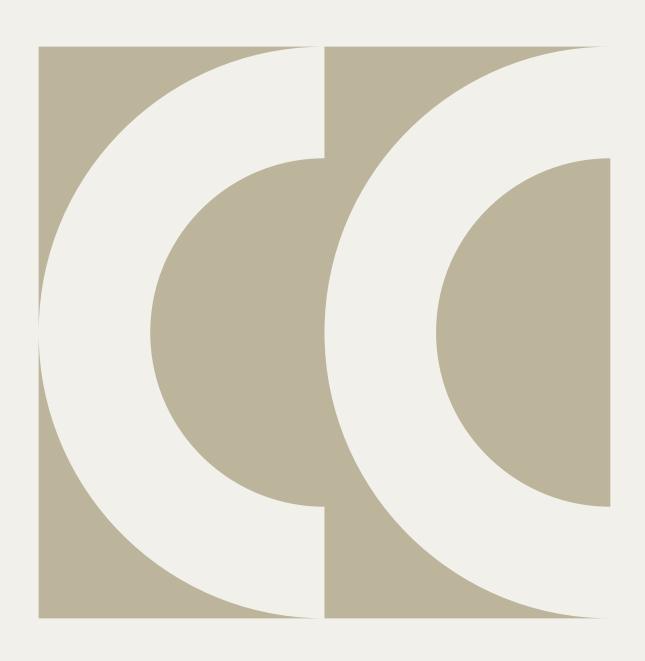
Crafts Council International Toolkit 2022



International Toolkit

2

Contents

Foreword Introduction	6-7 8-9	Understanding market culture -Lost in translation? -Seasons, customs, and approach	50-53
Assessing your export readiness	12-13	Your export pricing strategy	56-57
Understanding your competitors and you	r position 16	Getting paid	60-61
Market selection -PESTELE	20-23	Selling your goods online -Optimising your website -Currency converter	64-69
Free trade agreements	26-27	-Value Added Tax -Import VAT	
Creating an export strategy -Export plan -Setting goals and targets -Set out a range of SMART goals -An example of an export action plan	30-31	-US duty-free exemption -Translation -Online payment methods -Delivered Duty Paid -Import One-Stop Shop	
Understanding routes to market -Trade fairs (business-to-business) -Retail fairs (business-to-consumer) -Working through an agent -Working through a distributor -By appointment -Selling direct online -Selling through an e-marketplace or third-party platform -Pop-up retail -Selling through social commerce	34-36	Export documents and customs process -What are import duties? -Calculating your export duties and taxes -Items packaged as a set -Export documents -Commercial invoice -Packing list -Proforma invoice -Certificate of Origin -Getting your work to the customer	72-75
-International residencies		Understanding Incoterms	78-79

International Toolkit Contents 3

International Toolkit

Export documentation process outside of the European Union -Example of the export process Temporary import of goods 86-87 Packing your work 90-91 Insurance 94-95 Sending your work overseas 98-99 Protecting your intellectual property overseas 102-105

- -Registered design rights
- -Registering a design
- -Trademark registration
- -International trademark protection
- -Trademark registration considerations

EU-UK Trade and Cooperation Agreement 2021 108-112

- -Information required for customs declaration
- -Consignments over 150 Euros outside the EU shipped by Delivered Duty Paid (DDP) and Delivered at Place (DAP)
- -Importing goods into the UK and then re-exporting them to the EU
- -Trading between Great Britain and Northern Ireland
- -Paying VAT

Certification of goods

116-118

Contents

Exporting resources

122-127

- -Sample list of overseas shows (trade and retail)
- -Sample list of e-marketplaces

Glossary of export terms

130-138

Research tools

142-155

- -Legal and regulation information
- -Organisations that support the crafts sector
- -Regional Arts Councils
 - -Regional Crafts Councils
- -Chambers of commerce
- -Business support agencies
- -Grant funding and support programmes
- -Trade associations
- -Residencies

International Toolkit

If you are reading this document, you are taking meaningful steps towards expanding your craft business internationally. This International Toolkit has been designed to help you be proactive in understanding your business potential overseas. It is ideal for those who have lost confidence in exporting, are new to exporting, or need some refresher training or up-to-date advice. Craft businesses come in many forms. Many are individual makers, so these documents are constructed with makers in mind. However, the International Toolkit is relevant to galleries and other professionals wishing to trade. We have commissioned a case-study interview with ESH Gallery in Milan, Italy, to get their perspective on maker representation and import to the UK.

Crafts Council have been supporting craft businesses with their international ambitions for over 15 years. Between 2010 and 2017 we saw a growth in the value of UK craft exports of 31% to £4.8bn (DCMS figures). However, DCMS goods export figures for the crafts in 2020 show a fall of 32% between 2017 and 2020 from £4.84bn to £3.291bn. These figures coincide with the start of the COVID-19 pandemic and Brexit, both of which happened in 2020. The number of makers exporting to Europe (including EU) fell by 21% between 2020 and 2021, according to responses to the 2021 Crafts Council Annual Maker Needs Survey as both

COVID-19 and Brexit knocked the confidence of many of our regular exporters and prevented them from considering this as a viable option for their business.

All forms of business require up-to-date information. This resource is designed to provide craft businesses with the most recent guidance. The Crafts Council continues to research into working internationally, maintaining its ambition to review this International Toolkit alongside its other business development resources to ensure that craft businesses are sustainable.

We are very grateful to our partners, the Department for International Trade, for their commitment and support in driving this resource forward with us, as well as to the Crafts Council team – Caroline Jackman, Head of Craft Business Skills, Rosie Price-Cousins, Business Skills Coordinator, and our Trade Advisor, Toyin Laketu.

We wish you the best of luck with your exporting journeys.

Nicky Dewar, Director of Learning & Skills Crafts Council, March 2022

International Toolkit Foreword 7

This International Toolkit has been designed to support you in your endeavours to proactively and confidently sell your work overseas. We know that the complexities of exporting can be overwhelming, so we have created separate sections for specific exporting concerns.

This International Toolkit supports you in taking your products global with our step-by-step guide to exporting.

The opportunities outweigh the complexities and will enable you to grow your business and develop new relationships with customers overseas. All you need is a bit of time to digest this information, which you can then apply to your own working practices.

There are sections within this International Toolkit that apply to the domestic market, as well as overseas such as packing your work and selling your goods online.

This guide will help you on your journey. It will take time to expand your business and requires real investment, both in terms of resources and money, but with this investment comes the reward of a more sustainable craft business. For many, their experience selling overseas has been the result of ad hoc opportunities; it is good to be reactive. This resource can help to turn reactive decision-making into proactive strategies, leading to longer-lasting business relationships.

You can start by assessing your readiness to export. Ask yourself questions about your business using tools such as a SWOT (strengths, weaknesses, opportunities, and threats) analysis that can help you identify what steps you need to make. Part of this journey is understanding your competitors and the marketplace in which you'd like to sell more regularly, all of which is outlined on pp. 12–23.

"My visit to China confirmed much of my existing knowledge, as well as adding to it substantially. There is huge potential there and I have found that, within the world of ceramics, there is a hunger for shared experiences between China and the West."

Jo Davies

Ceramicist

Next comes your export strategy. This is a planning tool to help you make informed decisions. We have provided you with a simple step-by-step guide to follow. Paperwork and planning can be difficult and tiring, but it will serve you well in the long run. You will be in a better position to begin your exporting journey.

The global market is hard to navigate. Don't worry, we have provided an outline of different routes to these markets (online, trade, and retail), as well as the pros and cons for your business. There are important cultural considerations in understanding overseas markets, as well as your pricing considerations. Again, we have highlighted these in pp. 50–61. One of the most affordable routes to market is through online selling, although there are still many factors to consider, so we have dedicated a whole section (pp. 64–69) to planning and structuring an online shop.

There is no escaping the jargon and exporting documentation requirements. Help is at hand in sections 11 to 13 and our glossary of terms in the resources section (from p. 140 onwards).

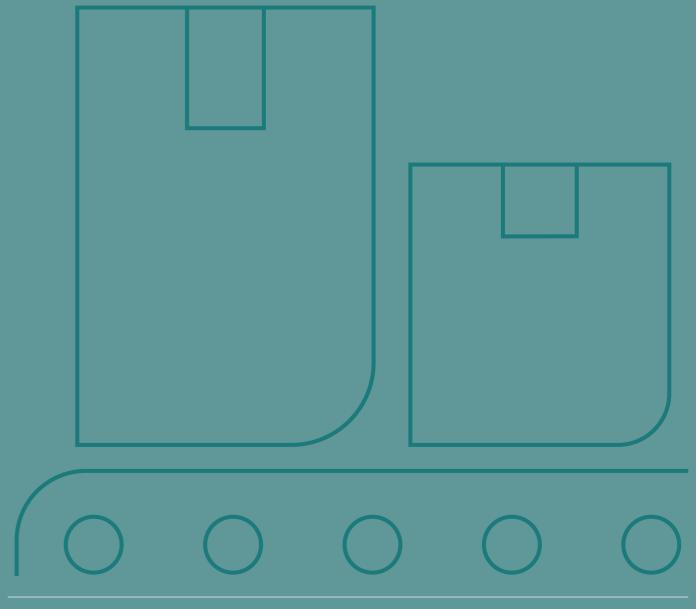
Whether you are new to exporting, or someone who has been trading overseas for a while, there is plenty of useful information here to meet your needs.

Good luck, and do share your exporting stories with us at makerdev@craftscouncil.org.uk.

International Toolkit

Assessing your export readiness





Assessing your export readiness

Sally Burnett, woodturned Photo: Simon Bruntnell Looking to overseas markets can help generate income streams and improve recognition of your business and creativity. There are several ways in which people export for the craft sector. The majority offer products for sale either direct to the customer; through an intermediary; via wholesale; through professional services; or establishing connections through creative development (for example, through residencies).

In this section, we are going to focus primarily on the sale of products. To be effective in overseas trade, we recommend that you do a complete audit of your business by understanding what resources, trading experience, and skills you already have in place, and what gaps you need to address.

In order to carry out an internal review of your business, we have devised the following questions:

Kuniko Maeda, paper artist and jeweller

Products

- -Do you have a clearly defined range of products or services?
- Do you have a clearly defined customer profile – a description of who buys your products?
- -Is your current supply chain reliable and able to cope with expansion and development such as changes to quantities or modifications?
- -Can your business and process 'scale-up', if it's currently only your own production? Would you need to outsource, or ensure more resources (people, tools, time)?
- -Are there any extra costs involved in exporting your products?
- -Will any changes to production or export impact on your selling price? Or profit margins?
- -Are your prices comparable with the market you are selling to? Have you done your research? (There is no point taking products valued at £1,000 to a market in which the average price for similar goods is £150.)

Resources

- -Do you require additional help, or staff? Or to outsource?
- -What are the extra costs of this?
- -What new business skills will you need (i.e. sales, marketing, language, export documentation)?
- See also the DIT's Export Academy.

Finance

- -Is there an appropriate pricing formula? (Your pricing strategy will be important as this will determine the number of routes to market you have for your goods.)
- -How will you fund your export activity?-Is there sufficient money in the
- business, or do you need to access additional funds?
- -What type of funds do you require? (i.e. investment, loan, bridging loan)?

Gaining funds is achievable. It may be that your exporting plans will have to be postponed while you save.
You can do a SWOT analysis of your business when considering your export potential. To help you create your own SWOT, please refer to our checklist and templates resources.

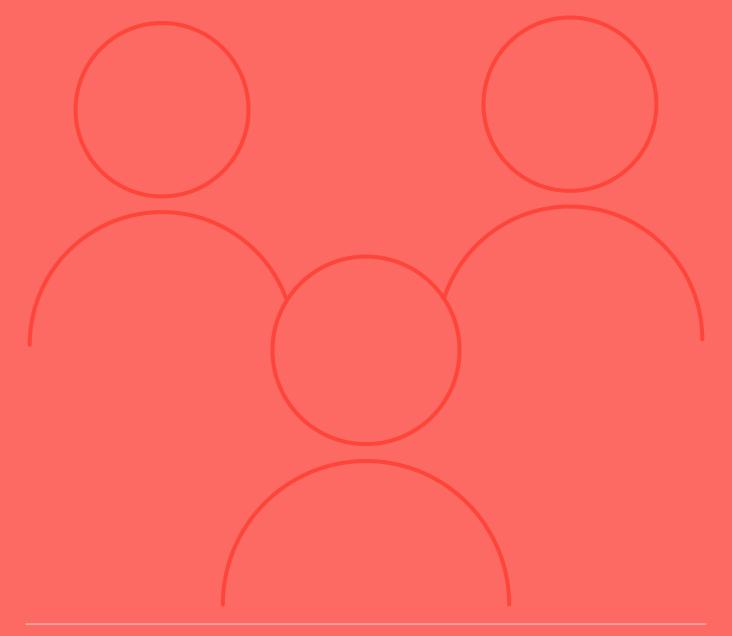
"I realised that architects and interior designers were my target audience [...] When I visited Maison&Objet, I walked into the CRAFT Hall and just knew that this was where I wanted my work to be."

Sally Burnett
Woodturner

12 International Toolkit Assessing your export readiness 13

Understanding your competitors and your position





2

Understanding your competitors and your position

Learning about your competitors is vital research that will inform your decisions about where and how to market your work.



Nature Lab at Design Miami Basel, Crafts Council stand

- -Ensure that you are exploring the wider environment in which your products sit, in order to learn how you can translate your products to overseas markets and capture new opportunities.
- -Inquire into how your competitors approach the market. What can you learn from them?
- -If you don't have an obvious competitor, do some research into the products and brands that align with yours.
- -Is there a demand for the type of work you do? Will you be able to be competitive with your pricing?

- Do some comparisons of other brand prices and styles.
- -Does your product have a particular provenance or history that will be sought after in your chosen market? (For example, do you work with a uniquely British material such as Welsh wool or Whitby jet?)
- -Do you have a brand story and are you communicating this clearly across your marketing materials? (Now, more than ever before, customers relate to a brand story that resonates with their own values.)
- -Review the DIT's Export Academy.

