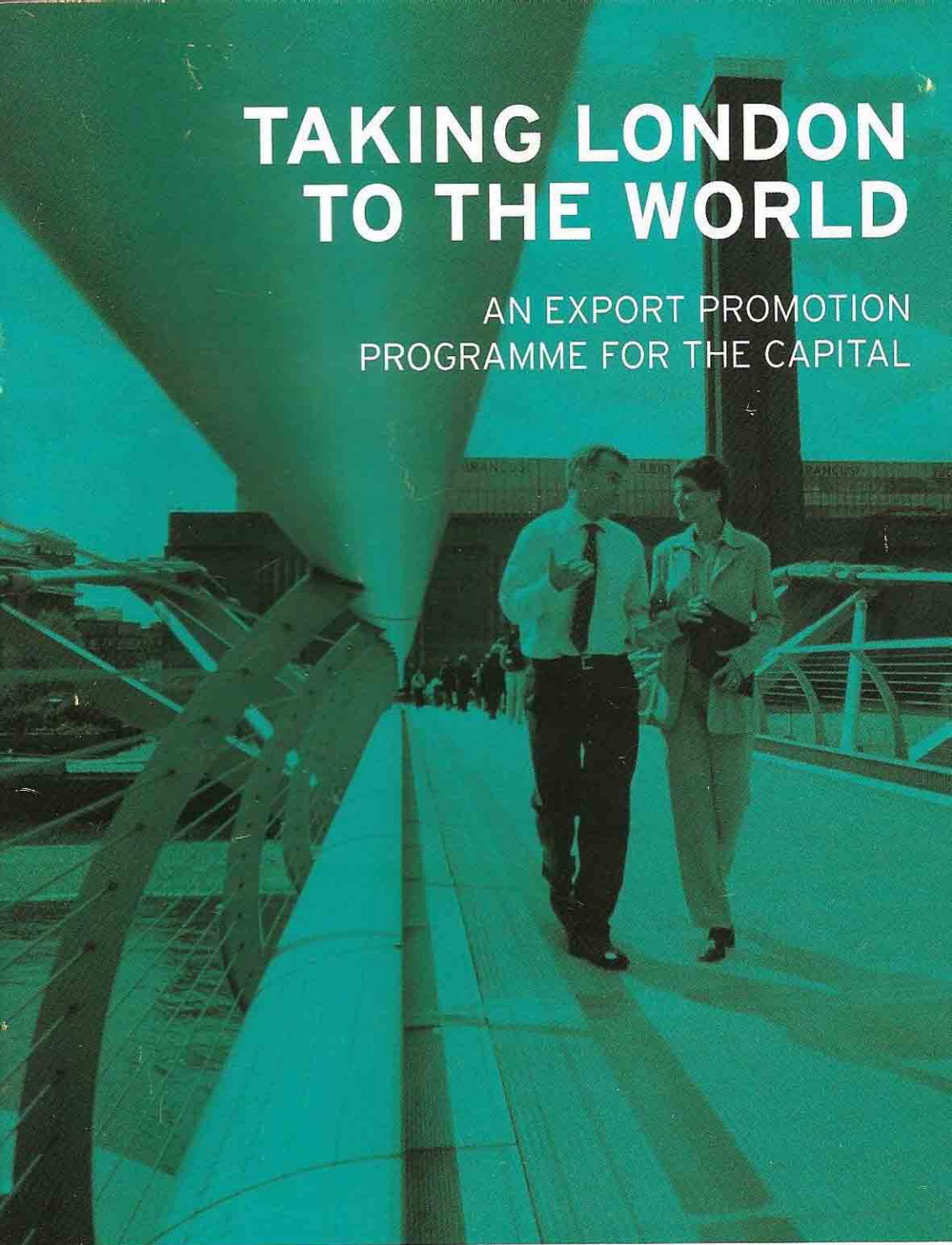


TAKING LONDON TO THE WORLD

AN EXPORT PROMOTION
PROGRAMME FOR THE CAPITAL



MAYOR OF LONDON

LONDON
DEVELOPMENT
AGENCY

UK
TRADE &
INVESTMENT



Some of the current programmes offered by UKTI are:

- Gateway to Global Growth - this develops the ability of experienced exporters to expand into new markets and grow their export business in existing markets.
- Passport to Export - this supports less experienced exporters to develop the confidence to take their products and services overseas.

Actions

We will supplement the resources of UKTI and other organisations with a further £6.4m of ERDF and LDA funds. This will enable support for an additional 2,500 businesses over the next 30 months. These funds will be used to support the following actions and others set out in the rest of this document.

