10 STEPS TO EXPORT SUCCESS
A REFERENCE GUIDE FOR FOOD AND DRINK BUSINESSES
FOREWORD

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Vice President of the Food and Drink Federation and Chair of the Food and Drink Federation’s Competitiveness Steering Group

This is an opportune time for UK food and drink manufacturers to focus on growing exports. UK Grocery retail continues to be a challenging and highly competitive environment despite the economic recovery now in full flow. High demand from overseas markets for British products offers considerable opportunities to grow and diversify outside of the domestic market.

Exports of prepared and packaged foods from UK manufacturers have shown strong growth over the last 13 years and have performed extremely well when compared with the overall export landscape. We have seen exports rise by +5% in 2013, with Britain’s reputation for quality brands and innovative new products highly regarded around the world.

Despite the numerous benefits of trading overseas, only 10% of food and drink small and medium-sized enterprises (SMEs) export and of these the export sales of half of exporters make up less than 5% of total sales [1]. This is due in part to business owners feeling that they are unable to find the right information which will enable them to develop an export strategy.

To meet this need and as part of the industry’s joint action plan with Government to grow agri-food exports, the Food and Drink Federation, in partnership with the Food & Drink Exporters Association, has published ‘10 Steps to Export Success’. This free reference guide for food and drink SMEs will help them to access new markets by making available a wealth of existing information provided by UK and international organisations, and equipping them with the essential tools to create an export plan.

GEORGE EUSTICE MP
Parliamentary Under Secretary of State, Defra
Co-Chair of the Agri-food Export Forum

I am very pleased to support the Food and Drink Federation’s ‘10 Step Guide’ to exporting.

UK food and drink is known for its excellent quality, famous brands, innovative approach and use of cutting edge technology. This is borne out with exports increasing to £18.9bn in 2013, up 50% in the last decade.

Encouraging agri-food and drink companies, particularly small and medium sized enterprises, to think about the benefits of exporting and building it into their business strategies is essential to future export growth. Population growth and demand for western style products means there are huge opportunities for our producers to tap into established and emerging overseas markets.

And, there are many benefits to trading overseas – exporting simply makes good business sense.

Yet, too few of our food and drink enterprises currently export. To help raise awareness and simplify the exporting process the Food and Drink Federation is updating their free ‘10 Step Guide’ to exporting.

This guide is very welcome as it provides a wealth of existing national and international information designed to equip would-be exporters with the essential tools to create an export plan and so start exporting.

I am grateful to the Food and Drink Federation, and the Food & Drink Exporters Association, for their guide and their ongoing work to help UK companies to export.

The food and drink sector is supported by a number of initiatives, including the joint government and industry Food and Drink Export Action Plan re-launched last October to reflect our increased commitment and ambition; the GREAT Campaign, including a Food is GREAT Pillar and the UK’s global trade and investment marketing campaign.

We have the capability to increase our share of the global export markets and I am committed to helping industry to achieve this.

IS EXPORT RIGHT FOR YOUR BUSINESS?

More and more food and drink businesses are waking up to the benefits of export and, in spite of increased competition in the international marketplace, demand for British products remains high. Whether deciding in favour or against exporting, it is a strategic business tool that all ambitious UK companies must carefully consider.

Before starting down the path to export food and drink businesses must understand that exporting is for the long haul and carefully consider what it is that they want to achieve. Exporting should not be treated as a quick way to boost sales figures. The most successful exporters are both patient and proactive; they are prepared to foster relationships with overseas buyers and consumers over the long-term and are always actively looking for opportunities and seeking new partnerships.

In 2011, the Food and Drink Federation (FDF) and the Department for Environment, Food and Rural Affairs (Defra) commissioned research into opportunities and barriers to growth in the food and drink manufacturing sector. This research highlighted some of the key benefits of export to medium sized food and drink manufacturers.

