# MARKET GUIDE FOR B.C. AGRIFOOD AND SEAFOOD EXPORTERS

# THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND







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### **SECTION 1: INTRODUCTION**

The purpose of this guide is to assist B.C. agrifood and seafood exporters targeting the United Kingdom (UK) market by informing them about key topics such as: the UK business environment; key regulatory agencies; finding and assessing buyers; distribution channel options; social and business customs; and the development and maintenance of relationships in the UK. The following table summarizes the key information in this guide:

Introduction to the UK market	<ul> <li>The UK is the second largest economy in Europe and the sixth largest in the world.</li> <li>Agriculture represents just 1% of GDP yet produces 60% of the UK's food requirements. In order to meet domestic demand, the UK relies on imported agrifood and seafood products.</li> <li>Potential areas of opportunity for food and drink imports are linked to convenience product ranges that can also follow the health trend with reasonable prices.</li> <li>The UK is leaving the membership of the European Union (EU) following a national referendum in 2016 in a process known as "Brexit". This has the potential to dramatically alter the regulatory and market requirements for exporters as the country forges new trading relationships independent of the EU.</li> </ul>
Market Readiness	<ul> <li>Market readiness means you have taken the steps to ensure that the product(s) you want to export to the UK are fully compliant with British and European laws and import/export regulations.</li> <li>Regulations affecting importing and exporting remains unchanged until Britain's official exit from the EU. In the meantime keep in contact with your importer or other in-market contacts as well as with Canadian officials at the Canadian Food Inspection Agency (CFIA) and Canada Border Services Agency (CBSA) before shipping.</li> <li>Key UK agencies involved in the import/export of agrifood and seafood products include Food Standards Agency (FSA) and the Department for Environment, Food and Rural Affairs (DEFRA).</li> </ul>
Selling to the UK	<ul> <li>Direct sales into the UK market are not common as retailers prefer to deal with local importers/distributors. Therefore, it is more effective to approach the market through local business partners who have established distribution channels and can provide locally based technical support.</li> <li>The UK has one of the most advanced online markets in the world and most major grocery retailers sell online.</li> <li>Attending food exhibition shows, developing online content, visiting the country and utilizing inmarket resources can assist companies to generate consumer and importer demand.</li> <li>Corruption is uncommon but standard due diligence should be executed prior to signing contracts and establishing formal relationships.</li> </ul>
Building Relationships in the UK	<ul> <li>While the UK market may seem familiar to Canadians it should not be treated as an extension of the Canadian market.</li> <li>Third party introductions are helpful ways to gain access but they are not a precondition of doing business in Britain. British business partners are not opposed to cold calls and/or emails.</li> <li>British English differs from Canadian English in some terminology and pronunciation. British accents vary widely across regions.</li> <li>British culture is characterized by high levels of politeness but is also known for enjoying humour in the form of understatements, sarcasm, and self-deprecation.</li> <li>Meetings are primarily focused on business as opposed to extensive relationship building.</li> <li>Negotiations with British counterparts require patience and politeness.</li> <li>Established relationships require ongoing maintenance through regular contact and reciprocal visits.</li> </ul>
Export Support and Resources	<ul> <li>Canadian Trade Commissioners and BC Trade and Investment Representatives have representatives based in London.</li> <li>Exporters should make themselves aware of cost-sharing programs and promotional support provided by provincial and federal agencies and organizations.</li> </ul>

### SECTION 2: INTRODUCTION TO THE UK MARKET

#### 2.1 - THE UK'S ECONOMIC ENVIRONMENT

The United Kingdom of Great Britain and Northern Ireland (UK) is made up of England, Scotland, Wales and Northern Ireland. London is the capital and largest city and is well known for being a major centre of politics, finance, and culture. The UK is less than one-third the geographic size of British Columbia, but is home to more than 65 million people; the world's sixth largest national economy; and, was ranked 7<sup>th</sup> in the latest World Bank Ease of Doing Business Index. As a result of a national referendum in 2016 the UK was expected to leave the membership of the European Union (EU) by March 31, 2019, through a process known as "Brexit". However as of December 2019, this has yet to materialize. In the meantime, the UK remains a member state of the EU and its single market and will continue to be subject to EU trade and regulatory requirements. Potential exporters should monitor the development closely in order to understand how changes in regulations and market access requirements may affect their planned or ongoing business activities.

#### 2.2 -THE UK'S AGRIFOOD AND SEAFOOD SECTOR

The UK has an advanced and highly mechanized agricultural sector, though it accounts for less than 1% of GDP. The sector is efficient in that it produces about 60% of the country's food needs with less than 2% of the national labour force; however, the UK is heavily reliant on imports to meet the varied demands of the UK consumer who expect year-round availability of all food products. Around two-thirds of UK agricultural production is devoted to livestock (especially sheep and cattle). The main crops produced in the UK are potatoes, beetroot, wheat, and barley. The commercial fishing sector is also well developed but several fisheries are limited by declining fish populations.

#### 2.3 - THE UK'S AGRIFOOD AND SEAFOOD IMPORTS

In 2016, Canada was the 23<sup>th</sup> largest supplier of agrifood and seafood to the UK, with exports totalling approximately \$600 million, an increase of 8% over the value exported in 2014. However, over the same time period Canadian supplier's share of total UK imports fell by slightly despite Britain's total agriculture and seafood imports from the world increasing by 8%. As shown in the following table, from 2014 to 2017 Poland increased the value of agrifood and seafood exports to the UK by 55% and increased their market share by 42% (from comprising 2.7% of all the UK agrifood and seafood imports in 2014 to 3.9% in 2017). Other winners in the sector included Spain (19% increase in the value of exports), the US (12%) and Germany (9%).

Table 1: Value of Agi	ifood and Sea	atood Exports to t	he UK, Top 10 Supp	lying Countries 2014-17
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Country	Value of Exports (\$ Billions)			Market Share		
Country	2014	2017	%-Change	2014	2017	%-Change
Netherlands	10.9	11.4	4.2%	14.2%	13.6%	-3.8%
Ireland	7.5	8.0	6.7%	9.7%	9.5%	-1.5%
France	8.0	7.9	-1.2%	10.4%	9.5%	-8.8%
Germany	7.0	7.6	8.5%	9.1%	9.1%	0.1%
Spain	4.6	5.5	18.9%	6%	6.6%	9.7%
Italy	4.4	4.6	5.9%	5.6%	5.5%	-2.2%
Belgium	4.2	4.3	1.3%	5.4%	5.1%	-6.5%

Poland	2.1	3.3	54.7%	2.7%	3.9%	42.7%
Denmark	2.5	2.6	3.9%	3.2%	3%	-4.1%
USA	2.3	2.6	12.2%	2.9%	3%	3.5%
Canada (23 <sup>rd</sup> )	0.6	0.7	7.7%	0.8%	0.8%	-0.6%

Source: International Trade Centre Trade Map. Accessed March 2018.

