



MADE IN
GROUP

A brief look into the Advisory Board: International Trade

Thursday 17th October 2019 / 1:30 PM / MTC Coventry, Room 6

ATTENDEES

Chris Truman, Managing Director, Syspal

Charles Boneham, Managing Director, Boneham & Turner

Mark Lewis, Managing Director, Omega Sinto Foundry Machinery

James Underwood, Managing Director, MicroMesh

Alessandro Sorrentino, Digital Content Specialist - Made in Group

Jason Pitt, CEO - Made in Group

DISCUSSION POINTS

It was discussed how the Brexit discussions are overtaking things that are going to have a much bigger impact on UK manufacturing globally. The Advisory Board discussed how Europe is a relatively small marketplace, and that we, as a group, still do a lot of non-EU trade. An example of a bigger issue we're facing is the US/China trade-war.

Mark Lewis mentioned that "The bigger problem at the moment is the fact that the Brexit discussions are overtaking things that are actually going to have a much bigger impact on us globally than Brexit. Europe's a relatively small marketplace to us."

To Mark, he doesn't export of huge amount to Europe, 90% of his companies products go overseas. He's selling into South-East Asia,

America and Australia. As he said, "There's a lot of business to be had out there but we're so hung up on bloody Brexit at the moment."

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It was discussed how businesses face uncertainty; particularly those involved in food processing where they supply a wide range of equipment. Drawn out Brexit negotiations, together with currency fluctuations don't make the UK an attractive place to work or relocate. Where food processors need to expand this is creating additional challenges. The talk of hold-ups at ports would be very serious for both food supplies and exports.

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An issue with International Trade that was discussed is that it's not necessarily about finding the customer, it's about finding the representation of them by getting a rep and finding the distributors and getting connected in the right network. It was discussed how a companies reps will concentrate on their best selling lines, and if your line isn't the most exciting or the best selling, no one will be paying much attention.

As an example, James Underwood stated that "We'll ship over a flat pack, almost a nail assembly over there, but we'll do a joint venture with the ministry. So it's the ministry of which they're looking, and if anybody is looking to get into that market, the ministry of military production, they're basically one country looking for the country companies to go over to Egypt and set up a manufacture because they've got all this space and all these employees that they want to utilise"

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It was discussed how the Commonwealth Games will start in 2022. One point raised is that 1.5 billion TV viewers will be watching the Commonwealth Games from more than 70 countries. This presents a lot of opportunities for international trade and is something this board should focus on in future meetings.

As sport is a motivation, the 'feel good to be part of it' aspect is something that should be capitalised on. For example, there's the

World Cup Rugby, and the forthcoming Americas Cup where we have designed a radical new boat, in Britain. The main point given is that we need to make more of what we do really well in this country.

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The impact of negative news was raised. Members discussed how British news is always 'Glass half empty.' The potential of having this negative media for such a sustained period was discussed. Alessandro mentioned that this is one of the driving forces of the new Digital Content team.

Charles Boneham raised the point that while a few manufacturing companies are finding business to be a little bit flat, others are not. It was raised that manufacturers can either sit around watching the BBC, listen to their negativity, or are you on the phone to your customers?

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An issue facing manufacturers is that competitors feel Germany have been kept very busy within the home market for many years. This stance is now dying off a little bit, as Germany enters a recession. This has forced manufacturers that are competitors to start going global, and so now UK manufacturers are up against German manufacturers, which the industry has never really had.

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It was raised that as a nation we've got sucked into a certain tier of manufacturing and we've become very, very good at doing specialist, bespoke, and more unusual products and designs.

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The power of Britain was discussed. It was suggested how everybody, outside the UK, everybody knows someone from the UK. Regarding trade, it was stated how Britains history of immigration gives us a bigger pool of skilled people to work with.

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One example given was that there are a lot of the foundries in India that are buying our product with a high-end because they're going, "We don't want to buy Indian because it's crap in their mindset, which it was and still is to a certain extent. They wanted to buy a Western product, but at the higher end, that's the foundries that had the money that were able to do that." A key take-away point was that Britain retains some key USPS.

STEPS FOR NEXT MEETING

- Alessandro will help to create some use-case studies about international trade that will feature in the magazine and on the website of members.
- A survey will be conducted to discover the state of affairs for members regarding international trade. This will be as part of the Made in Report 2019.