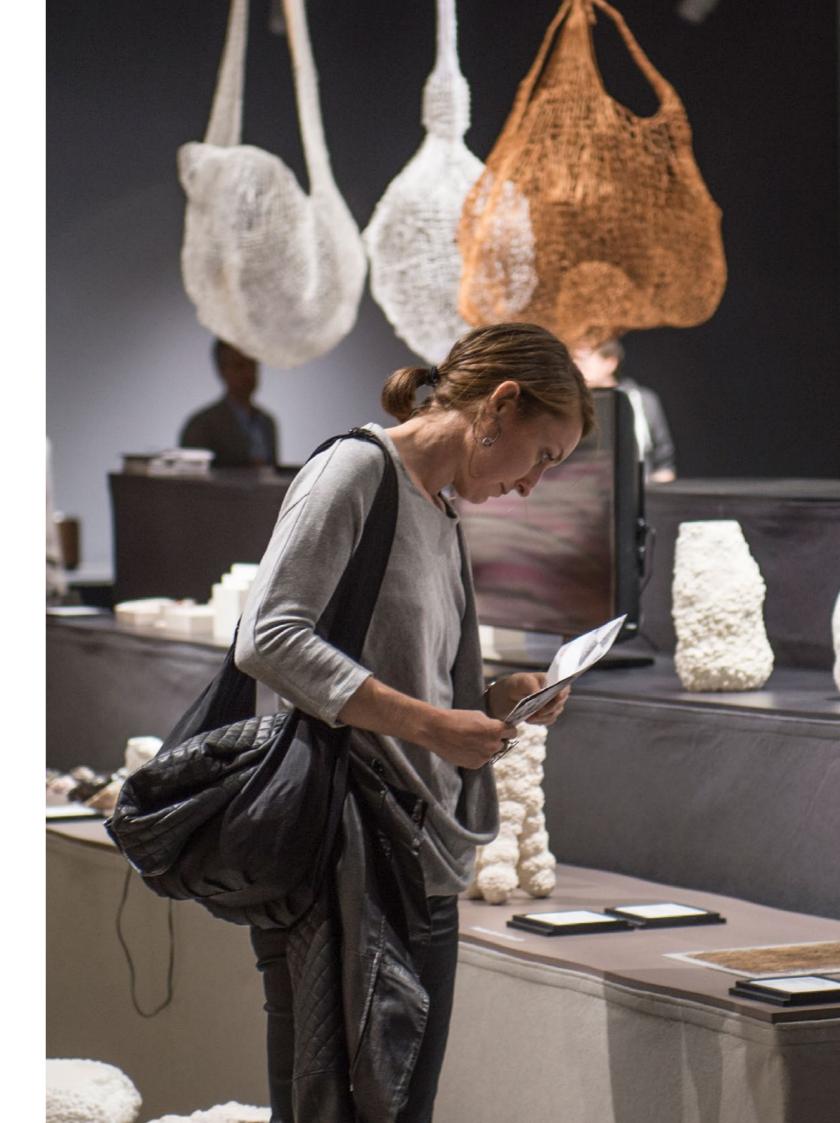
Assessing demand for your product

There is no easy way to know in advance if your work will be well received, so we recommend that you do some market testing.

- -Your best bet would be to approach a new market with a product that you are already successful with. If you've had a very positive reaction and strong sales in the UK, then you are in a good position to approach a wider market.

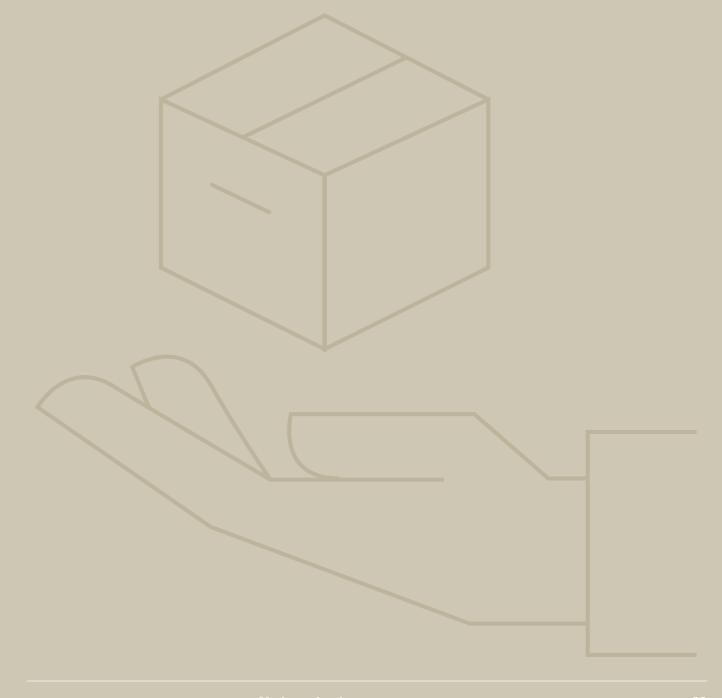
 -If you are unknown to a new market, buyers may be cautious but they will be reassured if you achieve strong sales in the UK. You may be asked which products are your current
- best sellers be prepared to answer confidently.
- -Social media is a great way to get quick market feedback on your products, especially if you already have a large and responsive following.
- -If your website is connected to Google Analytics, it can provide a large amount of data on what products gain the greatest interest in which markets.
- -Use <u>Google Trends</u> to explore different markets and understand the demand levels for products at different times of the year.





Market selection





International To

Market selection

Where to focus your efforts for export is a fundamental starting point. You must be realistic; be honest about your strengths and weaknesses and use these to create a shortlist of the right export markets.

Overview

- -If you are already taking a reactive approach to selling overseas, can you expand and secure more opportunities within your existing markets?
- -Consider the location and access to markets. Would potential clients require you to visit this country? What are the cost implications of working in this country?
- -What are the cost implications of working in particular regions? Would you have to visit frequently?
- -Don't chase an unknown market based on just one or two customer enquiries, or an offer of a subsidised event.
- -Consider the short and long term and think strategically. Some markets will take longer to access and maintain your presence.
- Conduct desk-based research to learn more about your chosen markets. Ask yourself the following questions:
- -How big is the market opportunity for your business?
 - -What is the customer demographic

- and their disposable income?

 -Are there enough customers
 within your target group that can
 afford your goods or services?
- -How easy is it to do business in the market? Understand the business environment - what are the cultural considerations and sensitivities?
- -Have a look at our list of research tools in the <u>exporting resources</u> section of the International Toolkit. Look to those who can help you in your research such as peer groups who already export to this market, local businesses, or chamber of commerce.
- -Consider doing a residency.
 Living and working in a country
 will provide unique insights into
 its culture, and will help you to
 establish contacts that wouldn't
 otherwise be available via the
 more usual routes to market.
- -See also the DIT's Export Academy.



Galerie Marzee, Collect. Photo: Iona Wolff

Participation in fairs and events

If you are booking a stand at an overseas fair or event, do your research and, if possible, visit the fair. Any time you invest now will save you money in the long term.

- -Find out about the customer profile (i.e. local or international, buying habits, etc.)
- -Look at the format of the fair (i.e. position of stands, programme, etc.)
- -Research the exhibitor list. Do you fit the market? Talk to them.
- -Consider how well the fair is marketed and what benefits you will receive.

Galleries or retailers

If you are not sure about an overseas retailer or gallery, ask them if they have stocked work by other UK makers. Find out what their understanding is of the export process and documentation. They may even be able to help you with the paperwork if they regularly accept work from UK makers.

Intel from digital platforms

If you have a digital presence, explore the data and website traffic for your social media channels through Google Analytics to understand where your visitors are located and what types of products they are looking at, or purchasing, from you.

Intel from conversations

Think about what feedback you have had from any overseas customers. Which products are preferred by which sort of buyer? Ask around. Check with other makers for advice on appropriate trade events, international galleries, or relevant boutique stores.

Conduct a market PESTELE analysis

Use a PESTELE tool to analyse the external marketing environment and the factors that may impact your export. PESTELE examines the Political, Economic, Social, Technological, Environmental, Legal, and Ethical factors and the risk they present in the external environment.

20 International Toolkit Market selection 21

P

Political

Government policy Political stability Corruption Foreign trade policy Tax policy Labour trade laws

Trade restrictions

Ε

Economic

Economic growth
Exchange rates
Interest rates/inflation
Disposable income level
Unemployment

5

Social

Population growth rate Age distribution Career attitudes Safety emphasis Health consciousness Lifestyle/attitudes Cultural barriers

Technological

Technology incentives Level of innovation and automation R&D activity Technological change Technology aware

Ε

Environmental

Weather Climate Environmental policies Sustainability policies Climate change pressure from NGOs

L

Legal

Discrimination laws
Antitrust laws
Employment laws
Consumer protection laws
Trademark/copyright laws
Health and safety laws

Ε

Ethical

Business values Environmental policy Diversity policy Investment principles Health policy

Example: Japan

Have a look at our exporting resources for publications and sites that can assist you with collating information to support your market selection.



Political

Stable government
Low corruption levels
Has a number of preferential trade
agreements



Economic

Low unemployment High inflation GDP forecast 3% 2022–23



Social

Significantly large ageing population and low birth rate Limited English spoken in market – interpreter required



Technological

Tech savvy World leaders in innovation



Environmental

Clear environmental policy (i.e. phasing out coal power by 2030) At risk of hurricanes and tsunamis



Legal

Strong employment laws and trademark protection



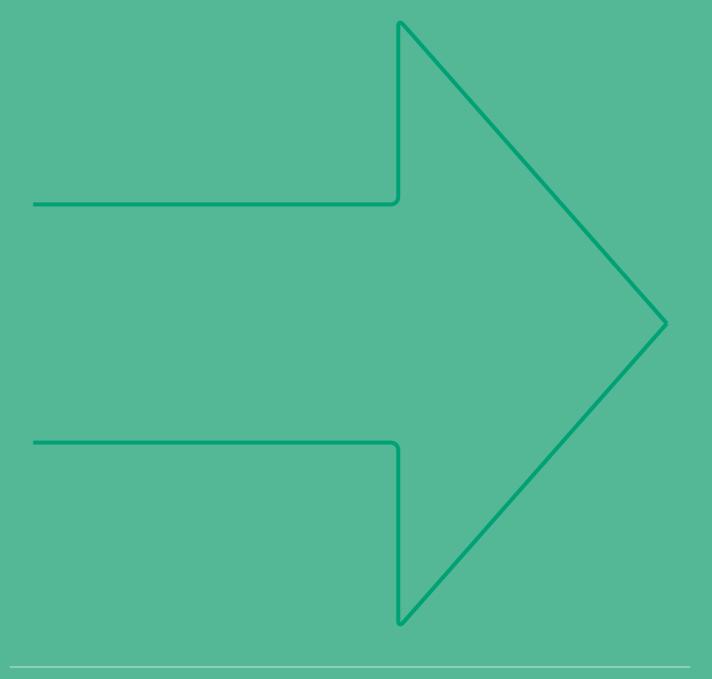
Ethical

Aligned business values Transparent policy Investment in their employees Ethically sourced materials

22 International Toolkit 23

Free trade agreements





4

Free trade agreements

See if there are any free trade agreements in place that can reduce the cost of entering a new market.

A free trade agreement is a pact between two or more countries to reduce barriers to imports and exports between them. Under a free trade agreement, goods and services can be bought and sold across international borders with little or no tariffs, quotas, subsidies, or prohibitions to inhibit their exchange. When the UK left the European Union (EU), the EU had about 40 trade deals covering more than 70 countries. The UK has negotiated rollover deals with <u>63 of these countries</u>. Below are some examples of free trade agreements that have been rolled over since leaving the EU.

- -UK-Japan Comprehensive Economic Partnership Agreement
- -UK-Canada Trade Continuity Agreement (TCA)
- -UK-South Korea Free Trade Agreement

Eusebio Sanchez, ceramic artist

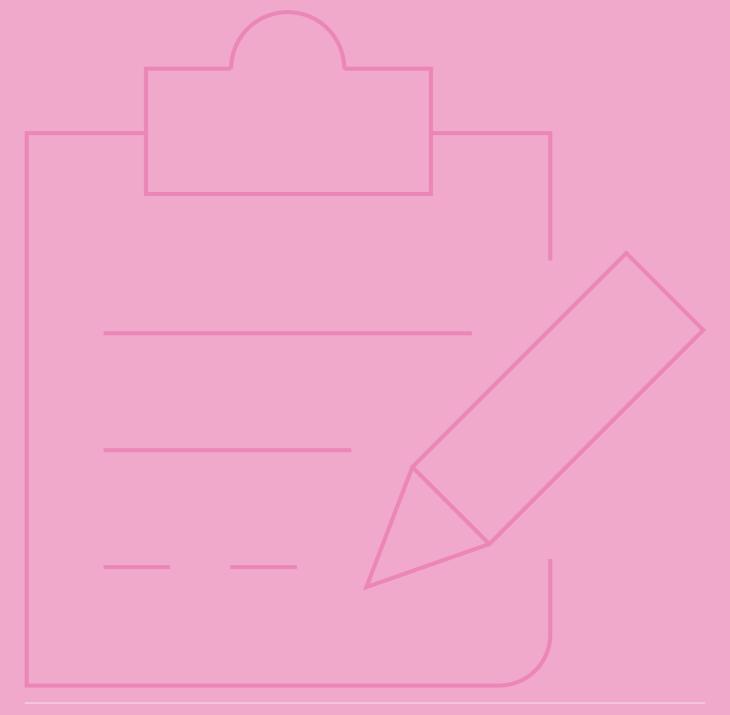


Francisca Onumah, metalsmith



Creating an export strategy





Creating an export strategy



To help support your decision-making about why and where to sell your work, we recommend creating an export strategy. Simply put, this is a plan to support you and keep you focused on selling your work overseas. By exploring the ideas outlined in the International Toolkit, your export strategy will help you to create measurable goals and targets and assess your progress.

Your export strategy is a useful document to show to funders (especially if you need to raise finance to support your activity), business partners, or collaborators. It demonstrates that you are prepared and have realistic expectations for the export process.

Export plan

Use this checklist to help you write your own export plan:

- -Review your export potential
- -Research selected market
- -Assess product pricing strategy
- -Find out about selling and marketing your product overseas
- -Explore routes to market entry
- -Cultural barriers and ease of doing business in the market
- -Develop an action plan to support your chosen market
- -Prepare to manage finance, payment, and risk
- -Explore your intellectual property risk and protect relevant areas
- -Outline the documentation process to fulfil your orders
- -See also the DIT's Export Academy <u>here</u>

Setting goals and targets

Once you have reviewed your export readiness, set yourself realistic goals and timescales to focus your international ambition.

Working internationally is very rewarding, but it is a long-term investment for your business. You shouldn't expect a return on your investment after your first overseas trade event, exhibition, buyer meeting, or visit. Successfully accessing and understanding a new market takes time and inevitably costs money. Unless you have unlimited resources and a large team, it is much better to focus your time and energy on closely understanding one or two potential markets over a longer period of time, than to scatter your efforts across the globe.