The following table describes the class (by 2-digit HS code) of agrifood and seafood products that, for each of the top supplying countries, achieved the highest rate of growth in value of exports to the UK between 2014 and 2017.

Table 2: Largest Percentage Increases in Exports, by 2-digit HS Code for Top 10 Supplying Countries, 2014-17

Country	Product (by HS Code), Growth Rate in Value of Exports 2014-17
Netherlands	Live animals (13%) Tobacco and manufactured tobacco substitutes (21%) Coffee, tea, maté and spices (10%)
Ireland	Miscellaneous edible preparations (45%) Coffee, tea, maté and spices (39%) Live animals (25%)
France	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates (42%) Coffee, tea, maté and spices (30%) Cocoa and cocoa preparations (17%)
Germany	Coffee, tea, maté and spices (129%) Tobacco and manufactured tobacco substitutes (75%) Edible vegetables and certain roots and tubers (36%)
Spain	Live animals (105%) Cocoa and cocoa preparations (77%) Coffee, tea, maté and spices (71%)
Italy	Live animals (108%) Residues and waste from the food industries; prepared animal fodder (30%) Cocoa and cocoa preparations (20%)
Belgium	Vegetable plaiting materials; vegetable products not elsewhere specified or included (435%) Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage (11%)
Poland	Live animals (16,500%)  Tobacco and manufactured tobacco substitutes (998%)  Products of animal origin, not elsewhere specified or included (177%)
Denmark	Lac; gums, resins and other vegetable saps and extracts (225%)  Animal or vegetable fats and oils and their cleavage products (134%)  Cocoa and cocoa preparations (104%)
USA	Animal or vegetable fats and oils and their cleavage products (97%) Coffee, tea, maté and spices (73%) Cocoa and cocoa preparations (40%)
Canada	Cocoa and cocoa preparations (685%) Live animals (118%) Miscellaneous edible preparations (105%)

Source: <u>International Trade Centre Trade Map</u>. Accessed March 2018.

Agrifood and seafood exports from BC to the UK are heavily concentrated among the top 5 commodities. Salmon, food preparations for manufacturing and natural health products, cherries, sablefish and coffee and tea were responsible for 85% of the total value of all BC agrifood and seafood exports to the UK from 2014-2016.

Table 3: Top 5 BC Agrifood and Seafood Exports to the UK, 2014-16

Commodity	Value	2015-2016		
Colliniouity	2014	2015	2016	%-Change
Salmon	11.6	14.0	7.0	-50%
Food preparations for manufacturing & natural health products	0.5	1.0	5.2	498%
Cherries	3.6	4.2	2.0	-53%
Sablefish	1.0	2.0	1.5	-25%
Coffee & Tea	1.2	1.4	1.6	11%
Total top 5	18	23	18	-19%
Rest of Products	2.8	3.5	3.0	-16%
Total – All Agrifood & Seafood exports to the UK	20.7	26.2	21.2	-19%

Source: CATSNET. Accessed February 2018.

#### 2.4 - CULINARY CULTURE, CONSUMER LIFESTYLE AND CONSUMER EXPECTATIONS

It is important for you to undertake detailed market research specific to your sector and products when expanding into any new market. The UK is not an exception, despite many aspects of the culture and business environment being familiar to Canadian exporters. The following are some prominent trends and features of British consumer patterns that you should be aware of:

#### > Food safety is important in Britain.

• As a result of food safety scares, the UK food supply chain is heavily scrutinized, meaning that UK retailers and buyers are uncompromising on traceability and quality assurance often requiring technical specifications above the level mandated by government legislation.

# > The UK has one of the most developed online grocery shopping platforms in the world with most major retailers offering the service.

- The value of the UK online grocery market has seen significant growth in recent years. It is predicted to reach £16.0 billion by 2022.
- Citing convenience, an increasing share of people who make any online purchases also purchase most of their groceries online.
- E-commerce for groceries is most popular with time-constrained families and more affluent consumers who are willing to pay for delivery.

### Consumer preference for healthy foods is increasing which promotes sales of premium, minimally-processed, functional, and low-fat or low-sugar food.

 The organic food and drink market is also seeing strong growth and year-over-year increases in sales.

#### > Smaller package sizes and demand for convenience foods are on the rise.

 The number of one and two-person households is expected to continue to increase which will stimulate increased demand for smaller package sizes. The aging UK population also adds to this trend. • There is also an increasing demand for quick meal solutions, such as chilled ready-to-eat meals or ingredients, and single snack portions as time-strapped consumers seek convenience.

#### ➤ The UK is one of the world's leading Fairtrade Certified markets.

• There are over 41,500 Fairtrade Certified products for sale in the UK. The most popular products being bananas, cocoa, coffee, tea and flowers.

#### > The UK has one of the most advanced private label markets in the world.

- This type of product which is sold by the retailer with its name, but is manufactured by another company, account for up to 50% of sales for some retailers.
- Private label brands are expected to continue to increase in demand and popularity.

#### 2.5 - MARKET INTELLIGENCE

As with any market, prior to expanding sales to the UK, you will need to conduct market research specific to your product line. In addition to answering any specific questions you might have; good market research allows you to:

- Determine if there is a potential market for your product;
- Understand the strategy, strengths and weaknesses of your major competitors;
- Strategize how best to position your product (e.g. price, packaging, value proposition) and leverage the highest potential competitive advantage;
- Minimize the risk of making a poor investment decision.

The following approaches and sources can be used to gather market information:

#### > Consult with government agencies and industry and trade associations in your sector.

- These could include <u>Canadian Trade Commissioners</u>, <u>Agriculture and Agrifood Canada</u>, <u>Small Business B.C.</u>, <u>Global Affairs Canada</u>, the <u>High Commission of Canada in the United Kingdom</u> and chambers of commerce including the Canada United Kingdom Chamber of Commerce.
- ➤ Conduct online research for available material. Many of the following resources provide marketspecific information free of charge, but there may be a fee to access larger quantities of intelligence or information that is particularly valuable or hard to come by.
  - <u>Canada Business Network</u> is a hub for the Canadian export market that includes links to market and sector information, trade statistics and sources of trade leads and potential partners.
  - <u>CIA World Factbook</u> is a reference resource with almanac-style information about the countries of the world. It provides summaries of the demographics, geography, communications, government, economy, and military of most of the countries of the world.
  - <u>Economist Intelligence Unit</u> is the research and analysis division of The Economist Group and world leader in global business intelligence.
  - <u>Food and Agriculture Organization of United Nations (Statistics Division)</u> is a source of knowledge and information related to agriculture, forestry and fishery.
  - Global Trade Tracker (GTT) offers original trade statistics from the world's principal trading countries.
  - The Office for National Statistics produces and makes available the UK's national statistics.
  - <u>Santander Trade Portal</u> is a resource that provides access to 40+ worldwide databases, 10,000 pages of information on 185 countries, and more than 150,000 suppliers and importers.

