

Trade Mission: United Kingdom

UK Overview

December 31, 2020 concluded the United Kingdom (UK) transition out of the European Union (EU) single market and customs union. Preparations for the transition out of the EU have been complicated by the COVID-19 global pandemic. Despite any uncertainty posed by Brexit, the UK remains a critical market for American exports of goods and services. U.S. exports to the UK were estimated to be worth \$147.8 billion in 2019. The UK is the largest market in the world for U.S. service exports. In addition, the UK commitment to low-carbon targets is driving market demand for U.S. products and services.

The following sectors provide growth opportunities for Virginia companies to the UK market:

- Information & Communications/Digital Technology
- Aerospace & Defense
- Safety & Cybersecurity
- Agricultural Sectors
- Design & Construction

Opportunities in the UK

Financial Services

Amid heightened debate about the UK's place in a rapidly rebalancing world, the UK remains one of the world's leading international financial and professional services centres. The UK's trade surplus in financial services of \$88bn in 2018 was nearly the same as the combined surpluses of the next three leading countries. Moreover, the UK has the leading share of trading in many international financial markets, such as foreign exchange trading, cross border bank lending, and international insurance premium income. London is one of the most important centres for private and investment banking; many international banks have their private and investment banking business in the UK. It is also a global leader in providing professional services. Not only is the UK a global financial centre, it is also Europe's financial hub; this remains the case even after Brexit.



Manufacturing

Revenue for the Manufacturing Sector has grown 2.1% per year on average between 2015 and 2020 to 139,710 businesses employing over 2.5 million people with a significant high wage salary. It contributes 11% of gross value added in the economy, 45% of exports, and 69% of total research and development.

Opportunities in manufacturing for Virginia exporters include: aerospace, automotive, chemicals, defence, electronics, food and drink, and space.

Bioscience / Biotechnology

Bioscience is a national priority by the British government, and has therefore received considerable public-sector financing, supporting 8% growth in the current years. A number of the larger biotechnology firms have recently become profitable and are moving to reduce their reliance on government support.

The ongoing government focus on science and research is expected to support continued expansion, with annual growth remaining well above 5%. However, the UK's exit from the European Union has challenged the industry development; not only will access to EU grants be restricted, but potential regulatory upheaval could also limit performance. UK biotechnology firms are also likely to face increasing competition from emerging markets. Nevertheless, substantial increases in government investment in R&D will continue to unlock biotechnology's growth potential.

Software

The UK Software Sector includes app development, cybersecurity, and search engines. The growing use of smartphones in the UK has supported exceptional growth in the App Development industry. Apps have also developed as the market has matured, with social media, streaming, and ride-hailing displacing gaming apps over the past five-year period. Although growth is expected to remain strong, it is anticipated to slow as the market reaches saturation. As apps have benefited from the m-commerce trend, the broader shift towards online shopping has provided considerable opportunities for the Search Engines industry. The market has broadened considerably, allowing revenue to rise by 13.4% in the current year. The majority of industry revenue is generated through advertisements, and rising household internet access and a boom in e-commerce has allowed the industry to become one of the most successful performers in the UK economy.

As the online sphere has expanded and usage has risen, the volume and sophistication of cyberattacks has grown rapidly. In turn, business have been encouraged to increase their cyber security budgets for technology capable of keeping abreast of cyber assaults. A number of high-profile security breaches, including the 2017 WannaCry attack, have brought security to the forefront of businesses' strategy, and a number of innovation-led cyber start-ups are pioneering a new wave of security software. Ongoing technological advances and new cyber threats are expected to support strong growth.

Details

The objective for this trip is to arrange and conduct quality meetings between you, our VEDP client, and potential sales partners (agents, representatives, or distributors) and/or customers in the United Kingdom. Our ultimate goal is for these meetings to help you generate new sales for your company to customers in the United Kingdom and to provide you with market intelligence only attainable by an in-country visit.

Trade Show Dates

May 2-6, 2022

Registration Deadline

February 4, 2022

Schedule:

We will base the mission out of London. However, there may be meetings in adjacent cities depending on your particular needs. Our consultants will ensure that your meetings are scheduled with the best contacts, regardless of their location. We will keep you apprised as your itinerary develops and suggest travel and logistics options for your itinerary.

The schedule is planned as follows, and is subject to change:

Date	Day	Activity
February 4, 2022	Friday	Last day for registration
May 1, 2022	Sunday	Latest day to depart United States
May 2, 2022	Monday	Trade Mission begins, Individual meetings
May 3 - 6, 2022	Tuesday - Friday	Individual meetings
May 7, 2022	Saturday	Return to United States

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We made excellent contacts and cemented new strategic alliances that will be fruitful in the future. It was an excellent event.

