



# GROWTH THROUGH EXPORTS

FIVE STEPS TO FOOD AND DRINK EXPORT SUCCESS



**F|D|E|A**

Food & Drink  
Exporters Association

Food and Drink  
Federation



Delivering Sustainable Growth



# GROWING UK FOOD AND DRINK EXPORTS

## FIVE STEPS TO SUSTAINABLE EXPORT SUCCESS

**The Food and Drink Federation (FDF) and Food and Drink Exporters Association (FDEA) are committed to working together in order to support existing food and drink exporters in growing their sales overseas, while helping and encouraging more companies to begin their export journey.**

Together, FDF and FDEA have produced this guide to get you thinking about core elements of the export process and who can help you along the way. Key terms are explained, questions answered and support offered through five simple steps, concluding with a list of useful contacts and links to our joint webinars that will bring it all to life.

# 1

# IS NOW THE RIGHT TIME TO EXPORT?

Determine if your business is capable of dealing with the demands of exporting

## QUESTIONS TO CONSIDER:

- **Will your business benefit?** It is important to assess the business challenges and potential risks
- **Do you have the resources to take on the new opportunity?** Time, finance and skills will need strategic consideration
- **Are you prepared to develop long-term relationships with overseas buyers and consumers?** Having trusted partners overseas is crucial to securing success
- **Are you willing to adapt your products to appeal to overseas customers?** Be willing to invest in resources to ensure that they comply in target markets

## GETTING STARTED:

- **Use expertise from both within your business and outside** Insight from FDF, FDEA and UKTI (United Kingdom Trade and Investment) will help you establish whether your company is ready to export
- **Start by understanding global trends** Which markets have most potential for your products
- **Check out the competition** Is there room for you to compete and survive in target markets?
- **Do some initial research online and by visiting target markets** Visiting international trade fairs is a brilliant way to build insight and contacts
- **Develop a simple export plan** Pull all of this together to ensure you have the resources and skills in place to grow your business outside the UK
- **Contact FDEA** Experts in facilitating guidance towards creating your export plan

## KEY OUTCOME:

Decide if you are ready to start exporting. Do your research, identify your strengths and opportunities as well as the risks and barriers, and use this to make your plan

# 2

## DO YOUR RESEARCH

FDEA has seen evidence that investing time and effort into research and remaining focused is key to export success. Two or three markets are enough to get you started on the right track

### QUESTIONS TO CONSIDER:

- **Which countries should you target?** Make a shortlist and focus your research to understand routes to market. *FDF's Export Snapshot* will provide indicators of the UK's top food and drink export markets
- **Which markets import or consume the largest quantities of your product?** Where is there a trend for your product type?
- **Which markets are predicted to grow?** Look at economic trends and FDF's trade statistics for your target markets
- **How will cultural practices in your target markets affect consumption or demand?** Remember, these can change between regions
- **Which customers should you be selling to?** Consider the demographic. Is there a demand for premium products?

### GETTING STARTED:

- **Make sure you fully understand and promote the Unique Selling Points (USPs) of your product and the profile of potential end customers** Develop a clear marketing strategy
- **Be aware of any product modifications you may need to make** Consider product labelling requirements as these can vary across markets. FDF members have direct access to a team of technical and regulatory experts who can provide expert advice
- **Do not quote prices until you fully understand all the costs** Think about additional labelling and packaging, transport and documentation costs
- **Check out food safety standards in the markets to which you are looking to export** Local product standards and regulations can vary across the world so factor this into your research
- **Understand the routes to market and the additional margins and taxes that will apply throughout the supply chain** You don't want any unpleasant surprises along the way
- **Think about market access** Whether you plan to sell directly, through agents, distributors or third parties you need to consider the implications of choosing that route in each market

### KEY OUTCOME:

Have all the relevant information about your chosen market(s), understand the implications both product and country specific, including compliance, logistics and market dynamics that will impact your export plan

# 3

## CREATE OPPORTUNITIES

Analyse what your business can do to improve visibility and create a sustainable route to market