These include:

- **Business growth** – New opportunities to grow and develop
- **Diversification** – Growth overseas can hedge slower growth in the UK
- **New Product Development (NPD)** – Overseas customers and consumer groups can drive NPD and innovation
- **Brand promotion** – New opportunities to promote and strengthen your brand(s)

USING THIS REFERENCE GUIDE TO GET STARTED

One of the key findings in the FDF and Defra research report mentioned above is that, while there is extensive information available on exporting food and drink, businesses find it fragmented and difficult to locate, which acts as a disincentive to export.

In fact, there is a wealth of free resources produced by expert organisations, which are available to UK businesses accessible throughout the export process. ‘10 Steps to Export Success’ pulls together this existing information into a single, free resource and provides tailored, sector specific information to help food and drink manufacturers with every step in their exporting journey.

This virtual resource contains direct links to web pages throughout each of the sections. Simply click on the links to be taken to web pages that provide information, services and key contacts to help you on your export journey.
10 STEPS TO EXPORTS SUCCESS

1. GETTING STARTED
2. MARKET RESEARCH
3. PRODUCT RESEARCH
4. ROUTE TO MARKET
5. CREATING OPPORTUNITIES
6. TERMS OF SALE
7. LEGAL
8. PAPERWORK
9. FINANCE & INSURANCE
10. MANAGEMENT & IMPROVEMENT

Click on each step in the diagram or above to view the associated information.

GLOSSARY

Food and Drink Federation
Delivering Sustainable Growth
If you are considering whether or not to begin down the road to export, your first step should be to make contact with UKTI, the UK government department which works with UK-based businesses to ensure their success in international markets. UKTI has a network of International Trade Advisors (ITAs), regional experts based across the UK who specialise in food and drink. Your regional ITA will help you assess the export readiness of your business initially then help you on the export journey. Visit the UKTI website for the contact details of your nearest UKTI office to arrange a free consultation.

**EXPORT PLANNING**

If you do plan to export, you will need to develop an export plan covering:

1. **What steps you need to take (see below)**
2. **What targets you should aim for (e.g. sales targets)**
3. **What resources you can use to meet your target/s**

**FACTORS TO CONSIDER:**

- **Human resource** - Can you redeploy existing resource to drive your export activity or do you need to bring in new talent?
- **Capacity** - If overseas demand for your products grows quickly, do you have enough capacity or a plan in place for increasing production?
- **Product changes** - Can you enhance the marketability of your product to appeal to overseas customers while complying with foreign regulation (see Step 3 for further information)?
- **Market visits** - Visiting different regional markets to conduct research (see Steps 2, 3 and 4) and showcasing your products at trade fairs (see Step 5) are the best ways to build contacts and become a successful exporter. Do you have the resource to invest in this activity?

**WHO CAN HELP?**

- **The Institute of Export** and the **British Chambers of Commerce** provide export training for UK businesses. The **National Skills Academy for Food and Drink** can also help you find a training provider offering export training.
- Your bank is likely to have an international team that can offer guidance; this avenue is worth exploring early on in the export process.
- **Open to Export**, delivered in partnership between UKTI and the private sector, supports UK businesses with their exporting activity and includes access to sector specific resources for UK food and drink manufacturers. Open to Export can help you at all 10 stages of the export journey by offering information on export opportunities, key contacts, events and webinars, as well as a platform through which to pose specific questions to a community of experts. The site and the advice it offers are free to businesses.
- **FDF** provides its members with access to export events, information on overseas business opportunities and expert advice on a broad range of food and drink topics.
- **FDEA** offers export planning and market research support, in addition to helping companies to build links with overseas contacts and to access export events and trade fairs.
- There are a number of other food and drink trade associations representing different product sectors that can assist you with exporting.