2018 Attendee,
Trade Mission to the United Kingdom
and Ireland

Frequently Asked Questions:

How many Virginia companies will participate?

The registration process is ongoing. Based on past trade missions, we expect 6 - 10 Virginia companies to participate.

What is the cost for my company to participate?

The trade mission participation fee is \$2,500. The participation fee includes the following:

- Identifying, contacting and pre-qualifying local distributors, reps and/or partners and organization of your meetings with interested prospects
- Briefing on "Doing Business in the United Kingdom"
- Your VEDP Trade Mission Leader and in-country consultant on hand during the week to ensure everything runs to plan
- Interpreter (if required)

Additional *estimated* costs you will incur include (but are not limited to):

Expense	Estimated amount (\$)
Roundtrip airfare from Dulles to London, economy class	1,600
Hotels (6 nights)	1,800
Meals	500
Airport transfers, taxis, public transportation, and other miscellaneous items	500

How are the meetings organized?

The VEDP has engaged the services of OCO Global, to identify, screen, and arrange meetings with potential partners for each of our trade mission delegates. OCO Global was selected through a competitive bidding process and has demonstrated extraordinary expertise, enthusiasm and commitment to the work of introducing Virginia companies to their markets. If you would like to learn more about OCO Global, please review their website:
<https://www.ocoglobal.com/us/>.

In most cases, you will be traveling independently to the locations of the local companies with which you are meeting. Because most appointments will be held at the companies' locations, travel and other logistics may prevent each delegate from having a minimum of 3-4 meetings each day of the trade mission.

How will I get to my meetings?

For travel between meetings, our consultants will recommend the most effective method of transportation. This will likely be a local car/driver.

Will I need an interpreter?

No. An interpreter is not necessary.

How are airline and hotel reservations handled?

Airline tickets: You book (and pay for) your own airline ticket via local travel agent or online air travel website. If you do not have a travel agent, the Trade Mission Leader can recommend one for you.

Hotels: VEDP will select a hotel and, if possible, arrange for a block of hotel rooms. For efficiency and security all participants must stay in the same designated hotel in each city. Participants will be responsible for making their own hotel reservations using a group code provided by the Trade Mission Leader (if a block rate is available). You will pay all hotel room charges directly to the hotel.

How can I verify that the United Kingdom is a good market for my company before we register for the trade mission?

Contact your local International Trade Manager or the Trade Mission Leader (see next page) **immediately!** We only want you to make the trip if we think there is good market potential in the United Kingdom for your company. We can perform exploratory market research within a short period of time to verify market potential for you. The more time you give us, the better job we can do!

What are the entry requirements for the UK? Will I need a passport or visa?

A passport is required with six months validity remaining. U.S. citizens do not need a business visa for the UK for stays of up to six months.

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VEDP was able to secure meetings with decision makers that would have been very difficult for me to obtain on my own.

2018 Attendee,
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Registration:

How do I register to participate?

You can register and pay the trade mission fee online.
You may do this visiting the following page on our website:
<https://united-kingdom-trade-mission-2022.eventbrite.com>

Contact the Trade Mission Leader for more information:

Jordan Watkins
International Trade Manager
Phone: 757.314.2129
Email: jawatkins@vedp.org

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Our scheduled meetings were with the decision makers and will help us form partnership alliances within the UK which will positively impact business development.

2018 Attendee,
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and Ireland

Consultant Bio

United Kingdom

Dr. Colm Reilly

Dr. Colm Reilly is the Dublin Trade Director for OCO Global. He started his career with Fujistu before moving to Novartis and then Electrolux where he was responsible for Strategy, Acquisitions, and Investment. Over the past 10 years, Colm has worked with a range of government clients to support their economic development objectives by directly working with companies to develop and expand their footprints. These clients have included UK Trade & Investment (UKTI) where Dr. Reilly was Managing Director for eight years, the Japanese IPA JETRO, the Province of British Columbia and Department of Enterprise and Trade (Ireland) where he chaired the Economic Development Commission.

Dr. Reilly sits on the Advisory Panel of the European Bank of Reconstruction and Development (EBRD) where he works with countries on developing programmes and initiatives to promote industrial development and investment. He has chaired the European Research Network group and has a strong connection to companies in Europe, the U.S., and Asia.