- <u>United States Department of Agriculture's Global Agriculture Information Network (GAIN)</u> provides information and reports about the agricultural economy, products and issues in foreign countries that are likely to have an impact on trade.
- Access a global research firm that conducts regular market intelligence in the UK. The following are a sample of intelligence companies which are available to exporters, and it is possible you will find a suitable firm that is not listed below. Information from these sources will generally not be provided free of charge but may be the only way to obtain certain information.
  - <u>Development Bank Canada</u> provides industry experts to identify the right collection tools and to handle data mining and analysis.
  - <u>Euromonitor International</u> is a leading provider of global business intelligence and publishes industry, country and global reports.
  - Global Research & Data Services publishes reports from over 200 industries and 100 countries, providing difficult-to-find market data.
  - <u>Hoovers Research</u> provides reports across a range of industries including the food & beverage sector. Global reports by Hoovers Research provide regional and country-level market analysis.
  - Nielsen studies consumer trends and habits in more than 100 countries.
  - Planet Retail is a leading provider of global retail intelligence.
  - <u>Statistics Market Research Consulting</u> reports provide strategic recommendations, market forecasts, and competitive landscaping.
  - <u>VPG Market Research</u> publishes international market research for corporate executives and key decision-makers in the food & beverage industry, among others. VPG has clients in 70 countries and provides market intelligence and strategic insights.

#### Visit the market personally:

Do not underestimate the value in simply taking a trip to the UK yourself to gather first-hand
insights and intelligence. It can be very powerful not only in terms of talking to potential
buyers and distributors but also in terms of identifying competing products. Visiting different
supermarkets and retailers can be invaluable as it allows you to get a sense of products and
packaging in the UK and allows you to assess the price range and market approach used by
potential competitors.

### **SECTION 3: MARKET READINESS**

The first step to achieving sales in the UK is ensuring that you are market ready. This means that your product is eligible for export and you are compliant with all necessary requirements, standards and regulations. While the UK remains a member state of European Union, EU and national regulations apply. Any changes to regulations will be implemented several months after an exit from the EU is completed at the earliest.

#### 3.1 – GOVERNMENT AGENCIES INVOLVED IN OVERSEEING IMPORTS

Key government agencies involved in establishing and enforcing food safety standards in the UK:

#### Food Standards Agency (FSA)

The FAS is an independent government department primarily concerned with ensuring the
food the people of Britain eat is safe. This involves covering issues ranging from specific
information on labelling and regulations surrounding food such as live animals and fish, meat
and fish products.

#### Department for Environment, Food and Rural Affairs (DEFRA)

- The DERFA is a government department responsible for food production and standards, agriculture and fisheries among other things.
- While the department represents England, it works closely with the devolved administrations in Wales, Scotland and Northern Ireland and generally leads on negotiations in the EU and internationally.
- It also provides general labelling information and standards.

#### 3.2 - REQUIREMENTS, STANDARDS & REGULATIONS

For many products, importers are required to provide officials with documents certifying compliance and safety measures. Many of the standard requirements are listed below but additional documentation may be required depending on the nature of your import. It is best to check final details with your chosen importer as well as with Canadian officials at the <u>Canadian Food Inspection Agency (CFIA)</u> and <u>Canada Border Services Agency (CBSA)</u> before shipping your goods especially as the UK develops new regulations and policy following its exit from the European Union.

#### > Required licences and certificates

- Depending on the type of product, goods coming from outside the EU may require health certificates and/or import licences. Exporting or importing controlled goods without the right licence is a criminal offence, so it's important to check first.
- You may need a licence even if you are only exporting or importing goods temporarily e.g. bringing samples to an exhibition.
- Imports of food are controlled and must comply with regulations such as food safety, packaging, labelling and additives.

#### > Labelling requirements

- You must show basic information including the name of the food, a 'best before' or 'use by
  date' (or instructions on where to find it), any necessary warning, net quantity information, a
  list of ingredients, the name and address of the manufacturer, pack or seller, special storage
  conditions and instructions for use or cooking if necessary.
- Net quantity must be in grams, kilograms, millilitres or litres for food over 5g or 5ml. It must be close enough to the name of the food that you can see this information all at once.
- You must also show the country of origin for beef, veal, lamb, mutton, pork, goat and poultry, fish and shellfish, honey, olive oil, wine and fruit and vegetables. You must also show the country of origin if customers might be misled without this information.
- There are special rules about what you have to show on the label if you supply any of the following: bottled water, bread and flour, cocoa and chocolate products, fats and oils, fish, fruit juices and nectars, honey, jam and preserves, meat and meat products, milk and milk products, soluble coffee and sugar.
- You must highlight allergens on the label using a different font, style or background colour.

#### Packaging

- If you package food yourself, you must use packaging that's suitable for food use. Such packaging is marked 'for food contact'.
- There are special rules for using plastics, ceramics or cellophane for packaging. You must have written documentation supporting their permitted use. This is known as a 'declaration of compliance' available from packaging suppliers.

#### Customs and logistics

- Depending on the product required documentation for entry can include: bill of lading; invoice; shipping list; customs declaration; insurance policy; purchase and sale contract; inspection certificates, if applicable.
- The Harmonized Commodity Description and Coding System (HS) is an international goods
  classification system to categorize imported and exported goods in international trade,
  determine appropriate duty fees, identify goods and is used for freight documentation, etc. HS
  compliance is the mandatory classification and declaration of goods when entering or exiting a
  country. If you are unaware of the correct HS code(s) for your product(s) they can be looked up
  using Canada Post's online tool.

### **SECTION 4: SELLING TO THE UK**

#### 4.1 – ROUTES TO MARKET

Determining the most appropriate route for market entry requires thoughtful consideration of the intended scope of investment, the nature of business activities, available in-house resources and product type among other things. Given these factors, companies should be aware of the advantages and disadvantages of each route to market. Always perform due diligence prior to establishing a contractual relationship with any importer or wholesaler in the UK (see <u>Section 4.3: Due Diligence</u>).

#### 4.1.1 Indirect exporting

#### > A third party agent or distributor can be engaged to distribute products in Britain.

- An agent sells a foreign supplier's goods in exchange for commission. The specific responsibilities
  of a British agent depend on your agreement but can include market intelligence, identification
  and pursuit of sales leads, sales promotions and after-sales services among other things.
- In a distributorship arrangement, the distributor generally purchases the goods from the foreign supplier for resale. In many cases, a distributor also acts as an agent for the same foreign supplier.

#### Entering a market by working with an agent or distributor has several advantages.

- It reduces time and costs, and companies can benefit from the local knowledge and networks of the agent and access to qualified staff.
- However, employing a third party will result in an additional cost to your products, and you may
  lose some control and visibility over sales and/or marketing. There are also intellectual property
  rights protection implications, increasing the risk of your product being copied or counterfeited.

