP rights vary across your markets.

Basic support and information, as well as business tools from the Intellectual Property Office (IPO) are freely available at:

www.gov.uk/guidance/seekingintellectual-property-advice

Find out from HM Revenue and Customs about the classification of goods, duty relief, VAT, taxes and exchanges rates.

Visit www.gov.uk/business-tax/ **import-export** to get you started

Could you get funding for a visit to where you're planning to export? Trade shows are where vou can make contacts with potential trading partners and get advice from trade experts.

Find out more at: www.gov.uk/guidance/ tradeshow-access-programme

Use **great.gov.uk** to gauge overseas demand for your product or service and decide which market is best for you



Finance

Find out as much as you can about the finance you'll need to grow your business abroad. That includes the extra investment you'll need for advertising, research and other essential

Be sure to:

the UK about

ne **extra finance** you may d to fund your move overseas, membering that working capital requirements may need to take into account extended shipping times or payment terms. Always think long-term, being realistic about the time it will take you to get established and make a profit in your planning, so vou have the resources vou need to keep going.

UK Export Finance (UKEF)

UKEF is the UK's export credit agency and is part of the Department for International Trade, UKEF can help finance an export deal if your bank can't do it on their own and can also provide insurance to protect against the risk of not getting paid.

They make sure that no viable export fails for lack of finance or insurance and provide financial support for any size of exporter across all sectors.

With UKEF's help you'll:

- win export contracts because you can offer attractive financing terms to your buyers
- fulfil your contracts because you have a working capital loan
- get paid because you're insured against the risk of non-payment

UKEF works with 70 private credit insurers and lenders to find you the right financial solution, whether that's from a private provider or from the government.

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Plan

Once you've completed your research and explored finance options, you need an export break into your new market.

Any modifications you need to make to your product or service

> Your preferred route to market what's your most cost effective and

Your chosen business model - agent, distributor, B2B, B2C?

An export plan is similar to a business plan but with an international focus.

It should outline your objectives, strategy and preparations r service in a new or existing for selling your ord will also help you evaluate risks and ndent trade advisor can help you with

your plan started you should:

it how you'll launch your product or service

Decide if you want to sell directly, online or through an agent or distributor.

- If you're selling online get in touch with your local Department for International Trade (DIT) office (details on page 28) to talk to an e-commerce adviser and find out about DIT's E-Exporting programme.
- Plan your routes and choose the most efficient transport method.
- Are your goods insured?
- Think about capital, resources, logistics, distribution and customer support.

Your export plan should include:

A marketing strategy

efficient distribution channel?

Your financial resources and how to get paid

Whether you need to establish an overseas presence - such as a sales office or by forming a strategic

alliance, joint venture or subsidiary

The right people to help you develop your new export markets

Relevant info about your chosen market



Customers

How will you find customers? Should you use an agent or distributor, or maybe just sell online or directly?

Depending on your product and its shelf the there is a range of ways you can sell

be selling directly, online or via ributors - you can find out more these on great.gov.uk

Selling online to overseas customers

The Department for International Trade's E-Exporting Programme gives you access to the Selling Online Overseas Tool, a free to use, online service that allows you to click, connect, prepare and sell on global e-marketplaces, such as Amazon, eBay and Rakuten, based on your product category and export market of choice. Through the tool, you can also access discounts, including waived commissions and special marketing packages.

Selling through a partner

Some businesses choose to work with a partner who is already familiar with a particular market. There are two types - distributors and agents. A distributor will buy your products directly from you and re-sell them locally. They will be responsible for any profit or loss in stocking and selling on your goods. Agents will arrange sales on your behalf and receive commission on the sale once payment is made. In both cases they are an invaluable, on the ground resource to feed back market intelligence.

Success stories: if we can, you can



Gummee

Jodine Boothby's high quality teething products for babies are now sold to the U.S, Norway, Finland, South Korea, South Africa, New Zealand, China, Canada and Australia.



Rosie Brooks

Rosie Brooks, from London, is a children's illustrator whose work has been used in books, advertising, art and film. She has a worldwide profile and attends the Bologna Children's Book Fair as well as book fairs in Frankfurt and Beijing. Rosie's clients are based in Europe, the US and Asia.

Full Grown

Using ancient techniques combined with modern technology, Full Grown grows and grafts living trees into furniture and sculpture. Led by designer and artist Gavin Munro, Full Grown is based in the Midlands and recently won an export order to the US. They have also exhibited in Europe.



Monochrome

Founded in 1999, Monochrome is an award winning digital agency specialising in exceptional UX and UI design, solid development and intelligent, innovative digital solutions. Counting some of the UK's best brands among its clients, Surrey-based Monochrome now has offices in Hungary and Serbia.



