

After Brexit comes the planning

Published 20/07/2016

ThinkBusiness spoke with Simon McKeever, CEO of the Irish Exporters' Association about the first steps to exporting and his thoughts on Brexit.

The first steps to exporting can be daunting for Irish SMEs. It is not simply a case of jumping on a plane and flying to another country to knock on a few doors. You need to be prepared.



“If I were to give one piece of advice to an SME thinking about exporting, it would be to do their research,” says Simon McKeever, CEO of the [Irish Exporters' Association](#) (IEA).

“Ask yourself, is there a market for your product in the country you want to enter?” he asks.

“Also, is your company ready to scale? Do you have what it takes to grow, the financial resources, the legal resources and the people?”

You should also examine the target market in very close detail.

“Remember, if you are entering a much bigger market, it will be a lot more competitive,” says McKeever.

“The UK is a good case in point. While it may have a similar regulatory environment, the British are very price conscious, they are value driven, especially when it comes to food and drink.

“In the UK they are also straight talkers. If someone gives you a chance, it's important that you deliver on their expectations.”

This is where organisations like the IEA and Enterprise Ireland can assist Irish SMEs.

“We can help close the deal. We have market access people in the UK specialising in this area. It's about practical support, expert knowledge and opening doors.”

For markets further afield, the IEA can also help with visa and export documents.

“Obviously, it’s easier to do business in the UK and Europe, not just from a legal perspective but a geographical standpoint. It’s quicker and cheaper to hop on a plane and fly to England, Portugal or Italy. It’s much more difficult trying to do business in China or Japan.”

What does ‘Brexit’ mean for Irish SMEs?

“Let’s examine the facts. There is a lot of noise and speculation, but we should look at the facts,” says McKeever.

“The UK has voted to leave the EU, but it will be at least two years before that happens. We have traded with the UK for over 1,000 years, and we will continue to trade with them. As of today, the UK is still in the EU and will be until Article 50 is triggered.”

What advice would he give Irish SMEs who are exporting to the UK?

“My advice is simple – start the process of impact assessment. From a small business point of view, they have to look at the contracts they have in the UK and those they have in the pipeline. They need to start looking at the impact of currency rate changes, and they should do it across multiple rates.

“Bigger firms are looking at impact assessment in other areas like changes in tariffs, changes in VAT and issues with staff and visas.

“All companies no matter what size they are should be scenario planning to give them a solid idea of what the future could hold,” he says.

Are there opportunities with this soon-to-be new order? “Brexit will bring challenges and it will also bring opportunities. For example, there could be significant opportunities in aviation, if Ireland becomes a transatlantic hub. Financial services is another area from which we could benefit.

“Now is the time for cool heads, and we have to remember, the UK is still in the EU, we have time to plan, and businesses must make sure they are ready for a variety of scenarios. Detailed planning is essential.”