#### However, in the UK importers are central to doing business and are typically required.

- While it is not impossible to supply UK retailers directly there are few instances where that is a
  viable option. Large companies with substantial financial backing may be best placed to do so.
  For small/medium sized companies a UK importer broker is usually necessary to gain market
  access.
- It is essential to take in to account the retail outlets which any potential agent currently supplies.
- Some of the largest importers will only consider a product if it has large volume potential and is backed by substantial marketing and financial support. Others specialize entirely in independent grocer or food service distribution.
- Costs vary widely, too. Some importers may ask for a start-up fee, some are commission-only, and others may seek a fixed fee that switches to commission when sales reach a target level.
- Supermarket chains demand significant volume and their concentration can make market access difficult initially. Trial listing must give results in a short time or product will be de-listed.

#### You may wish to bear the following in mind when it comes to seeking prospective agents in Britain.

Consider not only British firms but also foreign trading companies operating in Britain. These
often have distinct experience in importing, expertise in product and package modification, and
marketing capability.

- If you want to achieve nationwide distribution be sure that your chosen third party has such capacity and ensure that the UK importer can supply the retail outlets that best fit the appropriate UK consumer base.
- If further expansion into European markets is planned you may be able to work with a British importer that already has connections in continental Europe.
- Does the agent have many direct-to-market channels or are they reliant on multiple distribution levels?
- What is the extent of the agent's network of distributors, owned or leased storage capacity, and owned or leased transport arrangements? Does the agent have strong contacts with the responsible purchasing officers in the target sales channels?

#### 4.1.2 Direct exports

- You can also sell your product directly to your customer although this approach is not common.
  - This may come about if a British retailer contacts you first.
  - Should you be able to secure a direct partnership with a large retailer you will be required to spend more time and resources to develop the relationship and trust with your British buyer.
     Nevertheless, the potential higher returns and speed of getting into the market may well justify this additional cost of relationship building.
- > If you decide you want to sell direct, knowledge of Britain's retail landscape is crucial.
  - Four supermarket chains dominate, accounting for 70% of the market. Tesco is the market leader followed by Sainsbury's, Asda/WalMart, and Morrison's.
  - Other UK supermarket chains include Aldi, The Coop, Waitrose, Lidl and Iceland.
  - Discount supermarkets have seen considerable growth in recent years due to price sensitivity among consumers.
  - Consumers typically do their shopping in both a main supermarket and a discounter, therefore getting the best offers and prices.
  - The UK convenience store market is highly fragmented with many operators. Within the cooperative sector, the largest provider is The Cooperative Group, followed by Southern and Mid
    Counties. UK food co-operatives are moving away from their traditional supermarket-type
    operations and towards convenience retailing.

#### 4.1.3 E-commerce

- > The UK online market is regarded as one of the most advanced in the world and online shopping for food is one of the main areas of growth.
  - Over eighty percent of UK households now have access to the internet with over half using it to shop and a growing share using it specifically for grocery shopping.
  - Online grocery shopping is now offered by almost all the major UK supermarket chains Tesco, Sainsbury, Asda, Waitrose, Morrisons, Ocado, John Lewis and Iceland.
  - Outside of these suppliers, the market is mainly populated by a wide range of niche, specialized retailers, many of which offer products that are not always available in major supermarkets.
  - Consumers are predominately accessing online shopping via their smartphones so your strategy should be reflective of that.
  - Consumers are increasingly favouring bulk online orders for key staples.
  - Ageing consumers are increasingly technologically savvy, which is creating an online niche for this target market.

Retailers have also very successfully introduced "Click and Collect". An estimated one-third of
online shoppers use this service representing the largest global user base of Click and Collect.
Asda and Tesco have taken the extra step of offering Click and Collect at certain underground
and train stations. The surge in Click and Collect is expected to continue to grow significantly in
the next few years.

# > To begin your e-commerce strategy, you need to set up a website that clearly states your products and services offerings and how buyers can contact you.

- If you already have that in place you ought to update your website to accommodate UK inquiries and purchases. Set up a UK landing page, with customized information for a UK audience.
- Your website can also leverage on other websites to further market your products and services.
- These web portals provide the necessary technical and software support which you can tap on to easily and quickly set up your presence on their platforms.

#### > Be mindful not to undercut your in-market partners if you begin to sell online as a secondary route.

Due to reduced costs, you will be able to afford lower prices when selling online. However, your
price will be visible for anyone to see. You should consider this and be sure to account for it
when designing your pricing strategy.

#### 4.2 – DEVELOPING IMPORTER AND CONSUMER DEMAND

To help you sell into the UK, you will need to have some form of presence that enables you to attract buyers to your product or service offering. You can begin by participating in trade shows or you can establish your presence on the internet using e-commerce as mentioned above and social media which is discussed below. Many exporters commonly start by employing both methods.

#### 4.2.1 Exhibition trade shows

Trade shows are a popular marketing component for many exporters. Among other benefits, they allow attendees to: conduct market intelligence and research prior to entering a market; introduce and promote the company and convey the value proposition of products; initiate relationships with potential customers or intermediaries; maintain relationships and contacts already made; and, demonstrate long-term commitment to the market. However, trade shows can be costly investments, so you want to make sure that your approach is designed to give you the best possible chance at turning interest developed at the show into actual business. Unprepared exhibitors tend to be disappointed that the large number of conversations and apparent interest at shows do not translate to real sales.

#### Preparing for the show.

- The first step to trade show success is to find the most suitable exhibition for your product(s) and market access strategy. If you are not yet prepared to exhibit you can simply attend shows to gather contacts and market intelligence.
- Many show organizers offer pre-show training sessions for exhibitors. If you are new to
  exhibiting at trade shows these on-site sessions are recommended and will likely impact your
  success during and after the show.
- You will need to develop professional displays and promotional materials and should strongly consider bringing product samples to distribute. Begin trade show material development early. Incorporate potential delays and complications into your time frame.

- Determine customs and import regulations that pertain to your sample products. At a minimum, you can consider bringing empty packaging to showcase how your product appears on the shelf.
- If the purpose of your trade show attendance is to begin selling be sure to have determined your price for the local market prior to the show and make sure you bring sufficient stock to sell.
- Book appointments with prospective buyers ahead of time and be sure to inform any current clients or contacts that you have in the market that you will be at the show.

#### Differentiate your products and brand from other exhibitors.

- Larger booths tend to create a bigger impact.
- Consider joining a delegation of Canadian firms to be part of a large presence and to effectively trade on the Canadian brand. Joining an <u>AAFC Canada Pavilion</u> is a great approach to attending trade shows, especially for new or smaller exporters.