Set out a range of SMART goals

Specific (simple, sensible, significant)
Measurable (meaningful, motivating)
Achievable (agreed, attainable)
Time-bound (time-based, time-limited, cost-limited, timely, time-sensitive)

Example of an export action plan

Action plan – Export to the US/New York

Goals

- -Research the US market and identify the key region for new business opportunities
- -Visit trade shows, stores, and galleries

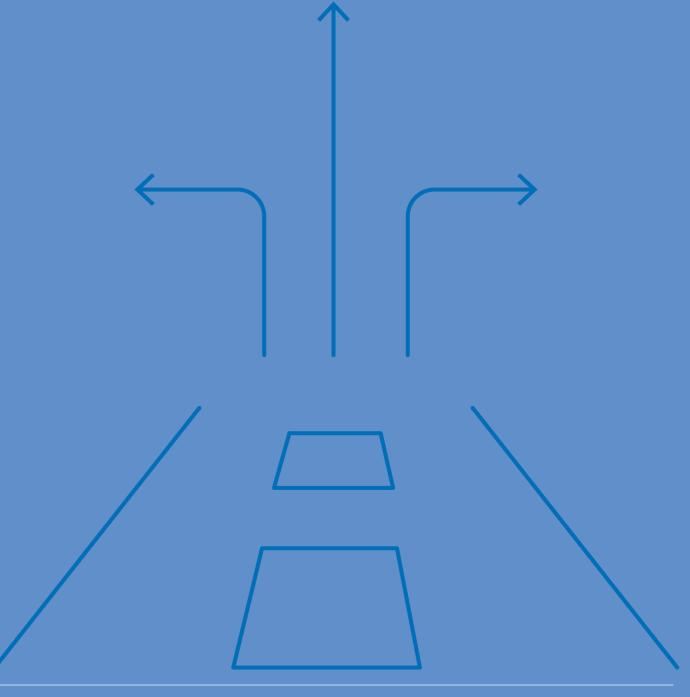
- -Raise the profile of the business and exhibit at the International Contemporary Furniture Fair (ICFF)
- -Meet with potential buyers and build relationships to secure two new orders within 12 months of exhibiting at the show

-visit trade snows, stores, and galleries		two new orders within 12 months of exhibiting at the show		
Action	Budget	Who	Delivery Date	
Visit ICFF to research into, and scope out, the market, competition, and to make connections	£2,000	Business owner	May	
Contact ICFF to book a stand	£2,500	Business owner	July	
Check product compatibility and modify, if necessary	TBC	Business owner	September	
Source packaging and display items, find and confirm shipper	£1,500	Business owner	November	
Activate pre-show marketing activity	£800	Business owner	December	
Complete export paperwork, ship work, and display items	£2,000	Business owner	February/March	
Send event invitation, press releases	£300	Business owner	April	
Launch range at ICFF	£300	£3,500	May	
Follow-up and continuing dialogue with buyers to secure orders, analyse feedback to adjust product range	N/A	£3,500	June	

30 International Toolkit Creating an export strategy 31

Understanding routes to market





Understanding routes to market



This section helps you to identify the routes to market. Use your export strategy and market research to source the best route for you. Remember, your routes to market will be determined by your pricing strategy. Try and create a flexible pricing strategy that gives you lots of options.

For all routes to market, effective marketing is essential. Find out about international publications, trend websites, and social media platforms where your work could be featured. Ensure your marketing materials are suitable for use in your chosen destination. Consider how you may need to modify your message.

Wholesale or retail? Work out what your natural route to market is. If you are familiar with doing trade events in the UK, then seek out similar profile events internationally with a guaranteed audience.

If you mainly work directly with private clients or on site-specific work, your route to market will be different and you will need to identify individuals who can support you.

Would you prefer to have someone represent you in overseas markets? Working with someone who is already an expert in the country and who has an established contact, or client list could be invaluable. One of the hardest things to do is to maintain a presence in the market when you are not physically there. You may find that having an agent, partner, or gallery to represent you is the most viable option.

"Photograph your goods before shipping them, as proof of good packaging. I always ship spares – just in case."

Aline Johnson Glass designer

Have you already achieved successful sales via e-commerce? It's a great way to test out new products with little initial outlay. E-commerce is a useful tool for when you're not able to be physically present in an overseas market.

Building a customer database is one of the biggest assets you can create for your business. Analyse your existing database and identify international subscribers that you can incentivise to help spread the word about your business in their market or area.

If you have some experience of using digital platforms as part of your work activity, then tapping into tools such as Google Ads and social media-sponsored ads can help you reach a greater number of new customers on a global scale. Ensure you have a Facebook pixel to maximise the opportunity.

Do some research into social media platforms and identify potential businesses or customers in your target markets. You can then create collaborative content across social media platforms to raise your business profile and reach new customers.

Trade fairs (business-to-business)

At trade fairs, business is conducted business-tobusiness (B2B). Trade fairs take place within the buying timelines of retail stores in their market and are a great way to promote your products to a global audience. They attract buyers of all kinds from department stores to independent agents, distributors to online platforms. Due to their size, it is important to visit a trade fair first to gain an understanding of its audience, and to identify sections of the fair that would be the right fit for your stand.

Pros

- -Wide access to retailers, agents, interior designers, and curators.
- -Great for spreading brand awareness, increasing your product reach, and building long-term relationships with shops and galleries.
- Direct feedback to understand how to improve products and services, and tailor them to target customers and markets.
- -Clients are likely to be aware of import/export restrictions.
- -Learn more about your competitors and how they are performing at the trade fair.
- -Build new relationships with other businesses.
- -A great way to boost both domestic and international sales in one place.
- -Many UK buyers will also visit overseas trade fairs.

Cons

- -Selling at wholesale price. You may need to set your business up for small-batch production of larger orders.
- -It can be a big expense that requires a long-term plan and commitment. You will need to exhibit at a trade fair more than once to see a return on your investment, and gain good sales.
- -Look out for hidden fees. What is included in your exhibitor fee (i.e. lights, floor, table, shelves)?

Retail fairs (business-to-consumer)

At retail fairs, business is conducted business-to-consumer (B2C). Retail fairs provide you with direct access to customers, building strong client relationships, and the scope for interacting directly with your products.

Pros

- -Direct customer feedback. You can sell your products at full retail price. Retail fairs are good for one-off, unique objects or made-to-measure and bespoke commissions.
- -With the wide variety of retail fairs, there will be some that are specific to your target audience.
- Retail fairs can help you build your customer database, and the scope for driving customers to your website for future online sales.
- Retail fairs help you to closely understand your chosen international markets in support of a proactive export plan.

Cons

- -Your audience may be less knowledgeable in the import/export process and costs.
- -You will likely need to fulfil and manage multiple small orders.
- -Requires more customer service. Consider your returns policy and process for overseas orders.
- -Requires a lot of export documentation to ship goods in and out of the market with no guarantee of sales.
- May incur extra costs of warehousing stock for the duration of the event.
- -What is included in the fee for your stand? Do you need to bring your own display units, plinths, etc.?

Maison & Objet, Paris



Working through an agent

Third-party agents act on your behalf in your chosen overseas country. In this context, the agent focuses on the distribution of products to commercial stores and supply to industry trade (for example, interior design) in the local market.

Agents will have close relationships with key decision-makers in the market to promote your products, building long-term relationships to secure orders. Once a sale is secured, the agent will send you an invoice and order details, which you need to process and fulfil. Agents operate in two ways: by commission only; or a monthly retainer, plus commission. Agents do not hold stock but may hold a sample collection to present to the local market. Some agents have showrooms as part of their offer and take products to relevant trade shows in the market.

Ensure you have an agreement in place to ensure that both parties understand what is required. Not having an agreement may prove costly to the business, and it may be difficult to end the relationship and gain access to the market you have built up.

Pros

- -You will be able to take advantage of someone else's contacts and experience in your export market. Having an agent reduces the cost and effort to reach customers.
- -You have control of where and how much your products are going to be sold for before processing the order. This enables you to manage your brand reputation and position in the market.

Cons

- -Fees/commission can be high. You don't get to experience the new market and build your own contacts and knowledge. You get second-hand feedback on your products.
- -You will be responsible for the shipping trade logistics of the goods to the customer.
- -Any direct sales secured in the agent's market may require you to give the agent a cut of the commission on the order.
- -You may need to invest in sample collections to support the agent in the market.
- -It may require a period of exclusivity in key territories.

"Overseas opportunities have helped me create more interesting work and continue to foster a fresh multicultural perspective."

Juli Bolaños-Durman

Glass artist

Working with a distributor

A distributor is a third-party, in-country agent who buys stock from you upfront and distributes across the market on your behalf. Like agents, they will have direct relationships with key decision-makers in the market and will actively engage in marketing your products.

Ensure you have an agreement in place before proceeding. In some markets, without an agreement, any court action may rule in favour of the distributors. Ensure that you have your performance targets in place, which both parties are agreed on, in order to manage the relationship going forward.

Make sure you own your trademark registration for the relevant territory. If not, understand the risks you are open to. Have a look at our <u>intellectual property section</u>.

Pros

- -Distributors will place large orders upfront with you, which can help with cash flow and economies of scale, if required.
- -There is risk reduction, as they will manage the shipment of goods on your behalf.
- -Easy way to manage a market with lots of clients.
- -The distributor will take control of all local marketing activity on your behalf

Cons

- -Less control over where your products are being sold and what price they are being sold for.
- -With bulk orders, the distributor will want an upfront discount on the wholesale price.

By appointment

There are many ways of identifying key contacts for products from the comfort of a studio office. Platforms such as <u>LinkedIn</u> or industry networking events make it possible to approach contacts directly, arrange an appointment, or invite them to your event.

Pros

- No stand or event fees. A more proactive tailored approach, good for one-off, unique pieces.
- -Can be cost-effective, if you're able to access the right people.

Cons

-Takes a considerable amount of research and planning time, and requires confidence in communicating.

Selling direct online

The development of Content Management System (CMS) software for your website has made selling online very achievable. This technology provides a shop window for your business at a relatively low cost and is potentially the first engagement that customers or buyers have with your business.

Ensure that you are using accessible platforms such as <u>Squarespace</u> that provide your business with a professional look and feel and instil confidence in customers.

It is wise to select software that uses Search Engine Optimization (SEO) to enable customers to find you easily. Google is one of the largest search engines. Is your website compatible with Google? Please note, not all markets have Google as the leading search engine; for example, China uses Baidu.

Pros

- -Cheapest set-up for reaching overseas customers.
- A good way to get fast feedback on new products.
- -You can use relevant digital tools such as Google Analytics to get to know your audience and shape your online strategy to engage with more customers.
- -Selling direct online enables you to build a direct-to-consumer database of customers and expand your global reach.
- You have greater control of your brand story, marketing, and product prices.

Cons

-It can be hard to build meaningful relationships with your customers if you do not meet them in person. You will need to rely on digital marketing to try and maintain a connection.
 -It can require a lot of time and investment (resources and finance) to increase international traffic.

Websites do not work in a silo, but are part of a wider integrated online strategy. You will need to update and maintain a level of activity across the relevant social media channels as part of your ongoing marketing.

You need to have a good understanding of export processes to ensure good customer experience and reduce the likelihood of returns.

You will need to gain an understanding of international commercial terms (Incoterms) that determine who is liable for what taxes and duties when shipping goods online. Incoterms detail who is responsible for which elements of exporting. For more information, have a look at our section on <u>understanding Incoterms</u>.

Have a look at our section on <u>selling your goods online</u> for key tips for building your web presence overseas.

Selling through an e-marketplace or third-party platform

An e-marketplace, also known as an online marketplace (OMP), is a website or app that facilitates shopping from many different sources. This can be B2B and B2C; for example, Etsy, Trouva, and 1stDibs.

The operator of the marketplace may place wholesale orders and hold inventory, but many operate on a no-inventory basis. Their business is to present other businesses' inventories to users and facilitate transactions, thereby operating as a marketing platform for multiple suppliers.

Pros

- -E-marketplaces create new sales channels to support growth.
- -E-marketplaces are designed to be simply that, an online marketplace, and therefore have the infrastructure in place to invest in, and target, the audiences you are trying to reach.
- -E-marketplaces have developed brands of their own; they have brand awareness, customer confidence, and trust that is greater than a sole trader's.
- -The platform knows their audience and invests in marketing products to a target audience.

Cons

- -Possible charges include commissions for completed transactions, membership fees, and listing fees. You should also establish if there are any costs associated with changing to another e-marketplace should your original choice not live up to expectations.
- -Your chosen platform may offer a feepaying marketing system; the more you pay, the more your work is seen on the platform.
- -The platform may require a large product portfolio, or a high volume of units, to do business on them.
- -The platform may pass on all transaction fees. Consider how this will be calculated into your selling price.
- Depending on the agreement, you may have limited access to data to understand who the end customer is in overseas markets.
- -If the platform is not fully integrated with your own business website, there may be a loss of control in managing and processing stock, especially if operating on a dropshipping model. Dropshipping is an order fulfilment method that does not require an e-marketplace to keep products in stock. Instead, the platform sells the product and passes on the sales order to a supplier (you), who then ships the order to the customer.
- Depending on the platform's terms of service, your business may be liable for import duties and taxes for overseas markets.

Pop-up retail

Pop-up retail is a rising trend that sees short-term sales spaces opening for a few days, or weeks. A pop-up shop is a flexible model for retail. Collaboratives, gallerists, or other similar independent businesses often invest in short-term lettings.

Pop-up retail can be hosted by one maker, or a collective of makers (such as <u>platform-store.com</u>) and can be a creative way of reaching audiences, as well as provide space for workshops and exhibitions. This has been done successfully through design festivals such as <u>Dutch Design Week</u> and <u>London Design Festival</u>.

Pros

- -Pop-up retail is a great way to promote products, engage with customers, and access feedback and market knowledge.
- -Pop-up retail is an excellent way to increase brand exposure in a new market.
- -You can promote your shop and invite prospective buyers for meetings. You are also able to exploit other market opportunities while you're there.
- -Pop-up retail can help to grow your customer database and social media followers, so that you can continue to communicate after the event.
- -You can test and try the retail format for your business as a route to market.

Cons

- -Finding the right location can be timeconsuming. Trying to find the right sized space for your timeframe may be challenging.
- -If setting up your own pop-up shop, rather than through a third party, there are additional legal and regulatory requirements that you will need to complete.
- -lt can be a large upfront cost with no guarantee of securing new business.

Selling through social commerce

Social commerce is the process of selling products directly to customers via social media platforms. The entire customer shopping experience, from product discovery and research to the check-out process, takes place within the social media platform without the need to leave. Social commerce is currently available through Instagram, Facebook, and Pinterest.

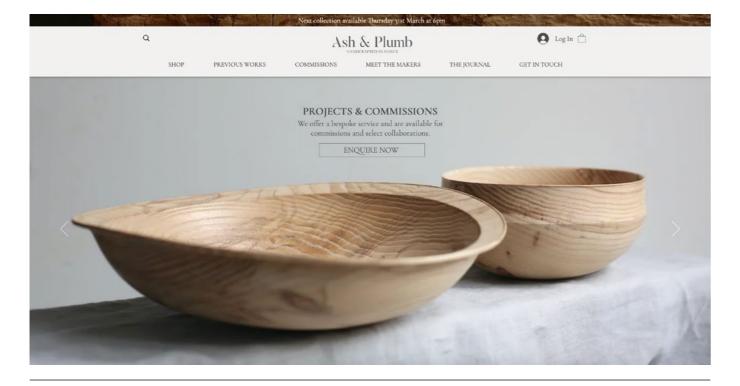
Pros

- -Social commerce creates opportunities to connect with potential customers on social media, where they're already active and engaging in conversations.
- -Social media shops remove tension from the customer journey, making it easy to follow through from discovery to purchase.
- -It offers an interactive real-time process, in which you can engage with customers and assist them with products and services.
- -With an incredible wealth of customer data available on social media, you've got a prime opportunity to tweak and target your advertising.

Cons

- -Because of the risk associated with buying something unseen, customers are less likely to splurge on something with a larger price point.
- -Social commerce requires significant investment in time and resources to engage with the relevant platforms and secure sales; social media is a 24/7 activity. Consider whether to keep it in-house, or outsource to an agency or expert to deliver for you.
- -Social media platforms are seen as the facilitators of the sale, meaning that all shipping and export documentation processes will be your responsibility. Social media platforms do not provide support in this area. Ensure your trading terms, destinations, and shipping terms are up to date.