Getting help and advice

Of course, making the move into any new market - especially when you're dealing with a different language, culture or set of regulations - can feel like a leap into the unknown.

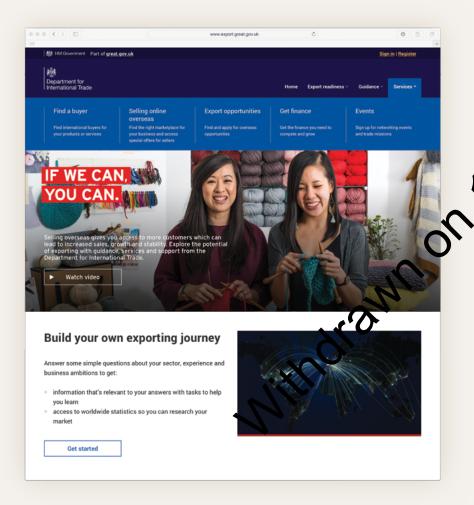
But with the right help and support you can do it.





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great.gov.uk



great.gov.uk is the ideal starting point for UK businesses looking to export for the first time or increase their exporting activity.

It brings to fether exporting information, guidance and services from across government.

Visit great.gov.uk to:



get advice and information on everything from customs and licences to shipping and logistics



get seen by international buyers with a 'Find a buyer' trade profile



get in touch with your nearest international trade advisor for specialist sector and market advice



get out there by attending trade missions, expos, conferences and events



get exporting by applying for live export opportunities from international buyers

You can get help from these government departments

Department for International Trade

(DIT)

The Department for International Trade has a network of experienced international trade advisers across the country as well as staff based in UK Embassies and other Diplomatic Offices around the world. They're all ready to provide you with expert trade advice, market know-how and practical support to grow your business internationally.

Contact the Department for International Trade regional office nearest you, details can be found at the back of this guide.

HM Revenue and Customs

(HMRC)

HMRC can give you expert assistance on a number of matters relating to the importing and exporting of goods.

This includes information and guides covering topics such as the classification of goods, trading in the EU, imports from outside the EU, duty relief on imports and exports, import and export controls and procedures, VAT, export licences, export taxes and exchange rates.

www.gov.uk/business-tax import-export

You can also get advice from your bank, accountant or lawyer and from your local Chambers of Commerce or trade association.

UK Expert Finance

UKEF is the UK's export credit agency. It helps UK exporters by providing insurance to exporters and guarantees to banks to share the risks of providing export finance. In addition, it can make loans to overseas buyers of goods and services from the UK. UKEF works closely with exporters, banks, buyers and project sponsors to support exports to, and investments in, markets across the world.

www.gov.uk/uk-export-finance

Intellectual Property Office

(IPO)

The IPO is the government body responsible for intellectual property (IP) rights including patents, designs, trademarks and copyright.

The IPO operates and maintains a clear and accessible intellectual property system in the UK. The IPO can also help you protect and benefit from your ideas or inventions at home and abroad. This includes access to a range of IP events, guidance, tools and case studies to support your export ambitions.

www.gov.uk/ipo



Help and advice in your region

The Department for International Trade has a network of experienced international trade advisers across the country based in our local offices listed here:

DIT East of England

eastinfo@ mobile.trade.gov.uk

01707 398 398

info@tradeEM.co.uk

0345 052 4001

DIT East Midlands

DIT North East

northeast@ mobile.trade.gov.uk

0345 136 0169

DIT North West

info@tradenw.org

DIT London

export@ tradelondon.org.uk

0207 215 5000

0333 320 0392

DIT South East

info@ tradesoutheast.com

0330 300 0012

DIT South West

DITsw@ mobile.trade.gov.uk

01275 370 944

DIT West Midlands

wmenguiries@ mobile.trade.gov.uk

0345 222 0159

DIT Yorkshire and the Humber

vorkshire@mobile. trade.gov.uk

0300 365 1000

Companies in Wales, Northern Ireland or Scotland looking for export support and advice should contact:

Business Wales

businesssupport@ wales.asi.aov.uk

0300 060 3000

enquiry@investni.com

Enterprise

nternational@ scotent.co.uk

(within Scotland)

0300 013 3542

(from mobile phones or if outside Scotland) 0141 247 1385





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DIT

As part of FLM Government, the Department for International Trade (DIT) has overall responsibility for promoting UK trade across the world and attracting foreign levestment to our economy. DIT has responsibility for negotiating international trade policy, supporting business, as well as delivering an utward-looking trade diplomacy strategy.

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Any enquiries regarding this publication should be sent to us at enquiries@trade.gsi.gov.uk

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