#### > Develop a strategy for converting inquiries into meetings and business.

- Participating in trade shows can be relatively costly, so it is important to understand the show
  and the audience you will be interacting with and to be sure that your approach is designed to
  give you best possible chance at turning interest developed at the show into actual business.
- Your exhibit should target specific prospects that are interested in the products you are selling.
- The longer prospective leads are left unattended, the less likely they are to evolve into business opportunities. Do not rush to be on the first plane out as the event ends. Being available for meetings with potential buyers the week after a show is a good strategy.

### While the UK has a wide and changing calendar of shows and exhibitions you are not limited to shows only in the UK.

- The UK's most significant food and beverage event is the <u>International Food Exhibition</u> (IEC), held every two years.
- Although the UK is your export destination that does not mean you are confined to attending trade shows only in the UK. An alternative strategy is to attend other large trade shows domestically or elsewhere in Europe as these shows are typically well attended by buyers from many countries.

#### 4.2.2 Websites and social media

Internet penetration in the UK is one of the highest in Europe with nearly 85% of people being connected to the internet. As a result, many small businesses use social networking sites to reach a large base of customers. You can use your website and social media to boost consumer demand by providing real-time client interaction and tailored content for your target audience.

#### > In the UK, social media is increasingly being used by businesses to advance sales.

- Britain is on course to become the first country in the world where spending on digital advertising is greater than all other traditional formats combined.
- A wide range of social media networks are used as firms acknowledge the way that different networks should be used for specific purposes.
- Ad blocking rates, however, are also on the rise as an increasing number of people find digital advertising intrusive.

- Most popular among these digital networks are Instagram, Twitter and LinkedIn, followed closely by Facebook then Pinterest.
- Note that there are significant variations in preference of social media networks between different age groups. Twitter, Google+ and LinkedIn, for example, are used much more by people aged over 35, whereas YouTube is used mostly by people aged between 18 and 35. Make sure your social media channels align with the characteristics of your target market.
- Legislation covering the use of social media is being developed in the UK and the Advertising Standards Authority (ASA) offers guidance, which stipulates that advertisers' marketing communications on their websites and social networks should follow the same principles as other media.

#### 4.2.3 Utilizing in-market resources to find buyers

- Connect with industry associations and other professional bodies in the UK.
- Engage B.C. Trade and Investment Representatives and Canadian Trade Commissioners with connections and on-the-ground expertise.

#### 4.3 - DUE DILIGENCE

Corruption is rare in the UK. However, conducting adequate due diligence on prospective partners is still recommended. Doing so can help identify potential scams, reduce risk and investigate unsolicited communications from people claiming to be interested buyers.

# > Ask questions and avoid doing business with companies or agents that cannot provide you with necessary details.

- You might consider asking to see a notarized and translated copy of their business licence to determine information such as the establishment date, registered capital, name of legal representative, business scope, etc.
- You could ask for a description of the scale of the company including audited or unaudited financial statements or records for the past few years.
- You could ask for a list of their major customers including references.

#### > Independently verify the information you have received.

- Use external data from government agencies, other authorized bodies and local experts to verify information provided by your potential partner.
- Use the internet to conduct additional research. There may be comments, positive or negative, about the company or individual you are investigating online.
- The Trade Commissioner Service can assist with some basic due diligence.

#### > Your own preparedness is also integral to successful due diligence.

- Ensure you allow sufficient time to conduct your verification and due diligence.
- Ensure that you have conducted the necessary market research.
- Remain especially vigilant immediately after trade shows and similar events where your company details and contact information may have been widely displayed and or distributed.
- Be sure to examine and trace the email address of any email that appears suspect. Avoid clicking on any links within unsolicited email.

- One proven method of testing legitimacy and protecting your company is to request payment up front. If your buyer is truly interested this request will not be problematic as it is standard in many industries. You could also require a letter of credit.
- Remember, common sense is your best defense. If the order appears "too good to be true" it probably is.

#### > Transparency is an on-going process.

Rules and regulations, business environments and business partners are constantly changing.
 As such, due diligence is not a one off, standalone task. It is necessary throughout the exporting process but it is particularly important in the initial building relationship phase.

### Section 5: Building Relationships in the UK

Just because doing business in the UK may seem familiar doesn't mean the UK is an extension of the home market. Familiarity can breed mistakes. Approach it as you would any other new foreign market, knowing it is always important to understand cultural norms and practices to best support your business development.

#### 5.1 - INITIATING RELATIONSHIPS

#### > Business is best initiated through a well-connected third party.

- The British generally prefer working with people they know, they can relate to and with whom they can identify. Securing an introduction via a mutual contact assists in achieving this.
- While having a local contact to make introductions can be a significant advantage it is not always necessary as the British are pragmatic and may engage on a trial basis, expecting to get to know you better as you do business together.

#### > Sending "cold" email is an accepted practice in the UK.

- Many UK companies are entrepreneurial and interested in new ideas but rarely agree to a
   'cold' meeting. Rather expect to introduce your company by way of an introductory telephone
   call and follow-up with information by email, post or fax.
- Before making contact, you should learn about your contact. You should address the email to the person concerned, by their proper title and full name. Make sure it addresses the specific needs of the specific department.
- Don't start pitching right away but rather explore whether an introductory meeting may be possible. The goal of your email is to get a call or a meeting, not a sale.

# Where possible meet your prospective business partner face-to-face for the first meeting unless they have said a virtual meeting is satisfactory.

- For your benefit as well as theirs face-to-face meetings are preferable for establishing a working rapport.
- Further, without visual cues, it is easier to misunderstand someone when you are communicating by phone or email. Check understanding and any agreed actions at the end of phone calls. Make it clear in emails that you are available if further information is required.

# > After introductions, a successful relationship is built on trust, respect and understanding, typically requiring ongoing investment from both parties.

- A mutual respect between individuals should underpin all working relationships.
   Demonstrating respect is fundamental to gaining trust and will form the foundation of a functional relationship.
- Taking the time to understand your colleagues can be of real benefit to your working
  relationships. This means attending social events and group activities, when you have the
  opportunity, to build rapport and spend time with your colleagues in a more relaxed setting.

#### 5.2 - LANGUAGE AND COMMUNICATION

The UK is one of the few European countries in which you will not require translation or interpreter services. However, there are important aspects of communication to be aware of.

#### > English is the main official language in the UK.

While Welsh is also an official language you are unlikely to encounter it and even if you do
your prospective business partners will almost always conduct the business engagement in
English.

#### > There are countless accents and dialects spoken in the UK.

- While most everyone speaks fluent English, you may be surprised at the range of accents and dialects which vary considerably from region to region and can present even UK locals with difficulties in verbal communication.
- Therefore, it is advisable to become familiar with at least some common phrases of the region which you will visit. It is also completely acceptable to ask for an explanation of anything that you do not understand, or indeed to ask your host to speak more slowly.