Ash & Plumb, website home page



International residencies

You may decide that experiencing a different country through a work/study residency is the best way for you to understand the culture and creative opportunities.

There are a number of organisations that offer artists and makers space to work and explore their practice – usually with the outcome of a new body of work or collaborative project. It can be a great way to make creative and business connections and investigate how your work is received in a different culture.

Ensure you review the market entry requirements prior to booking a residency. In some markets, you may need a visa or a work permit. You can check the Government's travel to Europe for work guidance for information on the types of visa and work permit routes available. This information is provided as a guide only. You must always check the exact application process and document requirements with the authorities of the country you want to visit before you travel so you meet their legal requirements. The country's embassy or consulate will have the most up-to-date information and can also advise you. If you need a visa or permit they can tell you how to apply.

Pros

- A great opportunity for creative development which leads to new ideas.
- A great way to secure new connections with markets, academics, and/or peer groups.
- -Many are funded opportunities.
- Many provide opportunities to showcase your outputs and provide you with an opportunity to sell to new markets
- -They can provide you with accreditation for your creative practice.
- -There is scope for creative collaboration and creative co-design with different media and different sectors.
- -There is nothing stopping you from building a relationship with an organisation or company to host you in residence.
- Many provide opportunities to work with local communities.

Cons

- -A work visa is normally required.
- -Accommodation is not always included in the residency package. You will need to arrange your own travel and incurance
- -Language can be a barrier depending on the institution or resources provided
- -A showcase is not guaranteed. Many residencies require participants to instigate and set this up themselves.
- -Residencies are popular and therefore competitive. They require written applications and, in some cases, interviews.
- -In many cases, residencies require past experience in creative development or community engagement.
- -Most applications require a referee.

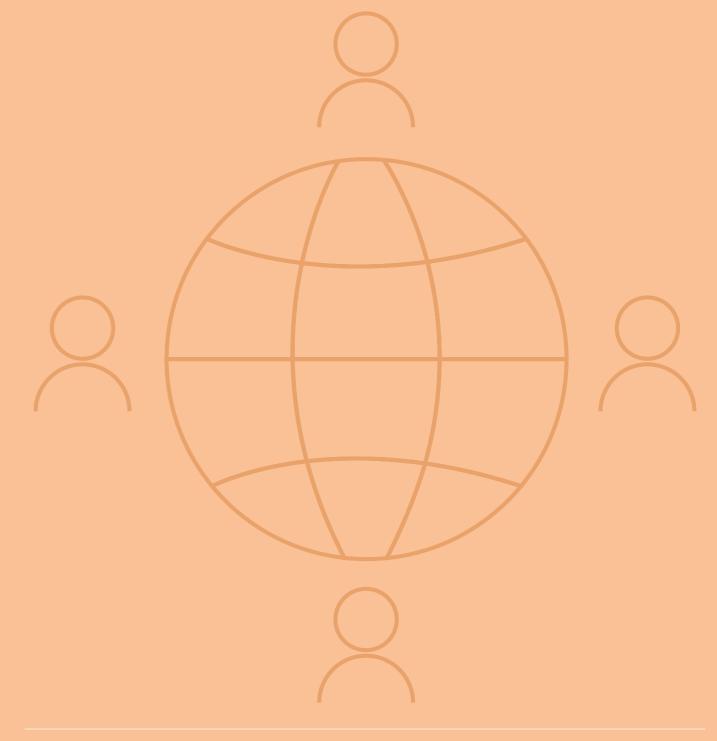
You may need a visa, work permit or other documentation if you're planning to stay for longer than 90 days in a 180-day period, or if you'll be doing any of the following:

- -Transferring from the UK branch of a company to a branch in a different country ('intra-corporate transfer'), even for a short period of time
- -Carrying out contracts to provide a service to a client in another country in which your employer has no presence
- -Providing services in another country as a selfemployed person
- -Taking part in activities or providing services that are not covered by a country's visa-waiver rules



Darren Appiegyei on the lathe. Photo: Thomas Broadhead

Understanding market culture



Understanding market culture

This section will help you to develop greater awareness of the different market cultures. What is the business culture in the country you are trying to export to? Do you need to adapt to operate in this market?

There are many elements you need to consider such as how different cultures do business, how they develop business relationships, to what products are suitable for different cultural markets.

Look to organisations such as the <u>Department for</u> <u>International Trade (DIT)</u>, the <u>British Council</u>, as well as to makers with experience in working abroad, for support and advice in this area.

TOP TIP:

Be aware of the language gap. Look into recruiting a qualified translator for appropriate support at a fair. Reach out to a trade body for advice.

Lost in translation?

You need to ensure that your marketing material and product information is translated both on your physical marketing materials and your website.

Do use a professional translation service rather than rely on an online translation app. Even if you think that most people will speak English in your chosen market, it is a courtesy to at least have headline information translated; it shows respect to your audience.

The cost of hiring an interpreter will vary from country to country; it will be dependent on what type of assistance you require (for example, the hourly rate for a business meeting in Japan is around £70–90). If you are visiting an overseas market, you should contact the international trade advisor at your local trade office, who can advise on local interpreters to support you.

"A translator that is local to the area you are working in is well worth the investment. You do not want to miss out on opportunities due to missed interpretation."

Deborah Lynch Doyle

Department for International Trade

It is also worth considering that most countries have a crafts organisation; the <u>World Crafts Council</u> or <u>British</u> <u>Council</u> can help you find local connections.

Even in English-speaking countries there exist different words for product types, which can be confusing. Do check that your product descriptions are correct. For example, the UK and United States are two countries divided by a common language – in the UK it's 'curtains', in the US it's 'drapes'.

A local interpreter can also offer advice on social situations and give feedback on the subtle nuance of language. For example, in some countries it is considered rude to give an outright 'no' to a proposal and you may find that you get a 'maybe' response. This can actually be a very polite way of saying no! An in-market interpreter is a great investment, helping you build new business relationships and giving you additional insight into the market and culture.

50 International Toolkit Understanding market culture 51

"Although English is a commonly spoken language, you need to simplify your vocabulary. Avoid anything that could be misinterpreted, as well as using cultural references in your emails or spoken interactions. Keep negotiations as straightforward as possible to avoid confusion."

Jo Davies

Ceramicist

Seasons, customs, and approach

- -Any small international orders should be given the same level of care and attention as large orders. Some buyers may place small test orders before placing larger ones. This is part of the process; you need to think long-term.
- -Make sure your products meet Health and Safety regulations, as well as product certification compliance in other countries. This particularly applies to textiles, products for children, and anything with an electrical component. You can find out specific product information on the British Standards Authority website.
- -Are there any seasonal events you need to be aware of? Gift-giving festivals and events are all about timing. Check these out in advance if they are relevant to your work.
- -Be prepared for cultural differences. Some products don't translate into different environments. Stylistic preferences vary from one country to another; they can be subtle yet vital. Global standardisation has

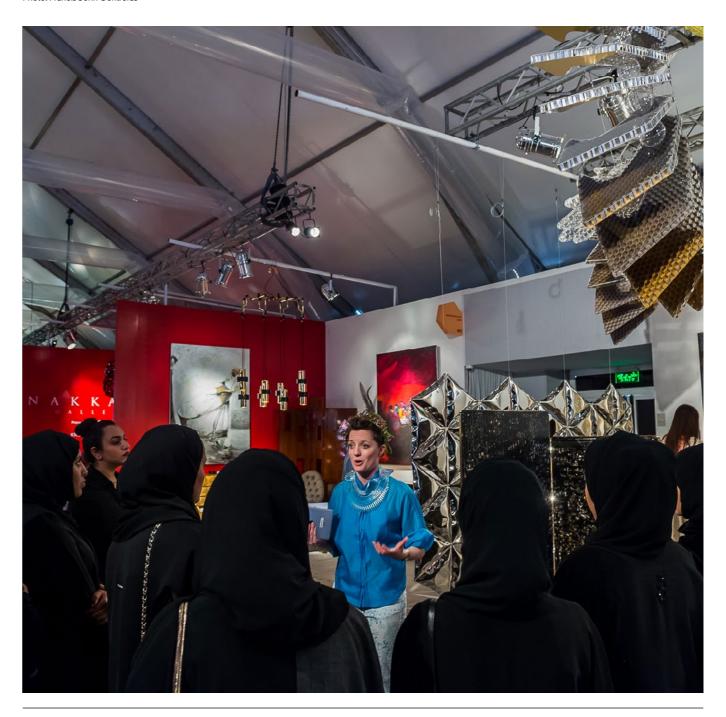
- affected many products, yet design preferences and local nuances are still prevalent. For example, the number four is unlucky in Japan, so tableware is usually sold in sets of five. Even colours should be given thought. In Western cultures, for example, white is associated with weddings but it is more likely to be worn at a funeral in China.
- -Check how traditional and other cultural differences may affect the sale of your product. Some things are peculiar to Britain or Western markets; for example, the use of handmade tea cosies or teapots. Check that the culture you are selling to use these products.
- -These differences can work to your advantage. If you have a product that celebrates British materials, traditions, or techniques, this can give you an edge in an international marketplace, as British design is highly sought after.
- -Ensure any financial information is clearly presented in written form to remove any confusion or error in value.

"Learn a new language! Although it's not about learning a new language simply to order your coffee. You need to learn the language of business within different cultures. Our terms for our work don't necessarily translate, even in the US where they speak American English."

Stuart Akroyd

Glass designer-maker

Design Days Dubai, Crafts Council stand. Photo: Francis John Contreras



52 International Toolkit Understanding market culture 53

Your export pricing strategy





8

Your export pricing strategy

Once you have an understanding of how business operates within a specific culture, the next step is to have a pricing strategy that ensures a profitable activity. In a digitised world, in which products are sold on- and offline, it is important to be aware of the audiences that are accessing these marketplaces. Are you able to maintain price parity, in order to nurture customer loyalty and manage your brand reputation?

You need to ensure that you assess your profit margins and consider whether you can create a flexible pricing strategy that opens up new opportunities and routes to market.

If you are selling to trade buyers, then your prices outside the UK must not include VAT; all invoices should be zero-rated for VAT. This also includes markets within the EU.

Keep your price lists simple and calculate them into British pound sterling (GBP), United States dollar (USD) and Euros. Most international buyers will understand your pricing and be happy to transact in these currencies. This will also reduce any risk in markets where currency calculations may lead to errors. You can refer to our section on bank fees below to calculate these into your international pricing structure.

If you are presenting to trade buyers, fix your international price lists for short periods of time, listing the expiration date. This will allow room for a price adjustment if there are fluctuations in exchange rates.

50 Golborne Gallery at Collect.



"Make sure your business is ready and has enough domestic credibility. Ensure your pricing is at a level that suggests quality."

Jacob van der Beugel

Ceramic artist

Create price lists that you can present to buyers that include or exclude shipping and tariff costs. Some buyers will be happy to pick up the goods from you and cover the cost of shipping duties and taxes, while others will want the products shipped to their door with all costs included in the price. Be sure to have a conversation with the buyer to agree on shipping terms. Have a look at our <u>Incoterms</u> section to understand the delivery process and which parties are liable for what.

Decide what payment terms you are happy to accept – i.e. proforma invoice, sale on return, credit – as this will affect your cash flow.

If managing your cash flow is important to your business, discuss your proforma payment terms and secure around 30% of the order value upfront, in order to support production. The remainder can then be paid before your products are shipped.

International payments may take longer, so be sure to consider how your business will operate in the meantime.

If additional financial support is required to service the new business, <u>UK Export Finance</u> has a range of products and services that can help you.

6 International Toolkit Your export pricing strategy 57

Getting paid





9

Getting paid

Trade fairs

At trade fairs, you are more likely to take wholesale orders on work, rather than sell directly, so you will be sent a proforma invoice. State clearly how the customer should pay you, in what currency, and if your price includes all the freight and import duties.

Retail fairs

At retail fairs, customers will expect to pay on the spot and take the item away with them. You need to think about how you will take payment. Are you able to use PayPal or a mobile card device, or will you need to use a third party to process payment? There are many portable payment machines tailored for small businesses. Do your research and make sure that your machine can accept international currencies and operate in overseas markets.

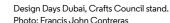
Bank fees

If you are receiving payment from overseas by bank transfer, your bank will charge you for the currency conversion. Check with your bank in advance what their fees are and what exchange rate they use, as it will help you decide what your minimum order should be. Who will pay these fees, you or your customer?

Payment timing

There is a risk that the currency could devalue between the time you supply the goods and when you are paid for them. This could have a significant impact on your finances. Sending out a proforma invoice as soon as the order is placed, or receiving payment before the item is dispatched, will mitigate this. "I would strongly advise that you keep aware of currency fluctuations. It is best to agree to terms in British pound sterling, where possible." Liz Clay

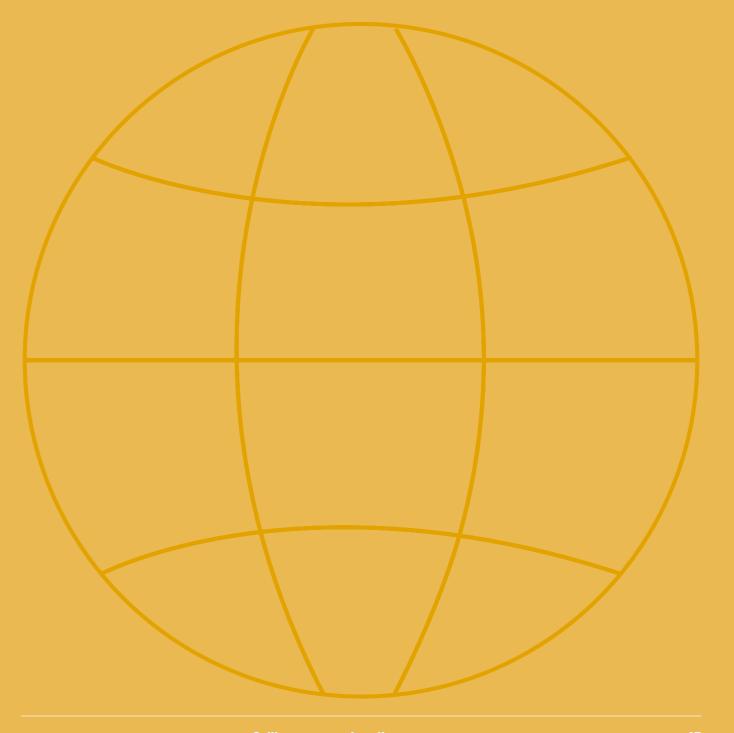
Felt maker and textile artist





Selling your goods online





Selling your goods online

Now that you have done your research into your <u>routes</u> to market, this section goes into more detail about selling your goods online. For small businesses, selling online is a great and cost-effective way of reaching your end customer. Taking your products to international markets and tailoring your offer to local tastes also requires investment in your website, whatever platform it has been built on. It needs to build confidence in overseas customers. By taking the time to customise your platform, you will be building long-term trust in your products and services.

Do I need to secure my business domain names in overseas markets?

Having a .co.uk or .com domain is a great place to start when selling online. These are trusted and well-recognised domain names. Owning your local domain names in overseas markets can give you some advantage in Search Engine Optimization (SEO), but ultimately, if you do not have a clear shipping process, or you have a slow-loading website, then customers will not buy from you.