**OTHER USEFUL EXPORT WEBSITES/GUIDES**

- **Open to Export Boot Camp** – A series of webinars explaining how to start exporting
- **Open to Export YouTube channel** – All the Open to Export food and drink webinars in one place
- **Food Standard’s Agency Export Guide** – General information and product compliance
- **British Exporters Association (BExA) Guide to Export Compliance**
- **BExA Guide to Financing Exports**
- **HMRC Starting to Export Guide**

**USEFUL GUIDES/SITES OVERSEAS**

- **Canadian Trade Commission Step By Step Guide** to Exporting
- **ExportHelp** – South African website providing a source of international export help
- **Export.gov** – United States export help website
Identifying the markets and regions offering the best opportunities for your company will enable you to target your resources to achieve the best return. Undertaking market research will help you to:

1. **Identify which markets to target**
2. **Establish where to target your products in the market**
3. **Understand potential routes to market** (covered in Step 4)
4. **Populate your export business plan with achievable targets**

### FACTORS TO CONSIDER:

- Which markets import and/or consume the largest quantities of your product-type, and which markets have experienced the most recent growth?
- Which markets are predicted to grow the most in terms of income per capita and population?
- How large is the packaged food and drink market in the regions considered?
- How will cultural or religious practises in your target markets affect consumption and/or demand?
- What is the demographic of the market e.g. is it a young or old population?
- What is the population density of those consumers you will be targeting (e.g. high income for speciality, ex-pats for traditional brands)?
- What is the geographical structure of the market? Are there any regions/cities that you should be focusing on? It is unlikely that you will initially be able to export to all regions of a large country.
- What are the barriers to export and how difficult is it to export to a particular market?
- Who are your key competitors? Can your product/s compete with your competitors’?

### REMEMBER - Before conducting market research make sure that you fully understand the Unique Selling Points (USPs) of your product/s and the profile of potential customers i.e. the age or income groups your product/s currently appeal to in the domestic market.

### WHO CAN HELP?

- **Your regional UKTI ITA** food and drink specialist contact can help you to pin down several key markets for your product/s before you start to conduct or commission research.
- **UKTI’s overseas offices, accessible via your UKTI ITA**, offer several market research services which are subsidised for small businesses and which provide in-depth information about the retail/food service environment and route to market for around 100 countries.
- **FDF** and **FDEA** can provide you with market research information for a number of product sectors and markets.
- There are a number of other food and drink trade associations representing different product categories who can assist you with exporting.

### FREE MARKET RESEARCH INFORMATION

Market research information on trends, culture, tastes, demographics etc. can be difficult to find without paying a fee. Initially businesses may want to conduct some basic background research before they commit to commissioning paid for research. Here are some useful sites to get you started:

- **UKTI Exporting Country Guides** – Provides a comprehensive list of market reports
- **British Chambers of Commerce/DHL** – See TCI reports which include country factsheets
- **British Chambers of Commerce Market Snapshots**
- **Export.gov** – This US site provides a number of channels for market research information
- **Bord Bia Marketing Reports** – See ‘Inspired Expeditions’ and ‘Continental PERIscope’ reports
- **Canada Agri-Food trade service** – Statistics, country reports, product reports
- **Canada Agri-Food Statistics and Market Information**
Once you have identified your target markets it is a good idea to conduct background research on whether your product/s need to be adapted in order to be sold in the countries you are targeting.

**LABELLING AND PACKAGING**

Product labelling, packaging design and materials may need to be modified to account for regional differences and (for exports to the EU) comply with new Food Information Regulations in force from 13th December 2014.

**FACTORS TO CONSIDER:**

- **New information** - Does any additional information need to be included on your product labelling?
- **Labelling design** - Does the information need to be laid out or formatted differently?
- **Cultural factors** - Will the name of your product, colours and packaging design appeal to your target audience in the markets that you have identified?
- **Translation of label** - Do you need to translate information on-pack into different languages?
- **Product claims** - If your product/s make any claims based on standards that are accredited in the UK (such as organic certification awarded by the UK Soil Association), will these be accepted by foreign regulators?
- **Sell by/use by/display until/best before** - Are these terms used in your target market(s)? If you sell short shelf life products will they be fresh by the time they reach certain markets?