# > British English is different from Canadian English to the point where misunderstandings may happen easily. The British have their own versions of some words. For example:

- Afters (dessert, which is also called pudding); bobby (policeman); ground floor (first floor); intercourse (friendly dialogue); one stone (14 pounds); row (argument); serviette (napkin); thick (dumb), brolly (umbrella), lorry (truck); loo (toilet).
- When sending a business email, it is important to use British English.

# As with most cultures, there are subtle nuances when communicating. The following aspects are some prominent features specific to British communication:

- Humour is very important and can often be found in the working environment. The British
  tend to like humour that is dry, witty and sarcastic, as well as that which is self-deprecating
  and taken at one's own expense. Humour is generally used to "lighten the mood" but you
  should also be aware that the use of humour does not mean that the situation is not being
  taken seriously. Similarly, don't mistake any jokes made at their expense for a lack of
  confidence or ability.
- Understatements and euphemisms are commonly used. Understatements mean it can be
  difficult to understand how things, people and situations are really perceived by British people.
  For example, they may say something which sounds like the opposite of what you would
  expect them to say e.g. when something goes wrong, a British person may say "marvellous!"
  They also have a marked tendency to use 'qualifiers' such as 'perhaps', 'possibly' or 'it could
  be' while avoiding superlatives.
- Indirectness is a key aspect of communication. British people tend to have a strong aversion to creating open conflict; therefore, great measures are taken to remain polite. This often means making vague and indirect statements. If you are too direct, you risk being perceived as overly arrogant and aggressive. You'll need to learn to read between the lines. You'll hear phrases like: "That's interesting. We'll consider it later." This could mean exactly what it says, or it could be that the person is trying to reject your idea without causing offence. If in doubt, it's best to let the point drop. If they don't return to it later, you can always pick it up with them in private, without causing awkwardness during a meeting.

#### Gestures are usually subtle in the UK. It is advisable to restrict your body language.

- Physical contact is rare and best avoided.
- Do not stand too close to another person or put your arm around someone's shoulder.

- It is considered impolite and rude to maintain eye contact (unless a point is being emphasized or you are meeting someone for the first time).
- Do not use your fingers to point at others. Instead, point with your head.
- Facial expressions can be very hard to read, making it difficult to figure out what your counterparts may be thinking.
- Keep your voice down when speaking and try to avoid making large, exuberant hand gestures.
- Emotions are not shown openly as the British prefer keeping the proverbial stiff upper lip, so do not assume that something is not deeply felt because it is understated.
- Showing a great deal of emotion is considered inappropriate.

#### 5.3 - SOCIAL AND BUSINESS ETIQUETTE

The British are unlikely to take offence if you commit a minor social mistake. Nonetheless, exercising basic sensitivity, following the lead of your host, and asking questions when in doubt should minimize any missteps.

### As in Canada, a firm handshake is the usual greeting for both men and women in a professional and social situation.

- It is polite to also shake hands again upon leaving.
- The standard greetings as you may expect are 'pleased to meet you', 'good morning/afternoon/evening' or the more formal 'how do you do?' The latter is rhetorical, and it is best to respond with the same phrase.
- British people usually reserve their titles for very formal occasions. If a prospective business partner does use their title, you should also, until asked to use their first name.
- More probable though is that you will be invited to use their first name upon meeting as
  British people are usually on first term names with their business partners. If a first name isn't
  offered or you are unsure it is best to remain formal.

#### Punctuality is expected and appreciated.

- It is advisable to show up on time or slightly early. If you are a few moments late it is usually sufficient to excuse yourself with an apology.
- If, however, you are running more than a few minutes late, you should call ahead to apologize and give an indication of how long you will be; in the case of a longer delay, you should consider offering to reschedule the meeting.
- Attending social events is slightly different, and guests may be expected to arrive about fifteen minutes after the specified time.
- You need to be particularly careful when using public transport, as some journeys may take significantly longer than advertised. The more important the appointment, the more time you should allow for potential delays.

#### Classical conservative attire is the norm for both men and women.

- Dark colours such as black, dark blue and charcoal grey are predominant.
- Women typically wear either trousers or a skirt in an office environment while for men suits are typical and ties are important symbols. School, army, university or club ties are worn. Avoid striped ties that are copies of British regimentals.
- Many senior managers are fond of quality and express their status through their choice of clothing favouring bespoke suits, designer shirts, silk ties and hand-made shoes.

• If you are unsure of the dress code and what to wear, it is perfectly acceptable to ask a representative from the company. Alternatively, it is best to be overdressed.

## The United Kingdom is composed of four separate, independent states. Do not assume all prospective British business partners are from England.

• Do not refer to your British business associates as "English", unless you are positive that they come from England. Welsh, Irish and Scottish people are British but not English.

#### ➤ There are some topics of conversation that are best avoided:

• The historical conflict in Northern Ireland; religion; the Monarchy and the Royal Family; partisan politics; the European Union, 'Brexit' and the Euro; political situation in the Middle East; personal questions about a person's background, religion, class, occupation, age or children.

#### > Helpful Hints

- Always hold the door for a person following behind you.
- Honour rank when entering a room.
- Do not violate a queue. It is considered very rude to push ahead in a line.
- Do not shout or be loud and don't use excessive, demonstrative hand gestures when speaking.
- Do not be too casual, especially with the English language.
- Never try to sound British or mimic the accent.
- In Scotland, kilts are often worn by men at formal occasions (i.e., black tie, weddings, etc.).

#### 5.4 - TYPICAL MEETING PROTOCOL

While there aren't many formal rituals surrounding business meetings that differ considerably from typical Canadian practice, there are a few common behaviours that will help you fit in.

#### Prior to the meeting

- It is best to have your meetings booked in advance, up to 2-3 months if possible. It is considered unprofessional to request a meeting at short notice.
- The most suitable time to arrange a business meeting is about 10 am particularly in the initial stages.
- It is unlikely that a first meeting would take place over a meal, however, this depends on the parties involved and the context of the meeting.
- The agenda and names of the attendees are often circulated in advance of the meeting.
- After arrival in the country, you should always confirm the details of any meeting by telephone
  or email and ask for directions to the meeting venue, if these details are not provided or are
  unclear.
- Ensure you bring enough business cards and materials about your company.

#### During the meeting

- Meetings usually start with polite small talk which can be brief. An informal conversation about a general topic is advised (weather, your trip to London, and so on).
- Meetings can proceed quickly from introductions and small talk to the business at hand. And
  while one purpose of the initial meeting is to get to know each other, its primary focus will be
  on business topics.