### QUESTIONS TO CONSIDER:

- **Are you visible?** Website and social media platforms need to be up to date and informative, providing an easy contact point for potential customers
- **Have you considered exhibiting at trade fairs, either in the UK or abroad?** Join FDEA/UK pavilions for one of the best ways to meet buyers and generate new business leads both in the UK and abroad
- **Do you know your UKTI International Trade Advisor (ITA)?** They can put you in contact with UKTI trade teams at British embassies and consulates
- **Are you registered for UKTI Exporting is GREAT alerts in the food and drink sector?** These can provide a chance to register your interest with buyers looking for British products
- **Are you signed up to receive updates from FDF and FDEA?** Trade associations have a wealth of information to share on exports, regulatory issues and business opportunities

### GETTING STARTED:

- **Visit your target market** The best way to connect with international customers is meeting face-to-face to develop insight and personal relationships
- **Intellectual property is one of your most important assets** You need to understand how to protect this in different markets
- **Talk to your bank** They will be able to advise you on international payments and protecting yourself from currency volatility
- **Minimise your risk** Explore ways to protect yourself against non-payment and loss or damage of goods. Make sure you are insured and go through proper channels to secure agreements
- **Talk to other exporters** Use FDF and FDEA networking opportunities to gain insight from our successful exporters

### KEY OUTCOME:

Make your company and your products visible to potential customers in target markets and to those that can help you on your export journey

# 4

## EXPORT PRACTICALITIES

Complying with regulations and paperwork can be daunting to new exporters but does not need to be a barrier

### QUESTIONS TO CONSIDER:

- **What Incoterms should you use and what are they?** Incoterms are internationally agreed rules which set out the delivery terms for goods. Allowing both buyer and seller to agree details on the terms of sale will prevent future misunderstandings
- **What documents do you need?** Establish early on what types of documentation you will need to provide and how long they will take to secure as this will impact your delivery time
- **How will I get my export prices right?** Always provide quotes in writing detailing incoterms and what is and what is not covered in terms of labelling and packaging. Check customer requirements before quoting a price
- **What are the common types of paperwork you need?** Within the EU there is free movement of goods, but there will still be some paperwork. Exporting outside the EU often requires further consideration but don't worry, specific documents are usually relatively easy to track down

### GETTING STARTED:

- **Have a written agreement** Although not a requirement, having a written agreement drawn up and approved by an experienced lawyer is recommended
- **Product Liability Insurance** Needs to cover all the countries you are selling to
- **Invest in software** This might be something you consider to cover your export documentation. British Chambers of Commerce can advise on this
- **Certificate of Origin (CO)** A CO is required to certify the origin of goods and can be provided by the British Chambers of Commerce
- **Export Health Certificates (EHCs)** These are needed to verify exports of products of animal origin are fit for human consumption. Contact Defra or your local Environmental Health Officer for initial advice
- **Contact specialist food and drink translation companies** Avoid confusion by sourcing experts to help with translating both websites and packaging

### KEY OUTCOME:

Understand what extra costs you may face including documentation and your responsibilities in terms of transportation. Confirm important details upfront and in writing to avoid disputes at a later date



# 5

## GROWING EXPORTS

**Once the first shipment has left the UK there are several steps to take to increase your chances of repeat business and help build your reputation internationally as a reliable exporter**

### **STEPS TO TAKE:**

#### **Keep in contact with your overseas customers**

Lack of communication from UK suppliers is unfortunately a common complaint from many international buyers. Communicate regularly with your customers by telephone and email and include them in your company newsletters. Make regular visits to your chosen export destination, review the progress made and ask for feedback. Ensure you are treating overseas buyers as you treat customers in the UK. FDEA can provide support and checklists

#### **Provide excellent customer service**

Make sure that goods are being delivered on time as set out in each order confirmation. Have regular contact with your shipping company to make sure everything is on track and that your products are delivered without delay. Act quickly to prevent setbacks

#### **Contact other potential customers with FDEA guidance and regularly review the supply chain**

If your products are not being exported exclusively to one buyer, make contact with other potential customers to grow your sales, especially as E-commerce continues to grow in importance. Your UKTI ITA and trade officers at British Embassies may be able to assist

#### **Maintain promotional activity**

To ensure momentum, maintain promotional activity through attendance at trade fairs, social media presence and targeted advertising. This doesn't need to be expensive to be effective