**Pricing**

Before you start to approach buyers you will need to have a good understanding of how your product will be priced to make sure your margin requirements are met. You can do this by creating a price chain worksheet taking account of the following factors:

A) Basic selling price
B) Unit cost of transport, insurance, documentation and certification.
C) Landed price (A+B)
D) Local import charges and taxes (if applicable)
E) Distributor Margin: %
F) Wholesale Margin: %
G) Retail/foodservice Margin: %
H) Retailer Fees/Support
I) VAT: %
J) Retail selling price

**Typical margins:**

- Retailer - Supermarket 25-40%, Delicatessen 40-50%+
- Wholesaler - 15-25%
- Distributor - 25-40% (wholesale and distributor costs may be combined if the distributor is directly supplying retail outlets)

**REMEMBER** - Food safety standards and therefore entry requirements vary considerably across markets. In some cases you may be required to send a sample for the relevant authorities to test before you can export to non-EU markets. This process will provide you with a good opportunity to run through the export process for the first time before you begin shipping quantities of your products.

Are my products compliant with new Food Information Regulations (FIR) in the EU?

- **Technical guidance on Nutrition Labelling**
- **Food labelling e-learning course**
- **FSA advice on Allergen & intolerance labelling**

**WHO CAN HELP?**

- Your [UKTI ITA], British embassies overseas or embassies in the UK may be able to advise on packaging, labelling and food safety requirements or put you in touch with the relevant agencies.
- Your existing packaging supplier may have an international division - they are worth approaching for support.
- [FDEA] can advise and signpost on all aspects of product compliance and export pricing.
- The [EU Market Access Database] provides guidelines on key food regulations in non-EU markets.
- [Leatherhead Food Research] and [Campden BRI] both provide regulatory services and consultancy. There are other organisations offering these services which can be found online.
- [Defra] and [Ashbury Labelling] (and other organisations) can provide guidance and services on keeping labelling compliant in overseas markets. Resources are also available on the Food Standards Agency (FSA) website, see links on the left.
You must consider how you want your product(s) to enter the market/s that you have identified and where you want them to be sold.

**WHICH INTERMEDIARIES?**

If you are exporting for the first time it is likely that you will need help in marketing and selling your products overseas:

- **Importers/distributors** purchase directly from your business and normally market/sell products exclusively to retailers and foodservice operators in a particular market or region.

  **Top tips**
  1. If possible to A) visit the distributor in the country in which they operate, and B) appoint them for a trial period initially, with mutually agreed targets, before establishing a more long-term partnership.
  2. Consider taking legal advice on the country’s local laws relating to distributor agreements – contact your UKTI ITA for guidance on this.
  3. Choose distributors carefully, making sure that they are able to sell your product effectively and have a proven track record in the food and drink sector.
  4. Keep in regular contact with your distributor and carry out regular reviews.

- **Export houses/consolidators** are companies based in the UK that purchase your products outright and sell these overseas on their own behalf. Taking this approach will allow you to export with minimal effort however, your business will have no control over how your products are marketed and sold.

- **Agents** can be appointed to find buyers on your behalf and normally work on a commission basis.

  **Top tips**
  1. If you choose to work with an agent, make sure that they have experience of working with businesses selling the same or similar products and the outlets you are targeting.
  2. Consider a written contract before the agent acts on your behalf outlining the geographical scope of the agreement and sales targets.
  3. Appoint for a trial period with targets before establishing a more long-term partnership.
  4. Keep in regular contact with your agent and carry out regular reviews.

**FACTORS TO CONSIDER:**

- Are there premium outlets that specialise in imported food and drink?
- Is there any potential for your product in the food service or hospitality sector, such as in coffee shops or hotels?
- Which types of outlet attract which consumers? Therefore which outlets are your products suited to?