- A first meeting, however, will rarely lead to a straight decision.
- The overall meeting atmosphere is usually quite formal.
- You might find that you're faced with an established, pre-determined seating arrangement so if you're unsure about where to sit, ask don't just sit down anywhere.
- Acknowledge the chair and once discussions are underway if there is no set speaking order, it's
  good etiquette to allow the most senior members of the meeting to have their say first.
- Watch out for subtle communication that may be disguised as seemingly humorous or sarcastic remarks, not that there are always hidden meanings to such remarks.
- It is sometimes difficult to determine who is in charge. The most vocal person in the room is often not the key decision maker.
- Most meetings have specific objectives often indicated by the distribution of an 'agenda' prior to the meeting. It is generally assumed that discussion will stick to the agenda.
- It is not uncommon that meetings finish with an agreement for another follow-up meeting with decisions on the current meeting's main objectives not having been made.
- The minutes of any formal meeting will usually be circulated for comment and approval after the meeting has concluded.

### > The exchange of business cards is done without a lot of ceremony or meaning other than to trade contact information.

- It is not uncommon to exchange cards, but it is not essential either. If you do exchange cards, offer your card to everyone present. You may not always get one in return.
- The ideal time for handing out business cards will depend on the context of the meeting, but generally, this will be at the beginning of the meeting.
- Upon exchanging, give the card a quick glance before putting it away as a gesture of politeness. Do not be surprised if someone writes on your business card.

#### If you make a presentation, it should be detailed subdued and logical.

- Prepare thoroughly and make sure your key messages come across clearly.
- Materials should be attractive and professional with good and clear visuals.
- Avoid making exaggerated claims. And be prepared to back up any claim with facts and figures.
- Make brief eye contact with the team members to encourage a feeling of inclusion.
- Remain guarded and professional even when things appear to become more informal.
- Be prepared to leave copies of the presentation as well as other collateral for further study.
- There is greater emphasis on shorter presentations to give more focus to discussion and question and answer type activities.

#### 5.5 - DECISION MAKING AND NEGOTIATIONS

Be prepared, patient and willing to allocate the necessary time and resources to engage and participate in what can sometimes be a protracted process. Accepting, not fighting, this will serve you well.

# > Depending on the type of company you are dealing with there could be many layers of approval required.

- Major decisions are made from the top either by an individual or a board depending on the type of company you are dealing with and will be passed down the chain of management.
- Group consensus is considered but ultimately the board or the individual will decide.

- When making decisions, British people may apply universal principles rather than considering the specific situation while empirical evidence and other objective facts weigh much more strongly than personal feelings and experiences do.
- Once a decision has been made, it may be very difficult to change.

#### > Go into the negotiation process well prepared.

- British negotiators may spend considerable time gathering information and discussing details before the bargaining stage. They usually share some information as a way of building trust.
- The primary negotiation style is cooperative and since the British believe in the concept of winwin, they may be open to compromising but they expect you to reciprocate.
- They don't have high regard for bargaining.
- Research all data, prepare cost analyses and spreadsheets.
- It is strongly advised to avoid any open confrontation and to remain calm, somewhat formal, patient, and persistent.
- Speak in a quieter tone of voice, avoid generalizations and use understatements.
- It is important to listen carefully both to the tone of voice and the message that is being conveyed. In addition, pay attention to what is not being said.
- Exaggerating is not usually effective or appreciated.
- Don't interrupt mid-speech but make a mental note of the issue and come back to that later.
- It's bad manners to deviate from the main purpose of the meeting so make sure you're always 'on topic'.

#### Negotiating techniques

- Select older and more senior executives to represent your company. Sending senior individuals
  provides more credibility and a sense of authority, which is essential for successful
  negotiations.
- Conduct negotiations with a team of negotiators. This signals importance and facilitates stronger relationship building.
- British businessmen do not appreciate hard selling or aggressive sales techniques and only use pressure techniques if they can be applied in a non-confrontational fashion.
- Therefore, be very careful when using pressure tactics such as applying time pressure, making expiring offers, or nibbling as your counterparts likely consider these inappropriate.
- Emotional and deceptive negotiation techniques are rare. This includes tactics such as attitudinal bargaining, sending dual messages, attempting to make you feel guilty, telling lies, sending fake non-verbal messages, misrepresenting an item's value, or making false demands.
- Silence could simply be a part of the conversation, although it may also signal rejection.
- Businesspeople may claim limited authority,' stating that they have to ask for their manager's approval. This could be a tactic or the truth.
- When negotiating, they often work their way down a list of objectives in sequential order, bargaining for each item separately, and may be unwilling to revisit aspects that have already been agreed upon.
- Prices may move by about 20% to 30% between initial offer and final agreement.

#### > Agreements and Contracts

 Handshakes and verbal agreements are often considered binding, but an agreement will not normally be final and complete until a written contract has been formally signed and witnessed.

- Thus, it is crucial to ensure that all terms and conditions are included in a contractual document.
- It is recommended to consult a local legal expert before signing a contract.
- Contracts are almost always dependable, and strict adherence to the agreed terms and conditions is expected.

#### **5.6 – SOCIAL ENGAGEMENTS**

The practice of inviting business colleagues into your home has diminished considerably and the vast majority of business meals now take place in restaurants, pubs or cafes. Most business entertaining is now done over lunch or even breakfast as business dinners have also become less common. Work is often discussed during business meals, although these can also be used as an opportunity to get to know your colleagues better and build a good working relationship.

# > In Britain, table manners are taken seriously. Adhering to these basic guidelines will demonstrate respect.

- Remain standing until invited to sit down. You may be shown to a specific seat.
- Wait for your host to begin eating before you eat.
- Table manners are continental, i.e. the fork is held in the left hand and the knife in the right without switching as North Americans do, but it is not a faux pas to maintain a "zigzag" style.
- Do not rest your elbows on the table.
- Soup should be spooned away from you. Tilt the bowl away from you.
- Break bread and rolls with your fingers, not with your knife.
- Initiate the passing of rolls, butter and condiments even if you do not want any.
- Pass jugs, gravy boats etc. with the handle toward the recipient.
- Never reach across the table. If anything isn't directly in front of you, ask for it to be passed.
- When you have finished eating lay your knife and fork together at the clock position of 6.30.
- Toasts are given at formal meals when the host will raise a glass (usually wine but a soft drink
  is acceptable) and will invite the guests to commemorate a person or event. The guests then
  raise their glass and repeat the toast before taking a sip of their drink.
- Do not be overly familiar with people you do not know well.
- The guest of honour should initiate leaving a party or the host folding his napkin can also signal its conclusion.
- Write a thank you note or email to the host.
- The host, the one who extends the invitation, pays the bill. Do not argue about the check; simply reciprocate at a later time.

## ➤ The British do not usually exchange corporate gifts and certainly not significant gifts when meeting.

- In many British companies, there is a no gift policy as they could be perceived as being a bribe.
- However, where a gift is offered, it is important to ensure that it is not expensive enough to be considered a bribe or so inexpensive as to be considered an insult.
- There is a large range of suitable gifts to choose from: company greeting cards, pens, books, diaries, alcohol, flowers or souvenirs from Canada, etc.
- If a gift is received in public, it is advisable to open it immediately and express your gratitude.
- If you receive an invitation to dinner or a party at the home of one of your business colleagues, it is normal to bring a bottle of wine and possibly a small gift such as flowers or chocolates.