#### **Agree a market development plan with an importer/distributor**

The success of your products overseas should be almost as important to your export partners as it is to you. Put in place a jointly agreed development plan to help drive up sales and maintain an ongoing relationship

#### **Adapt what you have learnt to develop new markets**

Utilise your experiences, feedback and skills and start exporting to new markets

### **KEY OUTCOME:**

**Keep your customers happy, build your reputation and grow your export outreach to achieve profitable and sustainable growth**



# WHY EXPORTING MATTERS

## Exporting is proven to fuel business growth and boost productivity in the workplace

According to UKTI, companies that export see a 34% increase in productivity within their first year of exporting and are 11% more likely to survive if doing business overseas.

There has never been a better time for British businesses to explore new markets, now is the time to export if you want to grow your business. Brand Britain is now worth almost £1.5 trillion with the UK shipping goods in excess of £300bn across the globe each year.

FDF has set an ambition to grow exports of value-added food and non-alcoholic drinks by a third, achieving an overall value of £6 billion by 2020, and we're keen to help and encourage more manufacturers within our industry to export.

FDEA members continue to report strong export growth especially as consumers in so many regions of the world are now actively looking for British quality and expertise in their food and drink purchases.



*International markets are of vital importance to UBI (United Biscuits International), whose brands are sold in over 130 countries. UBI's export growth strategy is based on building hubs, with local marketing, technical and manufacturing capability in key markets across the world. It also works hard to understand local consumer needs and deliver top quality biscuits that meet these needs.*

**United Biscuits International**

*Exports are very important to our business. All our products sell well in export markets as they taste good and are healthy, premium products. Our most successful export markets are the Middle East, Asia and Europe where we have seen repeat purchases and in the last year we have seen sales grow significantly in the new markets we have entered.*

**Lizi's Granola**



# WEBINARS AND TESTIMONIALS

## Further guidance is available through our webinars on **Open to Export**

Due to the popularity of British food and drink and the thriving export market, there is an industry feature on the [Open to Export](#) website where it is also possible to request advice from a wide range of experts.

Some useful webinars are highlighted below. Please take the time to visit [opentoexport.com](http://opentoexport.com) to explore further content that will help your business.

### [Finding your niche in international markets](#)

FDF and FDEA provide an overview of the food and drink landscape and Liz's Granola share experiences as a successful exporter. The webinar explores different niches food and drink companies can explore in markets around the world and the different channels available to first time exporters.

### [Food labelling for export](#)

UK Government's Head of Food Labelling and Ashbury Labelling highlight issues that you will need to consider when exporting both inside and outside the EU, essential viewing for any food business.

### [Routes to market](#)

Top tips for food and drink exporters on finding the right export partners in your target markets and potential channels for your business to meet overseas buyers. FDEA, Cheshire Cheese Company and online food and drink platform ittradein.com all share their experience.



*As a small business, we have found the advice from FDEA to be invaluable, particularly in more challenging markets such as China.*

**Cornish Sea Salt**

*We were delighted to receive FDF's Exporter of the Year award in 2015 and to be ranked so highly amongst other progressive, ambitious companies, operating on a global level. Exports have been a core area of focus for Delamere Dairy over the last few years and to be recognised for these efforts is terrific!*

**Delamere Dairy**

*Eat Natural has been an FDEA member for a number of years. They have been very active in alerting us to new business opportunities and the Buyers Guide is really effective for international trade awareness. The FDEA also provides great occasions to talk with like-minded UK exporters.*

**Eat Natural**



# HELP FOR SMALL BUSINESSES

**IF YOU ARE A SMALLER BUSINESS AND DON'T KNOW WHERE TO START, TRY ANSWERING A FEW BASIC QUESTIONS FIRST**

- **Do you have the resources to export?**
- **Can you deal with fluctuating product demand?**
- **Have you researched your target market?**
- **Do you have a viable route to market?**

## **ABOVE ALL, THINK RISK AND PLAN AHEAD**

Visit the FDF website for further information, access to additional content and an online version of this guide with live links that will direct you straight to the support you need:

**[www.fdf.org.uk/exports.aspx](http://www.fdf.org.uk/exports.aspx)**

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# USEFUL CONTACTS

## **Agriculture and Horticulture Development Board (AHDB)**

A statutory levy board delivering extensive research and development programmes which are scientifically-robust and commercially useful for levy payers.