We recommend that you have.com as your main host domain, and then country domains as your subdomains.

Website optimised for different markets

Customers are accessing websites and content through different devices. You need to ensure that your website is optimised and formatted to support customers across desktops, tablets, and, most importantly, mobile phones. Website optimisation can make or break new sales.

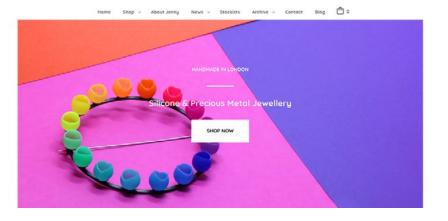
- Optimise your images make sure that they are formatted correctly.
- Reduce the file size of your images, as large images will slow down the load speed of your website.

- -Ensure that your website package/ server is mobile responsive.
- -Make sure your webpages are not having to pull a lot of content from external sources, which can slow down the download speed.
- -Allow enough room between clickable elements in the design of your interface.
- Only provide content that the customer needs to see – attention spans are narrowing!

EU charges after 1 July 2021:

Value of imported goods	VAT	Customs duty
Less than or equal to €150.00	VAT is due	Exempt from duty
Greater than €150.00	VAT is due	Duty is due

Jenny Llewellyn



Jenny Llewellyn jewellery. Website homepage.

64 International Toolkit Selling your goods online 65

Returns

Try to keep your shipping and returns policy as simple as possible. It is important to set out how you plan to ship products to the market, in order to provide a good customer experience. Refer to the internationally recognised <u>Incoterms</u> to determine who will be responsible for the payment of duties and taxes.

You need to consider what arrangements and policies you wish to offer customers who want to return their products. For example, does the customer need to contact you to establish why they wish to return their goods?

Consider what your refunds procedure is and whether the customer needs to pay for any returns. For example, the cost of the returned goods themselves, which the customer has already paid for, and the carriage charges that the customer may need to pay for, unless you pay the return charge or provide free return labels.

Optimising your website with keywords

As highlighted earlier in our section on <u>understanding</u> market culture, language and issues of translation are important when doing business. Make sure that you do your market research in order to determine what keywords you should be using in your website content to ensure that you gain traffic from your target markets. While certain keywords will drive traffic through search engines in the UK, the same words may not translate to overseas markets. You can use keyword search tools such as Google Keyword Planner and the <u>HOTH</u>.

Is it clear that you are open to international business?
If you do sell internationally, make sure that you state this clearly on your website – from adding a notification at the top of your homepage to providing basic international shipping details on your product pages. Make it clear to customers that you are open for business; don't make

them trawl the website for information.

Add a currency converter to your site

A currency converter will help international customers to understand the price of your products in their market. It can also give customers the confidence to purchase from you.

Some website packages and templates come with this function. If not, you will need to add a currency converter app or a plugin to your site. Focus on listing the core currencies such as USD, GBP, Euro, Canadian dollar (CAD), and Japanese yen (JPY). Bear in mind that by using a currency converter you will incur additional transaction fees.

Value Added Tax (VAT)

If you are VAT-registered in the UK, ensure that you review the website platform settings and that all your products to be sold in overseas markets are zero-rated for VAT.

The EU has modernised VAT, making it well suited to meet the needs of the digital economy. Its purpose is to create a level playing field for anyone involved in online selling. As of 1 July 2021, customers will pay the same VAT rate when buying goods online from outside or inside the EU as they do in their home country. Everyone in the e-commerce supply chain such as courier services, online marketplaces, online sellers, and customers are affected. This includes any sale of goods between the EU and UK.

Across the EU standard VAT rates can vary from 17–27%, so being aware of these and altering your pricing accordingly is key. For example, VAT rate in Germany is 19%, in France 20%, Slovenia 22%. Doing your research is key. Make sure you refer to the international commercial terms, or Incoterms, to understand who is liable for what taxes and duties.

For craft businesses selling direct to customers via online

6 International Toolkit Selling your goods online 67

marketplaces (OMP) such as <u>Etsy</u>, where the value of the item is less than €150.00 (£125.00) excluding shipping and insurance, it is now up to the OMP to collect the VAT at the point of sale, not the seller or the customer to pay VAT.

If you sell B2B (direct to businesses in Europe) and/or your item is more than €150.00, you are liable to pay VAT in the country you are shipping to. For every OMP, make sure you refer to their terms of service in order to understand who is liable for processing the taxes and duties.

Import VAT

All goods will be charged import VAT regardless of their value if they are exported to the EU. This applies whether or not you are VAT-registered here in the UK. For more information have a look at our section on the EU-UK Trade and Cooperation Agreement 2021.

US duty-free exemption

The US market has duty-free exemption on goods imported to the market. The total value of the products can be up to \$800.00 and will not have any duties and taxes on entry. Make sure you track your sales activity on a state basis, both online and in-person, excluding marketplaces. Do your research to understand the state tax thresholds, or sales tax nexus, that have now come into force in the US.

Do I need to translate my website for my target market?

English is the global language of business. If you want to invest in the local market and target customers, then focus on translating the key pages of your website that communicate information about the business; for example, 'About us' page, 'Products/Services' page, and 'Testimonials' page.

Make sure you use an interpreter or someone from the market to complete the translation work for you.

Online payment methods

Most platforms will accept and process payment formats such as Visa, Mastercard, American Express, Apple, and Google.

As part of your market research, explore what payment mechanisms are valid and accepted in your chosen market. Many cultures are very distrustful of credit cards and usage is much lower. In this case, it is a good idea to enable customers to pay by direct transfer or local payment systems. In China, for example, online payment platforms such as Alipay and WeChat are common; whereas in Germany customers prefers to pay by BAC transfer.

Delivered Duty Paid (DDP)

This delivery option for online selling provides optimal customer experience. This is because:

- -It offers a transparent view of costs at checkout;
- -A seamless buying experience;
- -It eliminates surprise charges;
- -Your prices are competitive with those of other sellers using DDP.

Import One-Stop Shop (IOSS)

If you are regularly selling a considerable volume of goods to multiple countries in the EU, then you may want to consider using the Import One-Stop Shop. This VAT registration scheme includes:

- B2C distance selling of imported goods by non-EU based businesses;
- -Consignments with an intrinsic value of less than 150 Euros;
- -A single monthly VAT return for all selling into the EU;
- -A single monthly payment.

This service is delivered by a third-party company, known as an indirect customs representative, who will process this on your behalf for a monthly fee.

68 International Toolkit Selling your goods online 69

Export documents and customs process





Export documents and customs process



In this section, we will take you through the various considerations when exporting your products. We hope to unravel the complexities of exporting. In simple terms, exporting requires a paper trail and fees paid to the appropriate governing body of the country to which you are sending your goods.

As part of your export assessment, it is important to identify whether any of your goods are liable for import duties and taxes when entering your chosen market. How will the additional cost impact the final price for your customers?

What are import duties?

Import duty refers to a number of different taxes due on goods purchased from overseas.

What are tariffs?

A tariff is a tax imposed by a government on goods and services imported from other countries that serves to increase the price and makes imports less desirable, or at least less competitive, versus domestic goods and services.

Getting your export documentation right takes time, so **don't leave it to the last minute.**

Calculating your export duties and taxes

-You need to understand Trade Tariff commodity codes, a system of names and numbers that classifies traded products and the value of duty required. HM Revenue & Customs (HMRC) will support you in tariff classification. They have an online checklist for different types of products.

Enter the name of your goods (for example, 'ceramic articles') in the search box, and you will be asked to

identify the most suitable description of your product. You will then be provided with a 10-digit commodity code.

-Once you have identified the correct commodity codes for your goods, you will need to confirm what the import duties and VAT will be for the country of destination. This will determine the final value of your goods. This value will be used in your documentation wherever you ship your work. You can calculate the trade tariffs for your chosen market using the <u>UK Integrated</u> Online Tariff tool.

This tool will also inform you of the potential cost of your products in your chosen market and whether they are competitively priced.

- -Different use for products mean different levels of duty to pay – for example, the duties levied on ceramic tableware may be different to those for a one-off, unique piece.
- -Unique, handmade pieces can be tarifffree in some countries. This means sculptural objects or items of historic interest, not batch-produced items or multiples. If you think this describes your work, it is a good idea to include an artist's statement and CV when sending your goods overseas.
- -Sensitive materials (e.g. wood, seed pods, animal products such as horsehair or beeswax) may need to be declared separately. Clearly list all the materials used and sign and date the document.



Forbes, (Getty)

Items packaged as a set

If your items are packaged as a set to sell and be used together, you should classify them using the most significant item in that set.

If you can't work out which item is the most significant, then use the commodity code that has the largest numerical value.

You must classify the items separately if they're not packaged as a set for retail, or not to be used together.

Export documents

The basic documents you will need are outlined below.

Templates for commercial invoices and packing lists can be found in Checklists and Templates resources.

Commercial invoice

Simply put, a commercial invoice is a document that contains information about the goods you intend to export – i.e. from the seller to the buyer. It is used to determine the true value of your goods when assessing customs duties. It should list all the items in the shipment, how many of them there are, and their value. It should state who is the importer and who is

the exporter, and it should set out the name, address, and contact details for both. Some countries, especially in the Middle East, require that the commercial invoice be stamped with a company stamp.

Packing list

This is a more detailed list of the contents of the shipment. An export packing list includes information about the seller; the buyer; the shipper; the invoice number; the date of shipment; mode of transport; and the carrier. It also itemises the quantity of goods and their description; the type of package such as a box, crate, drum, or carton; the quantity of packages; the total net and gross weight (in kilograms); the package marks; and dimensions, if appropriate.

The Miami Edit, in partnership with The New Craftsmen, as part of Design Miami, Crafts Council stand How you describe your work can have an impact on the customs tariff, so make sure that you have



described your work correctly and that it aligns with the selected tariff. If possible, include a low-resolution image of each item to make identification really clear.

Foreign customs officials may use the packing list to check the cargo. It is really important that all the details are accurate. Don't estimate weights, for example – your shipment may be held up if these don't tally with the actual items.

Proforma invoice

A proforma invoice is a preliminary invoice prepared by the exporter before shipping the goods, informing the buyer of the goods to be delivered, their value, and other key specifications. It can also be used as an offer of sale, or quotation.

Certificate of Origin

A Certificate of Origin (CO) is required by some countries for certain, or sometimes all, products. In many cases, a statement of origin printed on a company letterhead will suffice. The exporter should verify whether the buyer and/or an experienced shipper or freight forwarder requires a Certificate of Origin.

Please note: Some countries (i.e. many Middle Eastern countries) require that the Certificate of Origin be notarised by the local chamber of commerce and legalised by the commercial section of the consulate of the destination country.

You need to check in advance if this is required, as it will add time and costs to your shipment.

Getting your work to the customer

Incoterms identifies the flow of goods between you and the end customer (whether that's a business or a customer), and who is responsible for each stage of the process.

4 International Toolkit Export documents and customs process 75

Understanding Incoterms





Understanding Incoterms

Incoterms® are important to you as the seller, as they establish the terms of trade you are required to fulfil when shipping your items such as completing a commercial invoice. We recommend that you read this next section closely. Reputable shippers can help you with the correct documentation you need to ensure you fulfil the Incoterms® rules required by you as the seller.

The International Chamber of Commerce's Incoterms® rules have never played a more significant role in how goods are sold and transported around the world. They are an essential part of the export process, ensuring that businesses understand the risk and liabilities involved in selecting the best shipping methods.

Each Incoterms® rule specifies:

-The obligations of each party (e.g. who is responsible for services such as transport, shipping documents, insurance, import and export clearance, import/export licences, etc.)

-The point in the journey where risk transfers from the seller (your business) to the buyer (retail store/agent/customer).

All Incoterms® are based on the

principle that the risk of loss or damage is transferred from the seller to the buyer when the seller has fulfilled the delivery obligation according to the specific terms. It is important to note that this can be different from the point at which the seller is responsible for paying the carriage.

Incoterms® are important.

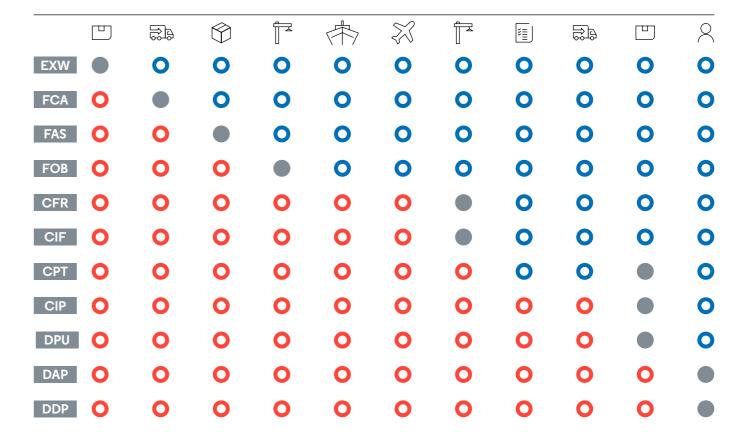
Key:

- Buyer's responsibility
- Seller's responsibility
- Transfer of risk

This link is helpful in explaining how Incoterms® work.

There are 11 different Incoterms® rules (an asterisk * denotes the most commonly used).

- 1. Ex Works (EXW) *
- 2. Free Carrier (FCA) *



- 3. Free Alongside Ship (FAS)
- 4. Free on Board (FOB) *
- 5. Cost and Freight (CFR)
- 6. Cost, Insurance and Freight (CIF) *
- 7. Carriage Paid To (CPT)
- 8. Carriage and Insurance Paid To (CIP)
- 9. Delivered at Place Unloaded (DPU)
- 10. Delivered At Place (DAP) *
- 11. Delivered Duty Paid (DDP) *

What to consider when using Incoterms®

Who is the exporter of record?

An exporter of record (EOR) is an authorised person or entity that takes responsibility for an export of goods from a country. They are responsible for putting their name on the shipping documentation as the exporter in the country that the goods are despatched from. The exporter of record is usually the owner of the goods.

Who is the importer of record?

The importer of record (IOR) is the party responsible for ensuring that imported goods comply with all customs and legal requirements of the country of import. This may be the owner of the goods, but may also be a designated individual, customs broker, or fiscal representative.

Their role may include procuring the necessary paperwork, applying for the relevant import permits, and arranging for customs clearance of the goods.

To determine who is the importer of record the following should be considered: method of dispatch; specialist documentation requirement for import or export; type of customer – for example, retailers buying using DDP terms.

78 International Toolkit Understanding Incoterms 79

Export documentation process outside of the EU







Export documentation process outside of the EU

The first question you need to ask is who is paying for the costs of duties, you or the client? Being clear on this from the start could save a lot of conflict further down the line.

Example of export process

Stage 1

Finalise the sale and send a proforma invoice. As part of the acceptance process, they will probably want to negotiate the terms of the sale. This will result in a verbal or written contract.

Discuss the payment terms you'll be using, whether it's cash in advance, credit, or a mix of both.

Confirm the terms of sale that you will be using, which is typically one of the 11 <u>Incoterms</u> 2020 rules outlined above.