We will:

- Work with key partners across London to raise awareness of the benefits of international trade through a variety of events.
- Publicise more the services provided by UKTI and other bodies devoted to helping businesses export.
- Develop the ability of experienced and less experienced exporters to move and expand into both new and existing markets by increasing the two programmes highlighted above - Gateway to Global Growth and Passport to Export (for details see Appendix). This will include recruiting additional International Trade Advisers.
- Offer more training to exporters, as recent research has identified that there is currently limited provision of export training in London.
- Create a website to bring together details of all activities and events on international trade that are taking place across London so that it is easier for companies to identify relevant support.

londonevents.ukti.gov.uk

**knomo Bags Managing Director
Howard Harrison comments:**

"Without UKTI, we would not be as far ahead as we are now. Our International Trade Adviser has been extremely helpful in advising how to appoint agents and distributors, and has helped us with a selling strategy that has proved both fun and exciting. We've also commissioned OMIS [Overseas Market Introduction Service] reports for two key markets, Japan and the United States.

As a result of the scheme, the company has established distribution partners in Benelux, Scandinavia, Slovenia, the Middle East and Australia. It has also sold directly to Apple Europe, following two UKTI supported Apple Expos in France, and Asia following an OMIS report and Trade Mission to Japan in 2007. The company's Northern Europe office was set up in 2008 and plans are now in place for knomo to launch in 4 new countries including Greece and Japan."

knomo (a combination of '**k**nowledge' and '**m**obility') is a designer and manufacturer of luxury leather laptop computer bags that are stylish as well as practical.



2. Accessing international markets and opportunities

UKTI already provides a wide range of support to companies to enable them to access international markets and opportunities.

These are detailed in the Appendix and include:

- **Market Visit Support Programme** - grants to support companies making business trips to new or difficult markets.
- **Overseas Market Introduction Service** - a chargeable but subsidised method of accessing the knowledge and connections of the commercial staff in British Embassies, Consulates and High Commissions overseas, both for bespoke market research and identifying potential business partners.
- **Fiscal Compass Programme** - this is a relatively new programme which aims to help UK companies capitalise on opportunities arising from major overseas recovery-related spending programmes, such as fiscal stimulus packages, and sovereign wealth funds. The size and scale of some of these initiatives mean that there should be niche areas for UK companies or capacity areas that will result in supply chain opportunities for UK firms.

London is the home to a number of major trade exhibitions (eg London Fashion Week, London Design Week, International Food Exhibition, London Book Fair) which bring in large numbers of overseas companies and buyers.

Actions

We will:

- Double the funding available for businesses to visit international markets through the Market Visit Support Programme.
- Increase the number of overseas trade missions supported by UKTI London from 38 in 2009-10 to more than 50.
- Identify a number of key internationally focussed trade exhibitions in London where we can work to raise the profile of London's businesses.
- Develop a programme of inward buyer or procurement missions that will enable London companies to access key overseas procurement officials in London.
- Disseminate details of overseas business opportunities arising from sovereign wealth funds and fiscal stimulus packages and identified through the Fiscal Compass Programme.



**Shadow Robot
Technical Director
Rich Walker says:**

"At a time when Shadow was just starting to grapple with the complexities

of doing deals overseas, our International Trade Adviser gave us substantial help and invaluable advice on the basics of trade for export, and was able to put us in touch with key 'people on the ground' in countries where we needed to seek professional assistance and support.

She has consistently gone the extra mile to find us the right people to talk to in countries where we have no presence. Through her introducing us to the Passport to Export programme, we were able to visit workshops in the US that led directly to prestigious business with NASA and Carnegie-Mellon University."

Shadow Robot is a contract engineering company that develops robots and other unusual technologies to solve real-world problems and for research customers.



**Supporting London's
Fashion industry**

London Fashion Week is worth £20 million to the capital's economy, in terms of direct spend, and generates orders in the region of £100m.

The British Fashion Council's international buyer programme, supported by the LDA and UKTI, targets significant buyers to come to London Fashion Week. These are increasingly from particular countries that have a significant or growing buying-power - such as Dubai and other parts of the Middle East. Around 30 buyers are invited from a range of key markets. In September 2008 this generated £13.4m worth of orders on an outlay of £40,000, a remarkable return on investment.

Picture: Giles at London Fashion Week A/W 2009

As described above, services form a relatively high proportion of London's exports. The chart below shows the UK's exports of goods and services to its major trading partners.