## **Ashbury Labelling**

A leading provider of regulatory and food labelling advice, working to ensure products are compliant with food legislation. Will help solve your labelling, artwork and regulatory issues.

## **British Chambers of Commerce**

An independent network of 53 chambers across the UK working with all businesses and sectors to help them grow. They provide excellent certification guidance including information on [\*Export Health Certification \(EHC\)\*](#).

## **e-z Cert**

An online UK service for electronic certificates of origin and other certified documents. The service is provided by all Chambers of Commerce.

## **EU Market Access Database**

An EU resource providing information for exporters about import conditions in third country markets, including tariffs, trade barriers, food safety measures and rules of origin.

## **EU SME Centre China**

An EU initiative that provides a comprehensive range of support for SMEs, including food-focussed guides and webinars on doing business in China. Additionally the [\*China-Britain Business Council \(CBBC\)\*](#) works closely with the British Chamber of commerce in China to support opportunities for UK businesses in and with China.

## **Export Britain**

An online resource from the British Chambers of Commerce that showcases opportunities overseas and links UK exporters to support from British Chambers and business groups in the UK and around the world.

## **Exporting is GREAT**

A Government database of export opportunities identified by UKTI and UK Government posts overseas. It is searchable by business sector and market.

## **Food Standards Agency (FSA)**

An independent Government department responsible for food safety and hygiene across the UK.

## **Institute of Export**

A professional membership body representing and supporting the interests of exporters.

## **Intellectual Property Offices**

The official UK Government body responsible for intellectual property (IP) rights including patents, designs, trademarks and copyright.

## **Open to Export**

An online community supporting UK business with exporting activity. Information on export opportunities, key contacts, events and webinars, as well as a platform for questions to a community of experts that are willing to help.

## **UK Export Finance**

The UK's export credit agency providing credit and investment insurance, Supporting information available such as international agreement details and a summary of the application processes and considerations.

## **UK Trade and Investment (UKTI)**

The UK Government department working with businesses based in the UK to ensure their success in international markets.

## **UKTI International Trade Advisor (UKTI ITA)**

Advisors providing guidance to support companies wishing to trade in international markets. Contact a food and drink specialist who can help before you start to conduct in-depth research.

# ABOUT US

## THE FOOD AND DRINK FEDERATION (FDF)

**The Food and Drink Federation** is the UK's leading trade body for food and soft drink manufacturers. We work with Government and other organisations to make sure members can continue to be part of the UK's manufacturing success story.

We help our members operate in an appropriately regulated marketplace to maximise their competitiveness, communicating our industry's values and concerns to Government, regulators, consumers and the media.

We offer expert technical advice, early insights into issues impacting the industry, networking opportunities to develop business and export market insights. Our wide range of Professional Affiliate members can provide additional support for exporters, including on legal, financial and food labelling issues.

Together with UKTI and the FDEA, we are committed to developing export opportunities for food and drink manufacturers by driving industry ambition, providing networking opportunities and influencing policy.

Our work on exports forms a key part of FDF's '20/20 Vision for Sustainable Growth', which aims to grow the UK food and drink manufacturing industry by 20% by 2020.

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Twitter: @Foodanddrinkfed

## THE FOOD & DRINK EXPORTERS ASSOCIATION (FDEA)

**The Food & Drink Exporters Association** is the only the trade association representing UK food and drink exporters both to the international buying community and the UK Government.

Run by experienced exporters we offer a wide range of services including our Buyers' Guide and Directory of Members, Network Forums, Meet the Buyer Events and Export Skills Workshops. We also carry out international market research and provide an export helpdesk for members.

Together with our delivery partner PS8, we are a UKTI Accredited Trade Organiser, managing and adding value to UK pavilions at international food and drink trade shows throughout the world including ANUGA, SIAL, ISM and many more.

Membership of FDEA allows companies to join a network of like-minded food and drink exporters and to benefit from our extensive experience and expertise in international business development.

With a management committee made up of experienced exporters, FDEA delivers services of real benefit to members.

[www.ukfdea.com](http://www.ukfdea.com)

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