- -How will your goods be shipped?
- -Who's responsible for shipping the goods?
- -Who's responsible for hiring the freight forwarder or carrier?
- -Who's responsible for filing the electronic export information through the Automated Export System (AES), if selling to the US?
- -How will the transaction be paid? If you're using a letter of credit, you need to make sure you have the necessary documents to satisfy its requirements.
- -What documents need to be provided by which party? As the exporter, you'll need to meet whatever regulations your buyer may have in their own country, as well as the documentation and regulation requirements.

Stage 2

Once you have finalised your sale and prepared your goods for export, you will need to prepare the proper shipping documents. Your export shipment may require you to include the following export forms:

- -Commercial invoice
- -Packing list
- -Certificate of Origin
- -Bill of lading

What is a bill of lading?

- A bill of lading is a contract for the carriage of goods between the shipper and the transportation company.
- -It serves as a receipt issued by the carrier on taking possession of the goods.
- -It may serve as a 'document of title' that enables its holder to obtain title to, and possession of, the goods.

These transport documents accompany an export shipment from the time of departure from their point of origin to delivery. When the goods change hands from the shipper to the carrier, it is the signature on the bill of lading that confirms that the goods have been received in 'good order'.

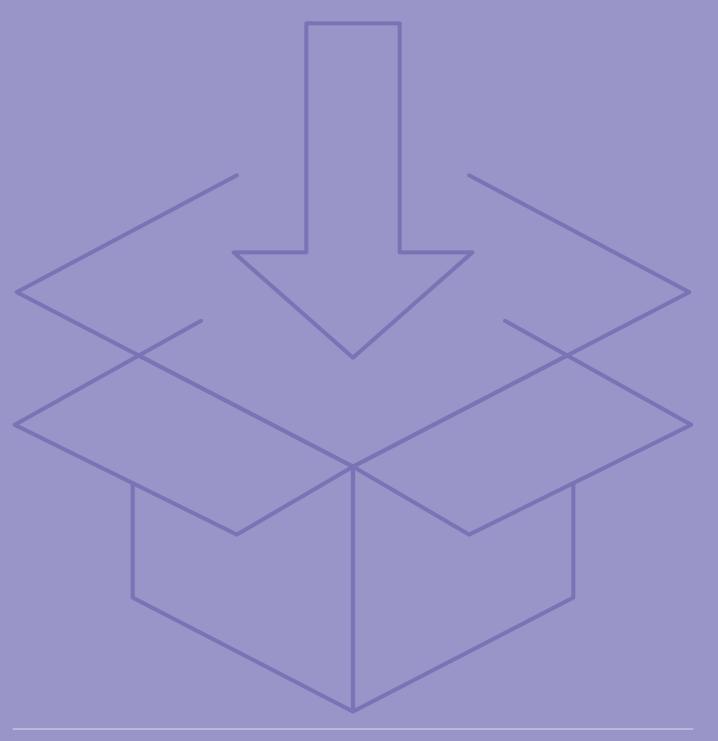
Visit the <u>GOV.UK</u> website for more information. <u>Check the duties and customs procedures for exporting goods</u> for your chosen market.



Image: eDesk

Temporary import of goods





14

Temporary import of goods

If you are attending an exhibition where the work is not for sale, or a trade event where you are hoping to take orders on sample pieces of work, you can take them into the country under an <u>ATA Carnet</u>.

You need to ensure that all of the items that leave the country return to the UK. If your items are inspected on re-entry to the UK and some are missing, you will have to pay duty and possibly a fine. A number of countries offer a carnet scheme whereby no duty is payable, so long as the items are re-imported within six months.

What happens if you want to hand-carry your work to an exhibition?

The same rules apply. You will need to have the correct documentation and pay import duties. You will need to declare the goods at point of entry into the country and pay any duties at that point.

Beware, if your goods are of high value, the customs officials may insist that you use a customs broker to import the goods into the country. This will be expensive, as you will have no option but to use the broker they recommend on-site, or have your goods impounded.

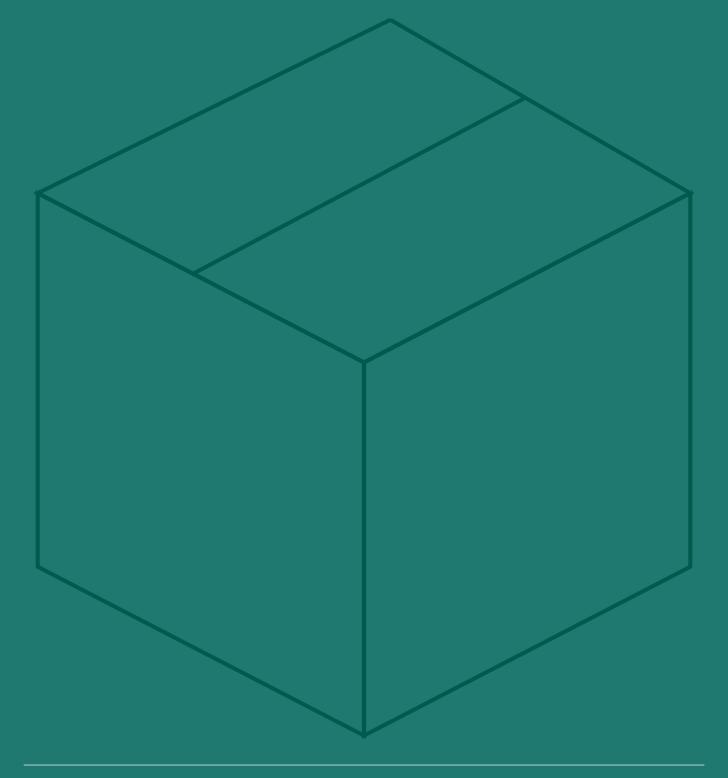


Image: HBKIK Chamber of Commerce

86 International Toolkit Temporary import of goods 87

Packing your work





16

Packing your work

One of the important aspects of customer service is the care and consideration you take over packing your work, so that it arrives safely with your customer. When sending work direct to customers, thoughtful packaging can lead to repeat orders and recommendations. Considering how to pack your work, both for UK orders and when sending work overseas, is an important part of your business plan.

Put yourself in your customers' shoes. Isn't it lovely to receive a thoughtfully packaged item? Here are some examples of best practice:

- -Direct to customer Branded, personalised packaging, secure and elegant with care instructions.
- -Direct to business Secure, itemised, clearly labelled, with handling instructions and pricing list.

There are more factors to consider:

- -Eco-friendly packaging (something that is becoming increasingly important to customers).
- -Cost of packaging.
- -Branding. You need to decide whether to include branding, or if it will that be a wasted cost; for example, some galleries won't pass on branded packaging to their customers since they have their own branded packaging.
- -Materials used for packaging and shipping to ensure item/s arrive safely and undamaged; for example, there is a high chance that your artwork won't

be handled by an experienced art handler.

There are lots of online tutorials about how to pack artworks and sculptural objects. Find out what works for you, but never skimp on packaging.

There are a number of ways to pack your work. We have compiled the following tips from makers, curators, and art handlers:

- -Have the right tools to-hand. Good quality corrugated boxes or plastic crates in various sizes; packing paper; suitable packaging such as shredded or crumpled packing paper; tissue paper or bubble wrap; pliable cardboard; scissors; cotton tapes and packing tape.
- -Double-boxing fragile items can help to absorb impact if the box is dropped. Objects should be carefully wrapped

-A large table to pack on is essential.

Objects should be carefully wrapped in one box and then placed inside another box with another packing layer such as shredded paper.



Eleanor Pritchard, textile designer, branded packaging

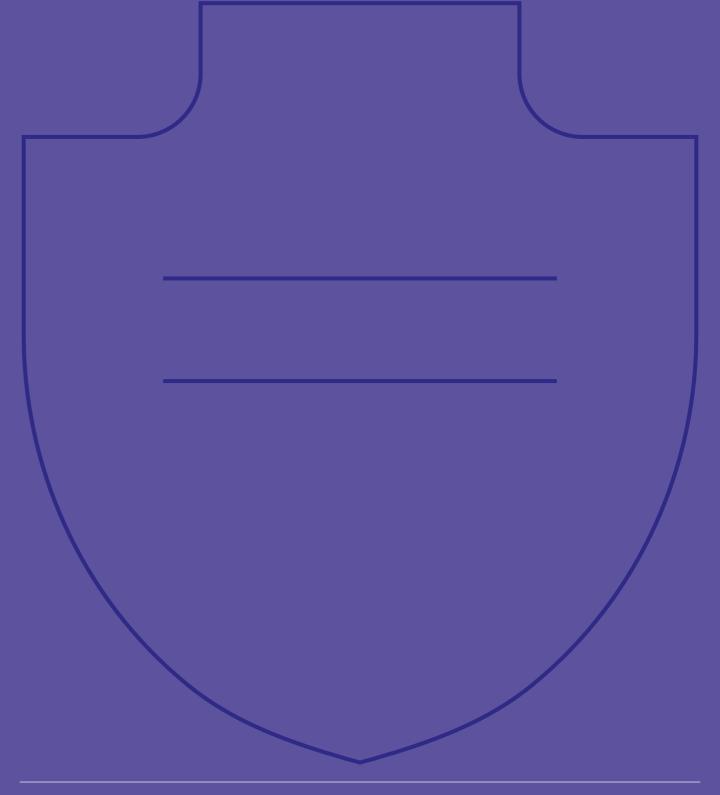
- -Include handling instructions for any items that need special care when lifting or unwrapping. Remember that you may not have any control over who opens the parcel this can include customs officials so be as clear as possible with your packing to minimise the likelihood of damage.
- -If you are packing items that are sensitive to handling (silver, for example), then include a pair of cotton gloves in the box.
- -Use clip-lid clear plastic crates. You can then clearly see if the items are surrounded with insulated packaging and there are no gaps. You can also add a list/image of the contents under the lid, which is clearly visible without the need to unpack the box and check the contents.
- -Don't pack too many items in one box.
 You need sufficient space for insulated packaging to avoid breakages.
- -Try cotton tape to secure the wrapping.
 This reduces the risk of sticky tape
 adhering to the object and causing
 damage to its surface, and it is

- reusable; or you can secure tissue paper and bubble wrap around small items with elastic bands for fast and easy packing.
- -Using (acid-free) tissue paper balls around delicate work is a good shockabsorbing technique.
- -If you are shipping using a wooden crate, make sure you use treated wood (ISPM15 heat-treated pallets), as some countries do not allow untreated wood. The crates will be stamped with an identification mark showing how it has been treated and where it has come from. Freight companies can make custom crates, which are a worthwhile investment if you have the space to store them, and you can use them multiple times.
- Include a packing list of all the items within the box, including the materials used for packaging. See our Checklist and templates resources.
- -Clearly label the outside of your box with your name and contact details and number the boxes if you have several – i.e. 1 of 3, 2 of 3, and so on.

90 International Toolkit 91

Insurance





Insurance

16

Insurance is an important aspect of your business; it protects you and the products you are selling. When sending work, whether to the UK or overseas, it is worth identifying who is responsible for insuring your work on every step of its journey, whether to the end customer, intermediary business, or showcase. Map this journey and take steps to mitigate any risk to your work.

TOPTIP:

Include clear handling instructions with your work and photographic evidence of the work being packed, and email this in advance of shipping. Although this does not offer any guarantee of the safety of your work, it does support you should you need to seek a claim for any damage caused while the item was being handled by other people.

TOPTIP:

ShockWatch Indicator is a paid-for device that attaches to the outside of your crate as a preventative deterrent to encourage shipping handlers to take better care of your work. There is no guarantee that it won't be damaged, but if the package has been damaged and it is evident through the ShockWatch, then you will be able to seek a claim against the shipping agent.

For example, if your work is going overseas for an exhibition, check with the venue what their insurance covers while the work is in their care, and on its return journey. Check if the shippers will cover the cost of insurance for getting your work to a shipping depot, during shipment/airfreight from port, or airport to the final venue. Do you need to take additional insurance for an item over a certain amount? What are the risks involved if you don't take out insurance?

Things to consider:

- -Carriers do not automatically insure your goods at full value. If you have put the cost value of the work on the commercial invoice, rather than the retail value, this is what any insurance claim will be based on.
- -Take out cargo insurance (also known as 'goods in transit'), as the standard carrier liability is very limited. Carriers can provide this, but usually at an extra cost, in addition to the standard transport charge.

- -You will not be covered for damage to your work if it is poorly packaged.
- -For fragile items, your insurer may insist that it is handled by a specialist packer, or that you use a particular type of crate or box. We recommend photographing your work before you pack both the contents of the package and when the packaging is sealed to support any insurance claim.
- -Some freight companies won't offer cargo insurance for work that is inherently fragile such as glass. Ask around for advice about who to use.

Always read the small print of any insurance services to make sure you are adequately covered and who is liable for any loss or damage to the goods in transit. This goes for anyone who handles or manages your work. If you see any damage on arrival, report it to the insurer and the shipper immediately, as well as sending them photographs of the packaging.

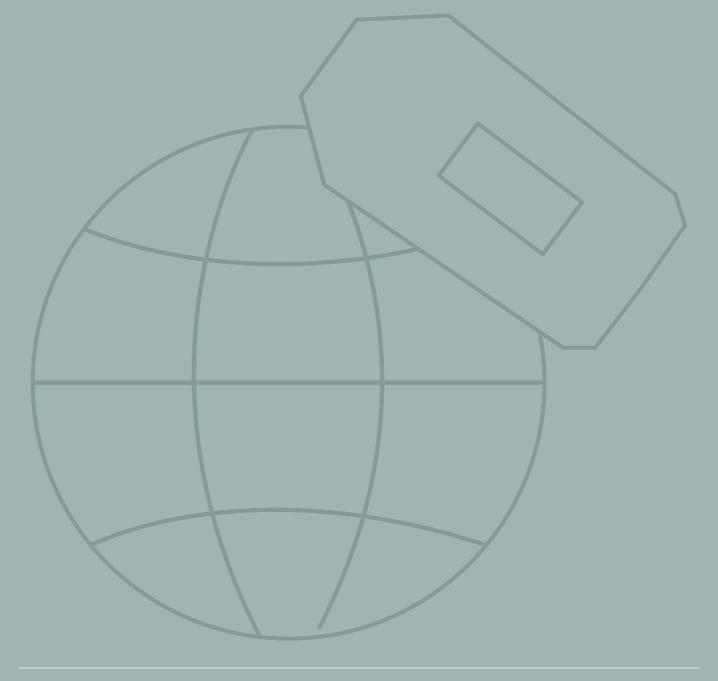
Mint Shop at Collect. Photo Iona Wolff



94 International Toolkit Insurance 95

Sending your work overseas





Sending your work overseas

TOPTIP:

If you are considering sending large display items overseas, it may be more cost-effective to source stand furniture in the host country. Think about clever solutions to this problem. You can hire many items from event organisers, but perhaps you can borrow display items from a contact in the country, or buy cheaply from a storage company nearby?

Sending your work overseas

Transporting your work around the world can be one of the most stressful aspects of working internationally.

Timing and research are absolutely vital.

There are a number of options for sending your work overseas, but how you do it will generally depend on two things: How heavy or large is your work? How guickly do you need it to arrive?