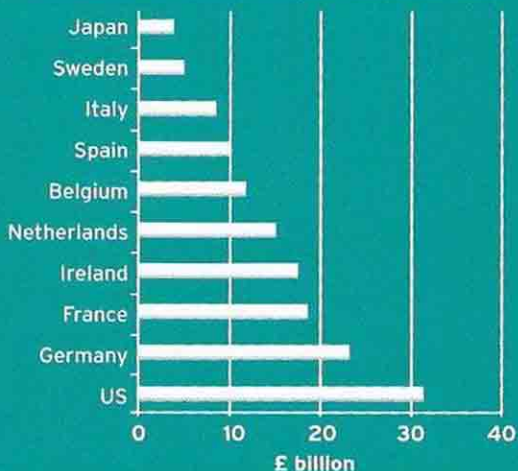
Whereas the existing major markets for exports of UK services are predominantly the US and EU, the list of markets to which UK exports of services are growing the most presents a different picture, as shown opposite. Whilst, perhaps unsurprisingly, China, Russia and India are prominent, the list is dominated by Central and Eastern European countries, and indicates where future opportunities for service exports may lie over the medium and long-term.

Actions

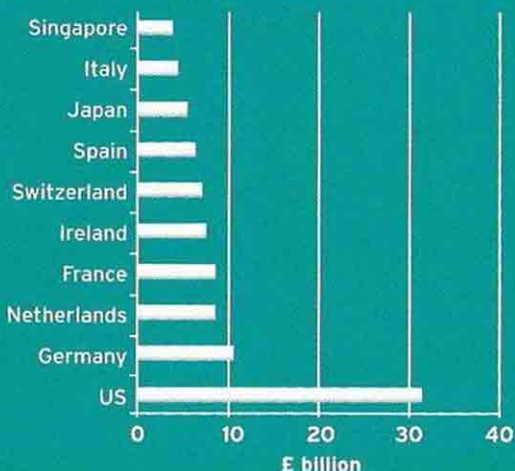
The overall evidence suggests that there are various important markets that London should be concentrating more effort on. Therefore, in addition to continuing to provide help for companies winning business in mature markets, we will:

- Develop and implement strategies for London's businesses to succeed in the key high growth markets of China and India. The China Britain Business Council and the UK India Business Council have, with UKTI, been researching business opportunities across a number of sectors in the second cities of China and India respectively. We will build on that research to identify opportunities for London's businesses.
- Direct additional resource towards helping companies to access opportunities in Central and Eastern Europe, through additional trade missions.

Goods



Services



Top 20 for growth of imports of UK Services	Annual growth Rate 1997-2007	Top 20 for growth of imports of UK Services	Annual growth Rate 1997-2007
Bulgaria	23.3%	Slovak Republic	16.7%
Liechtenstein	23.0%	Hungary	16.2%
Romania	22.5%	Czech Republic	14.9%
Lithuania	20.2%	Poland	14.7%
China	19.7%	Spain	13.3%
Singapore	19.0%	Latvia	12.8%
Russia	18.9%	Iceland	12.2%
Ukraine	18.0%	Chile	11.7%
Egypt	17.9%	Ireland	11.6%
Croatia	17.8%	India	11.3%



Evolve Creative Managing Director Babu Datta says:

"Having a developed export business strategy through working with the Passport to Export programme has assisted us enormously. UKTI helped me target contacts at the right decision-making level, which led to a valuable contract with Emami, an expanding toiletries company. We

have also just signed a contract with Tilaknagar Industries Ltd - a leading Indian distillery - and several other Indian companies.

UKTI added value by giving us a way in to the Indian market and the opportunity to showcase our expertise. Indian businesses already see kudos in working with London-based brand design companies, but UKTI supplied the openings and the necessary direction as to how we should talk to core Indian companies."

Evolve Creative is a strategic design resource, interpreting marketing vision into highly original & effective visual communication. The company's unique approach combines multi-cultural understanding, creative thinking and design execution.

NEXT STEPS

1. Businesses interested in exporting for the first time, or in growing their existing overseas business, should contact the UKTI London International Trade Team on **020 7234 3000** or email **info@uktilondon.org.uk**.
2. UKTI, the LDA and the GLA will work on the detail of the actions contained in this document, and their implementation.
3. UKTI and the LDA will work to develop a more comprehensive international trade strategy for London, one which examines the international trade performance of the capital now, what we should aim to make it in the future, and what we should do to bridge the gap.



Trimega Managing Director Avi Lasarow says:

"The encouragement that our International Trade Adviser has provided to us and the assistance under Passport for Export gave Trimega confidence to source a new hair alcohol testing technology from Germany and then commercialise it. We have recently signed up our first US distributor and have already had sales into the US judicial system. Trimega have also had contact from a major US airline wanting to test 2500 pilots".

Trimega Laboratories is a British R&D and testing company whose substance misuse testing products are used by Regulatory Bodies, Solicitors, Courts and Local Authorities in the UK.