**WHO CAN HELP?**

- UKTI offer research services through commercial teams at embassies and consulates to identify suitable partners and customers for individual products. Contact your **UKTI ITA** for further details.
- **FDEA** has a wide network of global contacts including importers and distributors, retailers and foodservice operators.
- Commercial operators can provide lists of contacts - an internet search should identify potential suppliers of this kind of service.
- **Open to Export** ‘Routes to market for food and drink exporters’ webinar

**WHICH OUTLETS?**

It is important to research the retail and foodservice environment in the market/s that you are planning to export to so you are aware of which will be most effective in maximising sales. This will help when selecting local partners.
In order to promote your products effectively and create new business opportunities you must consider all of the promotional channels available to you and best suited to your target market and audience.

**WEBSITE AND SOCIAL NETWORKING**

Maintaining an up-to-date and informative company website is a worthwhile investment as it will provide an easy point of contact for potential customers. Depending on the consumers that you are targeting, social media can be a cheap and effective way of building brand awareness.

**Top tip**

1. Update your website to inform potential customers that you are willing to export. Provide contact details of the company contact appointed to cover export sales.
2. Explore ways of using social networking as a means of communicating with your international customer base. The British Chambers of Commerce offer workshops on these subjects across the UK.

**TRADE FAIRS**

Trade fairs, in the UK and abroad, are one of the best ways to meet buyers and generate new business leads. Grants are available to subsidise the cost of exhibiting for SMEs. FDEA are one of several Approved Trade Organisations (ATOs) appointed by UKTI to run shared stands for UK companies or ‘UK pavilions’ at a wide range of international trade fairs. Contact your UKTI ITA who can signpost you to the right ATO for the market(s) you have identified.

**MARKET VISITS**

It is important to visit opportunity markets you have identified. Prior to organising a visit, contact your UKTI ITA as they will be able to put you in contact with UKTI Trade Teams at British embassies and consulates. They offer a range of services to help you plan your visit and may even be able to provide funding for your trip.

**Top tips**

1. Make sure you have done your homework about your product, market and customer.
2. Take well packaged product samples.
3. Prepare a sales pitch telling your story so you can promote your product to potential customers.

**TRADE MISSIONS**

UKTI and ATOs organise structured trade missions to specific markets which allow businesses to meet with buyers and attend relevant events; this information can be accessed by signing up for UKTI information alerts and subscribing to the FDEA newsletter. There is funding available to support SME attendance at Trade Missions through the Tradeshow Access Programme, ask your UKTI ITA for further details on how to access this.

**ADVERTISEMENTS**

You can list your business and products in overseas directories which can be found by searching the internet.

**REMEMBER –** Financial support to help SMEs to capitalise on export opportunities is available and worth exploring.

**WHO CAN HELP?**

- You can register with UKTI business opportunities alerts for business opportunities in the food and drink sector, giving you the chance to register your interest with buyers looking for British products.
- FDF sends a monthly summary listing the most relevant opportunities direct to FDF members.
- FDF, FDEA, other sector specific trade associations and UKTI all host events which provide export information and business opportunities for food and drink businesses. Visit their websites and register for information to be kept informed of upcoming export events.
- UKTI events portal – Provides easy to access information on all UKTI events and webinars searchable by sector and market.
- Open to Export E-Commerce landing page – Resources on how to grow international sales online.
Once you begin to receive enquiries from potential customers the practical elements of exporting come into play.

Taking the following steps will lead you to agree the terms of sale

- **Understand ‘Incoterms’**: Incoterms are internationally agreed rules which set out the delivery terms for goods being traded internationally. They allow the buyer and seller to agree details on the terms of sale and prevent any future misunderstandings or disputes. Further explanation of Incoterms can be found here.

- **Export documentation**: You will need to establish early on what types of documentation you will need to provide to enter the market and how long it will take to gauge how quickly you can deliver your products to the customer (see Step 8 for further details).

- **Provide a written export quotation detailing**
  - The particulars of your product including pack sizes, packaging formats and whether there is an additional cost for export labelling and packaging that you are charging on;
  - Price and delivery terms (Incoterms as mentioned above);
  - Lead time for orders;
  - The estimated date of shipment and arrival (if applicable);
  - Payment terms and conditions.

