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Simon McKeever: Tips for Irish firms facing Brexit - Prepare for the worst

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The immediate impact on Irish businesses over the last year has undoubtedly been the weakening of sterling, and although it recovered somewhat against the euro on January 17 after UK prime minister Theresa May's speech, to 86.8p, it remains 24% below the level of November 2015.

Our advice to exporters with sterling receivables is to understand the risks associated with being paid in a foreign currency. Your local bank or treasury service providers can help you with this, and help you with strategies to manage this risk.

The regulations currently governing the free movement of goods, services, capital and people between Ireland and the UK will fundamentally change, once and if the UK parliament ratifies the Brexit deal some two years after Ms May invokes Article 50 next month.

Our advice is to prepare for the worst-case scenario.

It is crucial that exporters do an impact assessment, both on their own company's exposures and on their supply and on the exposures facing their customer chains to the exchange rate, customs, tariffs, Vat, visa requirements and EU regulations and legislation

A slowdown in the UK economy could mean less demand for Irish goods and services. If your business is over-reliant on the UK market then now might be a good time to look at diversifying your export markets. Consumer habits and needs vary across the globe and this offers greater opportunity to sell your products.

Research is crucial; find out what demand exists for your product or service in other markets and research the adjustments you may have to make to become attractive in other markets.

Innovation is good for your business. The Irish Exporters Association can assist members on queries over access to market-specific information and to make introductions to potential markets.

Keeping your product competitively priced in various markets is crucial. Average costs are lowered as a result of expanding operations. That can lead to greater economies of scale in productivity and efficiency. Selling existing products to wider markets and increasing reach will enable you to remain competitive.

Companies currently trading into the UK need to upskill in supply chain management.

Many of the hurdles that exist to trading into countries outside the EU could apply to future trade with the UK. Building a more market diversified export strategy now will help to build the skills necessary to continue trading successfully in a post-Brexit Britain.

Many companies use the UK as a landbridge to access continental markets or to reach transportation hubs on the continent. Brexit could hamper Ireland's main shipment route to continental Europe.

At the very least it could extend transit times and add to borders and controls. Planning for this outcome is also something that Irish exporters should be considering by looking at alternative routes such as direct shipping to a Benelux or other continental port.

If slower routes adversely impact the quality of your product then researching adjustments that could be made to your product or packaging may increase the lifespan of a product, particularly in the life sciences and food and drink sectors.

Understanding the risks involved is paramount.

The Irish Exporters Association can address the key worries facing its members.

Seminars are being held all around the country to brief exporters on the possible implications. A key focus is to signpost and provide information.

The UK has made the decision to leave and it has said what it wants from the negotiations. But it hasn't gone yet.

We have traded with the UK for more than 1,000 years and we will continue to do so, but it is going to be different.

It will be more like trading with countries outside the EU where the EU has a Free Trade Agreement. Preparation, planning and more preparation will be the key to success.

Simon McKeever is chief executive of the Irish Exporters Association.