#### 5.7 - MAINTAINING RELATIONSHIPS

It is important to maintain the relationship as your counterpart will most definitely take a long-term view of business relationships. You should invest time and energy into nurturing the relationship by continuing to engage with your contacts. Avoid the temptation to focus on other activities and other deals once a contract is signed. You can demonstrate your long-term intent by some of the following examples:

#### Commit to regular contact.

 An ongoing exchange of information helps each party understand the other, so they can build on their mutual interests. Often there is nothing, in particular, to discuss yet your partners will continue to communicate frequently. Relationships maintained in this way tend to have fewer problems and raise fewer complaints.

#### Continue to make visits to the UK.

Given the UK preference for face-to-face business visits to the UK will remain a regular feature of
your export venture even after the relationship has been established. These trips help maintain
your already established relationship. You should also try to bring the same team with you on
each visit, so your buyers will be dealing with people they've already gotten to know.

#### Consider hosting your partners through reciprocal visits.

You may also like to consider reciprocal visits. Paying for your partners in the UK to visit your Canadian operations is a good way of keeping them informed and motivated. About half of the trip should be devoted to rest and relaxation, leaving time for building the relationship and an affinity for Canada and Canadian products. When hosting UK guests, remember the effort they put into hosting and looking after you in the UK and reciprocate this.

#### > Always keep your word.

• You need to make sure that you always fulfill your promises. If you don't, your relationships will suffer as people lose trust in you. Honesty and transparency are much sought after when it comes to forming bonds with businesses, so you will become a much more attractive connection if you can nurture these traits through your existing relationships.

### **SECTION 6: EXPORT SUPPORT AND RESOURCES**

# 6.1 – B.C. TRADE AND INVESTMENT REPRESENTATIVES AND CANADIAN TRADE COMMISSIONERS

The Canadian and British Columbian governments support export market development by locating staff in priority markets in order to provide current and on-the-ground advice and guidance to B.C. companies. Making use of these individuals is highly recommended, particularly if you have limited on-the-ground experience in the UK market.

#### **B.C. Trade and Investment Representatives**

British Columbia's trade and investment team is based in London.

- ➤ B.C. Trade & Investment Representatives can assist current and potential B.C. exporters with a variety of services, including:
  - Generating market intelligence and trade leads for specific B.C. products;
  - Advising on market entry and development strategies;
  - Providing contacts to an extensive network of international industry, government and community influencers and partners;
  - Supporting B.C. exporter participation in trade missions, trade shows and related events; and,
  - Providing training to introduce B.C. exporters to world markets.

#### **Canadian Trade Commissioner Service**

The Canadian Trade Commissioner Service, with on-the-ground-intelligence and practical advice on foreign markets, helps Canadian companies make better, more timely and cost-effective decisions in order to achieve their goals abroad. As part of Canada's embassies and consulates, Trade Commissioners have privileged access to foreign governments, key business leaders and decision-makers.

- Whether doing business abroad for the first time or looking to expand into new markets, Trade Commissioners can work with you to:
  - Determine if you are internationally competitive; decide on a target market; collect market and industry information and improve your international business strategy;
  - Determine the level of opportunity that exists in a particular market, advise on appropriate approaches to the market and gauge the amount of effort and resources required;
  - Connect with industry associations, potential buyers and partners, professionals in financial and legal institutions, agents and other business representatives to support the execution of your export strategy;
  - Assist with due diligence by conducting basic preliminary research on a local company from public sources, and the resolution of business problems and issues that you face in foreign markets.

Please note that conducting thorough background checks on local companies or providing translation or interpretation services is not part of the mandate of either the <u>B.C. Trade and Investment</u>

<u>Representatives</u> or the <u>Canadian Trade Commissioners</u>. These services should be acquired directly by private sector service providers operating in foreign markets.

#### 6.2 - LOAN AND COST-SHARING PROGRAMS AND PROMOTIONAL SUPPORT

Provincial and federal governments (and other agencies) offer several programs and engage in promotional activities aimed at supporting and developing exporters.

#### **BC Ministry of Agriculture – Market Development**

• The Ministry offers the BC Agrifood and Seafood Market Development Program aimed at further enabling B.C.'s agriculture, food and seafood sectors to increase export sales. This includes support for marketing skills training, market research and strategic planning, as well as participation in international market development activities.

#### Canada Pavilion Program

 The AAFC Canada Pavilion Program, a key component of markets and trade development, is aimed at making trade show participation easier at the world's premier food and beverage events 'where the world shops'. Trade shows continue to be integral in taking advantage of opportunities arising from market access gains.

#### > Canada Brand

 Agriculture and Agri-food Canada has developed a suite of free tools to help Canadian Agrifood and seafood companies gain a marketing advantage by linking Canada's positive image to their products. These include Canada Brand graphics and a photo library of high-quality images for use in marketing and promotional materials.

#### **Export Guarantee Program**

• Export Development Canada (EDC) will provide a risk-sharing guarantee on behalf of program participants to their financial institutions in order to provide firms with access to increased working capital and term financing.

#### > Xpansion Loan Program

A loan program offered by the Business Development Bank of Canada aimed at companies
wishing to expand their market, including export markets. Eligible activities include launching
new marketing campaigns, developing new products, obtaining a certification, expanding
foreign or domestic markets, and others.

### **SECTION 7: APPENDICES**

### **APPENDIX 1 - KEY CONTACT INFORMATION**

#### **BC Trade and Investment Representatives – London**

Website: https://www.britishcolumbia.ca/global/trade-and-investment-representatives/europe-london/

London Office

111 Buckingham Palace Road, 3<sup>rd</sup> Floor London SW1W 0SR United Kingdom Tel: (011-44-20) 7340 8583

#### **Canadian Trade Commissioner Service**

Website: <a href="http://tradecommissioner.gc.ca/united-kingdom-royaume-uni/office-bureau/index.aspx?lang=eng&office=LDN">http://tradecommissioner.gc.ca/united-kingdom-royaume-uni/office-bureau/index.aspx?lang=eng&office=LDN</a>
Email: Idn-td@international.gc.ca

London Office

Canada House, Trafalgar Square, London SW1Y 5BJ United Kingdom Tel: (011-44-20) 7004 6000 Fax: (011-44-20) 7004 6001

#### **Key UK Government Agencies**

#### **Food Standards Agency**

Floors 6 & 7, Clive House, 70 Petty France, London, SW1H 9EX, United Kingdom Tel: 020 7276 8829

Website: https://www.food.gov.uk/

#### Department for Environment, Food and Rural Affairs

Nobel House, 17 Smith Square, London, SW1P 3JR, United Kingdom Tel: +44 20 7238 6951 Website:

https://www.gov.uk/government/organisations/department -for-environment-food-rural-affairs