**PAYMENT TERMS AND CONDITIONS**

It is important to be clear about terms of repayment and make sure that they fit in with your business plan:

- Within the EU most buyers are likely to pay on an ‘open account’ basis similar to that in the UK. You may be required to set up a Euro business banking account and expect repayment terms of 30, 60 or 90 days. Some buyers will pay up-front, especially for initial orders.

- Outside of the EU you may find buyers that are willing to pay up-front initially if orders are fairly small. There are other mechanisms for obtaining payment which reduce risk to both the buyer and seller (see Step 9 for further details).

**WHO CAN HELP?**

- Your new customer should provide guidelines on what is required and may be willing to provide insight into the process.
- The British Chambers of Commerce run courses on the practical elements of exporting including Incoterms.
- Your UKTI ITA, British Embassies overseas or Embassies in the UK will be able to provide details on documentation requirements and can advise on specific market expectations for payment terms or put you in touch with the relevant agencies that can help.
Make sure that the right contractual paperwork is in place to ensure that you are paid on time so no conflicts arise with a new or existing customer.

If you choose to have a written agreement with your overseas partners we recommend that this is approved by an experienced international lawyer and covers the following:

- Territory for the agreement
- Sub-agents and distributors (if applicable)
- Commission rate (in the case of an agent)
- Currency and payment terms
- Levels of authority e.g. in the promotion of your brand(s)
- Frequency of reporting and sharing of customer information
- Duration and termination
- Sales targets

You should also make sure that you have covered the following areas:

- **Protect intellectual property.** Ask your solicitor for advice on protecting intellectual property in overseas markets. You may already have a registered trademark in the UK but it is unlikely that this extends to other markets. If your product/s are copied, it will be very difficult to grow sales in that market.

- **Product liability.** Ensure that the countries you are selling to are included in your product liability cover. The US is often excluded and may incur an additional premium.

- **Product compliance.** This is ultimately your responsibility but it is worth checking the detail carefully with your local distributor and customers (see Step 3 for further details).

**WHO CAN HELP?**

- You are always recommended to take the advice of an experienced international law firm to approve any international contract arrangements.

- **SOLVIT** handles cross-border legal problems within the EU. There is a UK Government office that can help in the event your products encounter any market access problems.

- **IPR Helpdesk** provides support from the European Commission to SMEs on how to protect IP.

- **WIPO** offers support and services on how to protect IP in all markets.
The documentation needed to comply with the requirements of your customer and customs varies considerably across markets.

**INITIAL STEPS**

We recommend that you appoint a freight forwarding company to deliver your products which will complete a large proportion of the paperwork on your behalf. Your UKTI ITA, the European Freight Forwarder Association (EFFA) have a search tool to find forwarders that can deliver your products by market, or other food and drink businesses will be able to provide you with company recommendations. Alternatively, you can conduct an internet search, but make sure the company has experience in the delivery of food and drink.

Below you will find the most common forms of paperwork you may be required to provide.

**PAPERWORK FOR EXPORTS TO OTHER EU COUNTRIES**

Within the European Union (EU) there is ‘free movement’ of goods where products can move freely across borders without customs checks. Some paperwork may still be required so contact the authority in the destination country or its foreign embassy in the UK to check.

**PAPERWORK FOR EXPORTING TO NON-EU COUNTRIES**

The following documents may be required – your customer, freight forwarder and embassies/consulates should be able to advise:

- **Commercial invoice** A standard invoice providing details of unit price, number of units and amount, as well as financial and address details. Some markets may require additional information; your new customer will be able to advise.

- **A pro-forma invoice** An invoice providing information on the unit price, number of units and total amount, (i.e. as with a commercial invoice). They may also provide more specific information such as the buyer, seller, transportation and country of origin.

- **Insurance document** A signed document proving that insurance is in place for the goods you are exporting (see Step 9 for further details).