These two factors will influence your options.

Large, heavy items must be sent by sea freight to be economical.

Remember that shipping companies use volumetric calculations to work out the price. This means that the costs are calculated either on the item's weight or volume – whichever is largest. Light but large, or small and heavy – you will be priced accordingly. Bear this in mind when choosing your packaging.

Shipping

Shipping is the slowest, but most

cost-effective way to send large and bulky items. This option requires plenty of forward planning. At the point of publication, the COVID-19 pandemic and Brexit have created delays and increased costs. Before embarking on selling overseas, it is worth doing your sums and gathering quotes from shipping companies.

Bear in mind that a shipment to Japan can easily take 21 days – and you will also need to factor in the time the shipment takes to clear customs and get to and from the port. Likewise, if you have shipped to Europe pre-Brexit or beyond Europe, be mindful that the pandemic has slowed down shipping infrastructure. If possible, allow more time to ship your goods.

You will need to make contact with a freight forwarder. Do your research into recommended companies that have shipped to your destination.

If you are exhibiting overseas, check whether the event organiser has a preferred agent. If so, try to use them as they are likely to get fast-track entry

TOP TIP:

Use specialist art shippers such as <u>EBISS UK</u> if you are sending large, complex, and high-value artworks. They will have trained art handlers to manage the shipping of your work.

in and out of a venue, which can be extremely beneficial if you have a short set-up time.

Otherwise, check to see if the company has a physical office or partner in the country you are shipping to – this can be invaluable in the case of any issues on arrival.

Are there other UK companies sending work to the same event?

You could reduce your costs by using the same company and sharing a shipping container.

It is likely that fragile and large sculptural work will need to be crated – see our section on packing your work for more details.

Airfreight

Airfreight is a quick, but costly option; it is perfect if you need to send something across the world within a day or two, but airfreight can cost four times the cost of sending by sea or road/rail. Again, freight-forwarding services can help with large items.

Courier and postal service

Small packets and parcels can easily be sent by courier or postal service. There are lots of options here, so do shop around. Decide if you want a courier to pick the item up from you, or if you can take it to a depot, which is often cheaper.

If you are likely to be sending lots of small items (for example, if you are selling items globally online) think about opening an account with a courier service such as <u>UPS</u> or <u>DHL</u> as you will get preferential pricing (based on the volume of items you send).

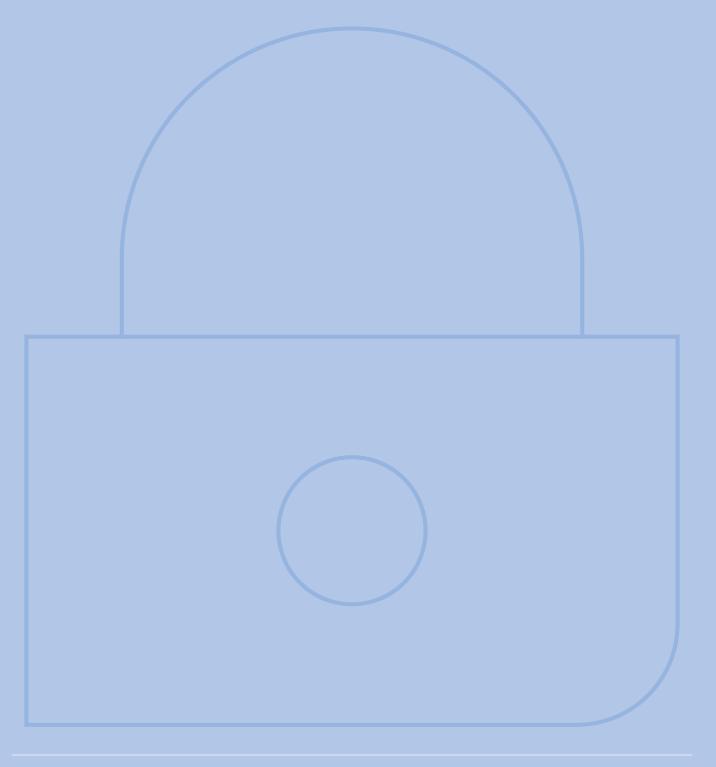
Pack and send

There are a number of companies offering a pack-and-send option such as packsend.co.uk. This can be a great option if you are time-poor, or inexperienced in sending work. These companies are focused on securely packing and moving items across the world that are particularly fragile, awkward, or of high value. You can choose whether the item goes by road, rail, sea, or air and there are various levels of service and insurance available.

98 International Toolkit Sending your work overseas 99

Protecting your intellectual property overseas





Protecting your intellectual property overseas

Intellectual property is an important asset to your business in the UK and overseas. It is good to be aware of the implications of protecting your business, and the potential costs involved. This awareness will help you make smart decisions about whether you need to invest in legal support, registration, and licensing.

It is worth noting that if you have rights in the UK, this does not necessarily mean you are protected overseas. Intellectual property is often overlooked by businesses and seen as an expensive, intangible cost. It becomes an addition to the to-do list that is not actioned until it is too late.

The main types of intellectual property to consider are:

- -Registered design rights
- -Trademarks

Registered design rights

Design rights protect the way a product looks. This includes:

-If the design has a technical function.

-If the appearance of the product comes naturally as a result of the function that it performs.

The UK-registered design gives protection for up to 25 years, as long as the necessary renewals are undertaken every five years.

UK-registered design only relates to protection in the UK. Registered design protection can also be sought in the US, Japan, China, and various Middle Eastern countries. The frequency of renewals and time period possible to extend protection will vary on a territory-by-territory basis.

Design Days Dubai, Crafts Council stand



"Makers need to think carefully about applying for registered design rights protection within the first year of marketing a design. It is relatively inexpensive in the UK and EU. For existing European-registered designs, after Brexit, the UK has mirrored these rights."

Debra Goldwyn

Briffa Legal

Three good reasons for registering your design:

- Possible evidential issues. With a registered design, it is not necessary to show that the design has been copied to establish infringement.
- For graphic-design elements of important trademarks.
- -Unregistered design rights do not exist in many countries outside Europe.

In terms of the scope of registered design protection, makers can protect various aspects of their designs such as:

- -Shape
- -Configuration
- -Pattern
- -Materials
- -Both two- and three-dimensional features of a product or design

Registering a design

In order to register and fully protect a design legally it must be new. Difficulties can arise when it is similar to an existing design. In legal terms, the test is whether similarities are so strong that differences are immaterial. As you may imagine, this is not always easy to determine and many legal disputes over designs arise where businesses seek to protect previously unregistered designs.

Of significant benefit to makers is the sensible legal position whereby a maker has up to 12 months to exhibit and market

before making a final decision as to whether to register the work. You should check your chosen market's attitude to copyright, design rights, and trademarks. You should also seek legal advice to find ways to mitigate the risk of your designs being used by others. Many specialist legal firms with intellectual property (IP) as their specialism offer an initial free consultation. It is always a good idea to register your design in the UK, but there is no centralised, worldwide, or comprehensive system for easily protecting intellectual property – each country may need a separate application.

Keep secure and detailed records of your designs, including drawings, photographs, and prototypes.

Trademark registration

Registering your trademark means that you have the exclusive right to use it to identify your goods or services in a given territory. It also allows you to authorise others to use them in return for payment, known as licensing. This enables you to legally challenge those who may be infringing your trademark and for you to take action.

Not registering your trademark can create unnecessary financial risk, which could cost your business time, brand reputation, money, and sales.



Design Days Dubai, Crafts Council stand

Trademarks cover:

- -Company name/designs/invention -Company logo - font colours
- and typeface
- -Classifications that you will be operating under with the company name - i.e. clothing, handbags, and perfume

International trademark protection

In a global world, ownership of your trademark is becoming ever more important as you expand into new markets. Many buyers, stores, and distribution partners are requesting proof of trademark ownership before agreeing to do business with you.

The potential consequences of not owning your trademark could result in some of the following:

- -Your products being stopped in customs and destroyed.
- Your products being confiscated, removed from the shop floor, and destroyed.
- -Someone local registers your trademark in the market and raises a legal challenge to stop you trading there.
- -Someone local registers your trademark and sells poorly made goods in the market under your name, causing brand damage and loss of trust.
- -Someone registering your trademark and selling it back to you at an overinflated price. (In some markets this is lucrative and a career-maker!)

Where do I start with protecting my brand?

If you are based in the UK, you can

register your trademark online through the <u>Intellectual Property Office</u>. A UK trademark starts from £170.

There is no need to rush out and protect your trademark unless advised otherwise. It is worth putting together a plan and budget for securing your trademarks going forward.

European trademark

This is a great way to register your trademark in 26 countries in one application. Applications can be submitted at <u>EUIPO</u>, costing €850.00 and filed in just one language. Once registered, your trademark can be renewed indefinitely every ten years.

Worldwide international trademark

The Madrid International Trademark

System is an easy and cost-effective way to register your trademarks worldwide. You can file one application and pay one set of fees to apply for protection in up to 126 countries. The cost of registration will vary depending on the number of countries and classifications you register.

I don't have a budget to register my brand – what can I do?

If money is tight, then there are other means of managing your brand's trademarks. Legal experts such as Briffa Legal can have a watch put on your name for markets that you want to manage your brand in. The watch will incur a fee per market and can be

renewed on an annual basis. If anyone files an application for your name in a market, you will receive a notification informing you of this.

Consider this a call to action. If it is a market that is important to your business, it's time to get going and register your trademark.

There are some markets that have a reputation for registering trademarks in bad faith. Create a high-risk list and get a watch put on these markets. This is an alternative option if you don't have the budget, or you're not planning to commercialise the market anytime soon.

Trademark registration considerations

- Always research your company name when starting a new business. Check to see whether the name has already been registered and in what product categories.
- -Don't forget to do a worldwide check on your name. While it may be free for one country, it may not be available for others.
- Assess the financial implication of this, and, if it is worth pursuing, whether the name has been taken.
- -You may find that the name has been taken for different categories. This is fine; many businesses have the same name, and a <u>coexistence agreement</u> can be put in place if both parties are happy.

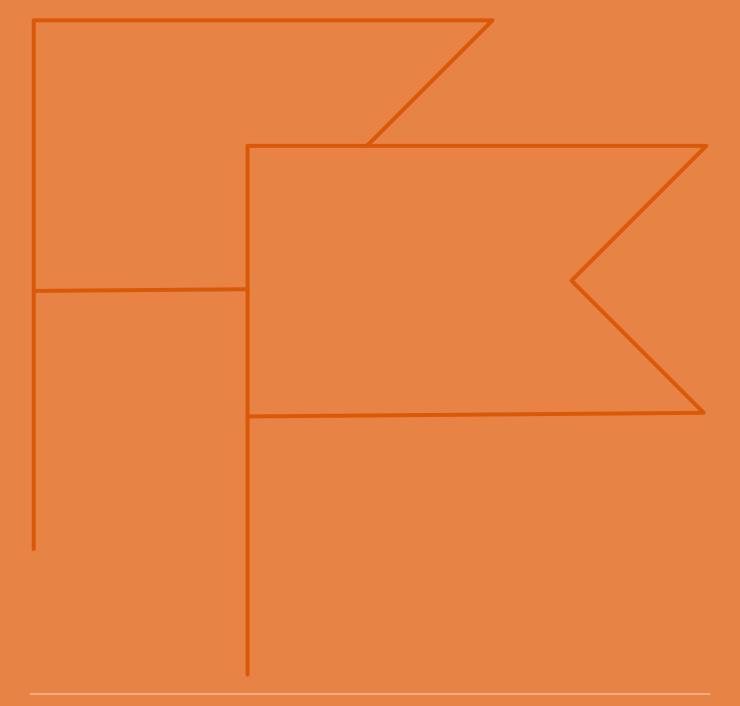
- -Don't forget to register on- as well as offline. Ensure you buy and secure all your domains in the relevant formats
 -.com, .co.jp, .de, for example.
 Customers will feel more confident buying from your website if you use the correct brand name format and country domain.
- -If your domain has been taken, don't panic. Try finding out how much it will be to buy it back or how long is left before renewal. Make a plan and set a budget.
- -Get legal advice. While doing it yourself online is great, you can also consult a legal expert to ensure you have covered all bases. Markets such as China and the Middle East require more work on brand registrations.
- -When approaching legal professionals, find out what their experience is of trademarking internationally. Not all legal professionals will have an international network to secure trademarks. There may be markets where they have limited experience. Get references and, where possible, ask them what other companies in your sector they have done this for.

Briffa Legal offers a free 30-minute consultation for any Crafts Council member to discuss protecting and enforcing their intellectual property rights. To arrange a consultation, email info@briffa.com and let them know you are a Crafts Council member, or call on 0207 288 6003.

104 International Toolkit Protecting your intellectual property overseas 105

EU-UK Trade and Cooperation Agreement 2021







EU-UK Trade and Cooperation Agreement 2021

This section focuses on the new EU-UK Trade and Cooperation Agreement, otherwise known as Brexit. We have gone into more detail for the benefit of those craft businesses who regularly export to Europe and need specific information. Please note that much of the information in this section applies to the global market.

On 31 December 2020 the UK officially left the European Union and has now signed a new trade deal called the EU-UK Trade And Cooperation Agreement. What does this mean for UK businesses exporting to the EU?

- -Zero tariffs have been agreed, so that no customs duties will be paid. This is subject to the rules of origin being provided.
- -Customs declarations are required for all shipments between the UK and EU.
- -A commercial or proforma invoice must be provided.
- -Businesses need to register for an EORI number to move goods between the UK and EU.
- -When shipping to Northern Ireland, many EU rules apply such as EU VAT and free movement of goods.

Register for an Economic Operators Registration and Identification (EORI) number

An EORI number is an EU registration and identification number for those businesses that import or export goods to the EU. If you are involved in the import or export of commercial goods to countries outside of the EU, then you will need an EORI number, irrespective of how you move your goods from one place to another.

If you already have an EORI number and it starts with GB, you will need to apply for a new one. You can find further information on EORI numbers and how to apply for them <u>here</u>.

An EORI number is a 16-digit number. You will need to register for two EORI numbers that start with:

- -GB for goods that are being moved between Great Britain (England, Wales, and Scotland, or the Isle of Man, and any other country);
- -XI for goods that are being moved between Great Britain and Northern Ireland (which is still in the Customs Union).

If you do not have an EORI number, you may incur high costs and delays. For example, if HMRC cannot clear your goods through customs, you may have to pay storage fees.

Once you've received your GB EORI number, you will be able to make declarations on the Customs Declaration Service. You will need to identify your product's <u>Trade Tariff commodity code</u> when you make those declarations, but there are also other steps to take.

If you are trading with Northern Ireland, you may want to use the <u>Trader Support Service</u> that can assist you with all the changes. Goods moving between Northern Ireland and Great Britain are treated as domestic shipments, despite requiring customs information.

Information required for customs declaration

If you use a customs agent, freight forwarder, or a fast parcel operator, you will need to provide information and documentation to enable the customs declaration. Make sure all the information is correct across all the documentation.

The consignor (shipper) is legally responsible for the information provided on the export declaration, even if it's prepared by the freight forwarder. Exporting companies must receive a copy of this export declaration for their records and as evidence of export.