- **Certificate of Origin (CO)** A document certifying the origin of the goods that you are exporting. If a CO is required you will need to contact the British Chambers of Commerce which is the competent authority for issuing these certificates.

- **Export Health Certificates (EHCs)** A certificate confirming that a UK vet or scientist has approved your product as fit for human consumption to the authorities in the country you are exporting to. EHCs may be applicable only to:
  - Products of animal origin e.g. those containing meat, fish, dairy, or eggs.
  - Processed plant products e.g. tea, wine, flour

Please [click here](#) for more information on whether your products require EHCs and which Defra agencies to contact to obtain them if necessary.

**VAT**

- All goods sold outside of the EU can be zero-rated i.e. VAT charged at 0% on the invoice.

- All goods sold within the EU are not liable for UK VAT but the buyer’s VAT registration number must be shown on the invoice. If the buyer does not provide a VAT number then the exporter must charge VAT at the UK rate, although the buyer can claim this back from Her Majesty’s Revenue and Customs (HMRC) at a later date.

**WHO CAN HELP?**

- Your UKTI ITA, British Embassies overseas or Embassies in the UK will be able to provide details on documentation requirements including certification or put you in touch with the relevant agencies.

- The British Chamber of Commerce provides documentation services.

- The EU Market Access database provides a comprehensive list of what paperwork is required for almost all product categories.

- HMRC’s Starting to Export Guide provides guidance on VAT and other customs requirements. For specific enquiries call the National Export System hotline on 029 2032 6371.

- Defra’s Export Certification Guide identifies which Government agencies exporters need to contact to verify whether EHCs are required for the exportation of their product/s.

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Please note: The information provided is a summary and may not cover all potential requirements. It is recommended to seek professional advice for specific and detailed guidance.
It is important that you cover any risks when exporting to ensure that you receive payment as per the stated terms of your contract. Most of the risk in the export process sits with you, the seller, so protection against non-payment and loss or damage of goods is extremely important. Insurance will help mitigate these risks.

**CARGO/FREIGHT INSURANCE**

Freight forwarders or transportation companies only assume limited liability for the loss or damage of goods when shipping by air or sea. Transportation insurance is therefore essential and can be arranged through an insurance broker or freight forwarder.

**CREDIT CHECKS**

Overseas customers should be subjected to checks from your bank or by a credit agency. The British Chamber of Commerce also provide these services. You can also ask other UK companies already dealing with the customer for references.

**TRADE CREDIT INSURANCE**

It is also recommended that you protect your company against non-payment where your overseas customer defaults, becomes insolvent or is unable to pay due to other reasons such as natural disasters. Contact an insurer for further information. If you are struggling to obtain trade credit insurance, then contact [UK Export Finance](https://www.uk-export-finance.co.uk) which can provide guidance.

**EXPORT FINANCE**

There are a number of services offered by banks that allow exporters to set-up a secure financial arrangement between the buyer and seller to mitigate risk of non-payment. The services available to food and drink manufacturers vary. Contact your bank to discuss what is available for the markets you are exporting to.

**WHO CAN HELP?**

- Many [insurers](https://www.uk-export-finance.co.uk) will offer products which cover against damage and loss of payment. If you are refused cover then contact [UK Export Finance](https://www.uk-export-finance.co.uk) which may be able to assist.

- [UK banks](https://www.uk-export-finance.co.uk) offer a number of export finance solutions. Contact your bank manager for more information. [UK Export Finance](https://www.uk-export-finance.co.uk) may also be able to help you here if your bank cannot.
Once the first shipment has left the UK there are several steps to take to increase your chances of repeat business and help you to build a good reputation internationally as a reliable exporter.

**THESE INCLUDE:**

- **Keeping in contact with your overseas customers.** Make regular visits to the market and review progress with them, treating overseas buyers as you treat your customers in the UK. FDEA can provide support and check lists.

- **Make sure your shipments are not delayed.** Make sure that your goods are being delivered on time as set out in the sales contract. Contact your shipping company regularly making sure the products are set to be delivered without delay or act quickly to prevent any long delays.

- **Contact other potential customers in the market.** If your products are not being exported exclusively to one buyer, make contact with other potential customers to try to grow your sales. Your UKTI ITA may be able to assist.

- **Maintain promotional activity.** To keep momentum building, maintain promotional activity through trade fairs and advertising.

- **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 the on-going relationship.

- **Translate what you have learnt to new markets.** Use your experiences, feedback and skills to start exporting to new markets.

**WHO CAN HELP?**

- Your UKTI ITA and FDEA will be able to revisit your export plan with you and advise what the next steps are to continue to grow export sales.
Glossary

**Accredited Trade Organisations (ATOs)**
Accredited organisations that work with UKTI to raise the profile of UK groups and sectors at trade exhibitions

**Anuga**
The world’s leading food fair for retail, food service and catering sectors

**Ashbury Labelling**
Specialists in providing support and advice to ensure food and drink products are compliant with all international labelling regulations.

**British Chambers of Commerce**
An independent network of 53 chambers across the UK working with all businesses and business sectors to help them grow

**British Embassies Overseas**
The offices of UK ambassadors and diplomatic representatives overseas

**British Exporters Association (BExA)**
An independent national trade association representing the interests of the UK export community.

**Campden BRI**
The UK’s largest independent membership organisation carrying out research and development for the food and drink industry worldwide

**Certificates of Origin (CO)**
Certificates attesting that goods in a particular shipment have been wholly produced, manufactured or processed in the UK

**Department for the Environment, Food and Rural Affairs (Defra)**
UK government department responsible for policy and regulations on environmental, food and rural issues.

**Embossies in the UK**
The offices of overseas ambassadors and diplomatic representatives residing in the UK

**EU Market Access Database**
A European Commission database providing information to companies exporting from the EU

**European Freight Forwarder Association (EFFA)**
Provides a forum for good quality, independent freight forwarders across the globe.

**Export Health Certification (EHC)**
The approval awarded as a certificate by Defra agencies to verify food and drink products are fit for human consumption based on terms agreed by Defra and the destination country Government

**Food & Drink Exporters Association (FDEA)**
The UK trade association dedicated to food and drink exporters

**Food & Drink Standards Agency (FSA)**
Independent government department responsible for food safety and hygiene across the UK

**Food & Drink Federation (FDF)**
The UK’s largest trade association representing the food and drink manufacturing industry

**Food & Drink Research (FDR)**
An independent freight forwarders association (FFA) helping exporters and investors by providing credit insurance policies and programmes and services to support SMEs

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**Her Majesty’s Revenue and Customs (HMRC)**
The UK’s tax authority

**Institute of Export**
The professional membership body representing and supporting the interests of exporters

**Intellectual Property Rights (IPR) Helpdesk**
A European Commission funded helpdesk to help SMEs manage intellectual property

**International Sweets and Biscuits fair (ISM)**
The world’s largest trade fair for sweets and snacks

**Leatherhead Food Research**
A long standing organisation offering a breadth of services in food research, legislation and training

**National Skills Academy for Food and Drink**
A single source of training, providing approved training providers to meet the needs of food and drink businesses

**Open to Export**
The place where UK businesses come together to help each other become better, smarter and more confident doing business abroad

**Salon International de l’Agroalimentaire (SIAL)**
One of the world’s largest food exhibitions located in Paris

**SMEs**
Small and Medium-sized Enterprises

**SOLVIT**
A European Commission funded online problem solving network to avoid trading legal disputes

**UK Export Finance**
The UK’s export credit agency, helping exporters and investors by providing credit insurance policies

**UK Trade and Investment (UKTI)**
UK Government department working with businesses based in the UK to ensure their success in international markets

**UK Trade and Investment International Trade Advisor (UKTI ITA)**
Advisors providing professional advice on a range of UKTI programmes and services to support companies wishing to trade in international markets

**Value Added Tax (VAT)**
UK sales tax