You should create a commercial or proforma invoice (see the example below) for your export declaration that includes the following:

The exporter of the products covered by this document [exporter reference no. (REX or GB EORI number)] declares that, except where otherwise clearly indicated, these products are of preferential origin. (Place and date) (Name of the exporter)

Commercial or proforma invoice requirements for the EU

- -Commercial invoice
- -Packing list
- -Transportation documents

You must keep a copy of all your export documentation for proof of export.
Customs audits are frequently carried out and can take place up to seven years after the activity, so make sure you keep your documents.

Ensure that your products comply with the rules of origin

The rules of origin determine the 'economic nationality' of the goods made. It ensures that only goods produced in the UK or EU benefit from the zero-tariff agreement.

This is a three-step process.

- 1. Classify your goods
- -Use the Harmonised System (HS).
- -The first six digits of the 10-digit classification (commodity) code when importing goods into the UK or the EU.
- -Find your product's HS codes.
- 2. Comply with the rules of origin requirements
- -Understand your supply chain and where the materials come from.
- -Do they originate in the UK/EU/outside the EU?
- -Materials and processing of EU origin can be counted as part of the process, but overall there has to be significant transformation/processing of the goods in the UK to meet the rules of origin requirements.
- 3. Prove that your goods qualify

 -You must have evidence to prove that your goods meet the rules of origin requirements.
- -You may also require a supplier declaration as evidence of origin.
- -Self-declare that your goods meet the rules of origin by making a statement on the origin and sending this to your customer with your export. The customer can use this as the basis of their claim for zero tariffs.

For more information on rules of origin between the UK and EU, follow this link.

Refer to our section on the export documentation process for more details

Import VAT

Import VAT is a tax paid on goods purchased from another country outside the UK. This also applies to UK businesses selling goods to the EU where import VAT is applied to exported goods. The import VAT is paid on the total amount determined for the shipment: the value of the goods, the





shipping and handling costs, as well as any duties or levies that can be applied.

Import VAT can either be paid on arrival of the goods, or on your VAT Return using the postponed VAT accounting scheme if you are registered in the UK.

Duty deferment account

You can apply for a duty deferment account if you regularly import, if you are someone who represents importers, or if you are releasing goods from an excise warehouse. A duty deferment account lets you manage your money more efficiently by making one payment a month via Direct Debit instead of paying for individual consignments.

-Duty payment is payable when an import declaration has been submitted (full frontier or supplementary

declaration).

- -Payment must be made on the 15th of the month following submission.
- -Most companies can apply for a quarantee waiver.

With a duty deferment account you can defer the payment of the following:

- -Customs duties
- -Import VAT
- -Excise duty VAT
- -Excise duties (including Tobacco Products Duty)
- -Levies imposed under the EU's common agricultural policy
- -Positive monetary compensatory amounts under the common agricultural policy
- -Anti-dumping or countervailing duties imposed by the EU
- -Interest on customs debt

You can set up a duty deferment account here.

Delivered at Place (DAP)

- -Goods are shipped to the border with the commodity code, origin country, commercial invoice, and packing list.
- -Notification is sent to the customer to pay the duty and other charges.
- -Customer pays the invoice they receive.
- -Goods are released and sent to the customer.

Delivered Duty Paid (DDP)

- -Goods are shipped to the border with the commodity code, origin country, commercial invoice, and packing list.
- -Carriers pay the VAT due on behalf of the seller, usually via an account.
- -Goods are released and sent to the customer.

Delivery Duty Paid agent

- -Goods are shipped to the border with the commodity code, origin country, commercial invoice, and packing list.
- -Carrier pays the VAT due on behalf of the seller and recharges this to the seller, usually via account.
- -Goods are released and sent to the customer.

Import One-Stop Shop

- -Goods are shipped to the border with the commodity code, origin country, commercial invoice, and packing list.
- -Goods go through customs without VAT being settled.
- -Goods are released and sent to the customer.

Consignments over 150 Euros outside the EU shipped by Delivered Duty Paid (DDP) and Delivered at Place (DAP)

For non-EU businesses there is a legal obligation to appoint a representative for the purpose of customs. This is a person or entity who is set up in the EU and will be jointly liable for the import formalities and debts arising. These are known as fiscal representatives, or indirect customs representatives.

A 'power of attorney' gives authorisation to the customs representative on behalf of the importer or exporter. This means that your representative can act on your behalf in the market when processing the goods. This document can be produced anytime throughout the customs clearance process.

Benefits of an indirect representative

An indirect representative can offer support with customs declarations; there will be underlying customs requirements to validate the information presented, which is not always easy for the seller.

Courier and shipping companies

Many shipping and courier companies are now taking on the role of being an indirect representative as part of their service. Check this with your supplier.

Importing goods into the UK and then re-exporting them to the EU

In order to be eligible for zero-tariff exports to the EU, goods still need to comply with the rules of origin. There must be some production in the UK. This applies to goods that originate in the EU, as well as goods from the Rest of the World.

Trading between Great Britain and Northern Ireland

The Northern Ireland Protocol came into effect on 1 January 2021. Otherwise known as 'the Protocol', it is a practical solution to avoiding a hard border with Ireland, while ensuring the orderly withdrawal of the UK, including Northern Ireland, from the EU. The

Protocol makes sure that the whole of the UK will benefit from future free trade agreements (FTAs).

The Protocol has brought about some new administrative processes for traders. Notably, there are new digital import declaration requirements, as well as digital safety and security information, for goods entering Northern Ireland from the rest of the UK. The UK Government recently established the Trader Support Service (TSS). This end-to-end service guides traders through all the import processes. It can also be used to complete digital declarations at no additional cost.

There are new rules when trading and moving goods in and out of Northern Ireland. You can find more information here.

Any goods moving between Northern Ireland and Great Britain are treated as domestic shipments, despite requiring customs information.

Paying VAT

Under the Protocol, EU VAT rules relating to goods continue to apply in Northern Ireland. This means that, apart from the changes related to using an EORI number starting with 'XI', there is no charge for the transaction of goods between Northern Ireland and EU businesses and customers.

You can find out more about how VAT applies for goods imported into Northern Ireland from outside the UK or EU here.

If you're a VAT-registered business trading in Northern Ireland, or between Northern Ireland and the EU, then you need to tell the HMRC so that you can continue to account for VAT on acquisitions and dispatches.

You can find out if the goods you bring into Northern Ireland are not 'at risk' of moving to the EU here.

George Winks, Temper Studio, with guest at Collect Open. Photo: Iona Wolff



Certification of goods





20

Certification of goods



Francisca Onumah, metalsmith

A certification of goods demonstrates that the manufacturer, or importer, has checked that these products meet EU rules on safety, health, or the environment; it is an indicator of a product's quality. Many plant-based items, and all animal by-products (used in craft production) now require certification under the new EU-UK Trade and Cooperation Agreement.

There are three new rules, in particular, that apply directly to the craft sector following Brexit. These are: rules of origin and Certificate of Origin (CO); hallmarking; and CE marking and UKCA marking.

Certificate of Origin

This is a document that establishes the place of manufacture, or production, of the goods. It is generally issued by a chamber of commerce and confirms the nationality (country of origin) of the goods. If a country does not require a Certificate of Origin, then a statement of origin must still be made on the commercial invoice.

Hallmarking

A hallmark is a mark stamped on items of gold, silver, or platinum by the British assay offices, certifying their standard of purity. UK hallmarking requirements have changed post-Brexit. More details about the new requirements for hallmarking can be found here. We also recommend seeking advice from The Goldsmiths' Company Assay Office.

CE marking and UKCA marking

CE marking is an administrative marking that indicates conformity with health, safety, and environmental protection standards for products sold within the European Economic Area (EEA). The CE marking is also found on products sold outside the EEA that have been manufactured to EEA standards. Since 1 January 2021, the new UK Conformity Assessed (UKCA) marking applies to most goods previously subject to the CE marking. It is used for goods being placed on the market in GB (England, Wales, and Scotland), and covers most of the goods

116 International Toolkit Certification of goods 117

Majeda Clarke, textile designer, in her studio at Cockpit Arts. Photo: Christopher L Proctor that previously required the CE marking. You can find more information about using the UKCA marking <u>here</u>. For manufacturers based in the EU, the rules are quite different. You can read more <u>here</u>.

When is a UKCA mark required? Does this apply to wearable items such as jewellery? How can I find out if my particular product requires this certification?

Jewellery is not required to have a CE mark. Instead, it may need to comply with the General Product Safety Directive (GPSD), or require a hallmark. It is worth clarifying this with advisors for the jewellery trade such as The Goldsmiths' Company.

The majority of items that require a CE mark are not relevant to the craft sector; however, toys such as dolls, clay, and Lego, and electrical items (lighting) do require a CE mark. You can check if your product needs a CE mark here.

If a business had already placed CE-marked goods on the EU or UK market before January 2021, then they do not need to take any further action.

CE-marked goods that meet EU requirements can, in most cases, continue to be placed on the GB market until 1 January 2022.

For most goods regulated under the 'New Approach', businesses will be able to attach the UKCA marking to a pre-existing product label, or on the accompanying documentation, until 1 January 2023.

If a business is placing manufactured goods on the EU market, they must take steps to ensure compliance with EU requirements by 1 January 2021. You can find further information about using the UKCA marking here.



Exportingresources





Exporting resources

In this section, we have provided several exporting resources to support you in achieving your international ambitions:

- -Sample list of overseas shows (trade and retail)
- -Sample list of e-marketplaces
- -Glossary of export terms
- -Research tools
- -Legal and regulation information
- -Organisations that support the crafts sector
 - -Regional Arts Councils
 - -Regional Crafts Councils
- -Chambers of commerce
- -Business support agencies
- -Grant funding and support programmes
- -Trade associations
- -Residencies



Sample list of overseas shows (trade and retail)

Below are several examples of overseas craft and design events, as well as UK events with a significant profile where you can meet international makers and galleries.

Since the start of the COVID-19 pandemic, the international calendar has had many schedule changes. We recommend compiling a calendar relevant to your market, and signing up to newsletters or updates directly from those fairs. Look out for satellite programmes for events such as London Design Festival. You may find that exposure in the satellite programme is more suitable for your business.

Event	Location	Profile	
Maison&Objet	Paris, France	Trade	Huge home and interior objects event with a hall dedicated to craft/ artisan products. 1000+ exhibitors. 50% international visitors. Key event for new season product launches.
Collect	London, UK	Public	International fair for modern craft, organised by the Crafts Council. 40 galleries and 'Collect Open' focus areas for selected individual makers.
American Craft Made	Baltimore, USA	Public	Run by the American Craft Council. 550 selected US makers. Occasional guest makers from other countries. Jewellery, textiles, interior objects, and design.
Handwerk & Design	Munich, Germany	Public	World-renowned international event featuring SCHMUCK (contemporary jewellery exhibition), MEISTER DER MODERNE (design-led craft and furniture), TALENTE (international craft/design competition showcase), and EXEMPLA (contemporary textiles showcase).
Salon del Mobile (Milan Furniture Fair)	Milan, Italy	Trade/public	Huge international fair showing luxury furniture, textiles, interior objects, and tableware. $1{,}150$ exhibitors from classic to contemporary.
Révélations	Paris, France	Public	Fine crafts event run by Ateliers d'Art de France. 450 exhibitors from 33 countries. Galleries and individual makers represented. Cost on application.
London Craft Week	London, UK	Public	Series of events, exhibitions, and workshops showcasing innovative British and international craft.
100% Design	London, UK	Public	Leading architecture and design event. 400+ exhibitors. 'Design Fresh' offers space to emerging designers.
Goldsmiths' Fair	London, UK	Public	Goldsmiths' Fair is an annual selling event and exhibition showcasing a curated selection of work by some of the best fine jewellers and contemporary silversmiths creating and making in the UK today.
DESIGN ART Tokyo	Tokyo, Japan	Public	Launched in 2017, DESIGN ART Tokyo is a ten-day festival of art and design. 120 exhibitions in 90 venues. Mainly interior and product design.
SIERAAD Art Fair	Amsterdam, The Netherlands	Public	Artists from all over the world sell their jewellery in-person to shops, galleries, and customers.
Dutch Design Week	Eindhoven, The Netherlands	Public	Biggest design event in Northern Europe. 2,600 designers across 110 locations.
CRAFTTREND FAIR	Seoul, South Korea	Trade/Public	Craft fair showcasing modern Asian craft and design from individual makers and craft organisations. Established over 30 years ago.

124 International Toolkit Exporting resources 125

Sample list of e-marketplaces

Here is a sample list of e-marketplaces where you can set up, and sell, your goods online. These e-marketplaces focus on handmade goods and independent retailers, giving you the opportunity to raise the profile of your business and goods from the comfort of your desk.

This is still quite a new market segment, so it is important to continue to research and explore your markets as new e-marketplaces emerge.



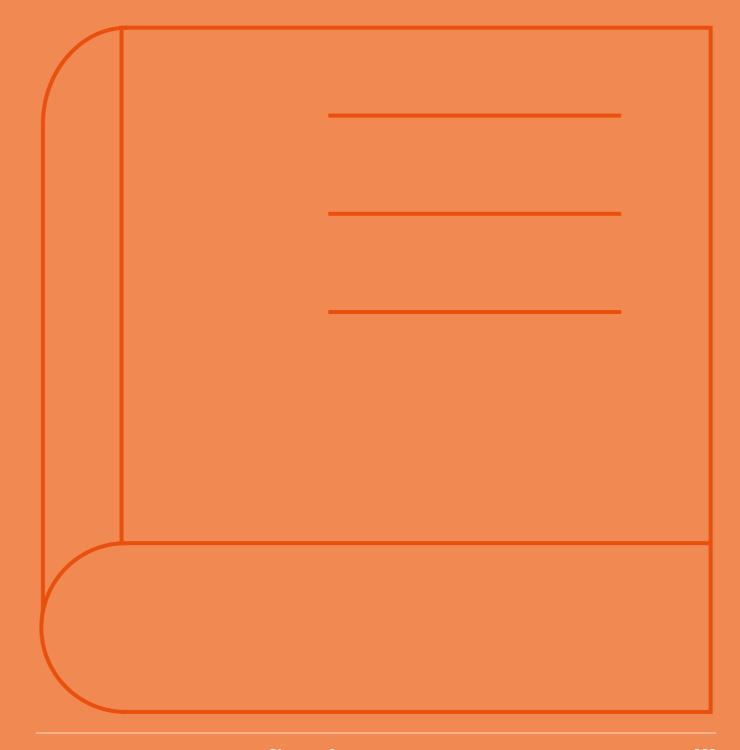
Ash & Plumb, website home page

Platform	Markets		
Amazon Handmade	Worldwide	Specialist store within the main Amazon platform. Focuses on invited artisans to sell their handmade goods, home decorations, jewellery, stationery, fashion accessories, and much more.	
ArtFire	US	A US-based e-marketplace and online craft community where people from around the world come together to buy, sell, and interact. This platform has a strong handmade ethos and lists handmade goods, vintage items, and craft materials.	
ASOS Marketplace	Worldwide	For more commercial products. ASOS is a leading online platform for ambitious independent fashion, jewellery, accessory brands, and vintage boutiques representing over 800 businesses from all over the world.	
Etsy	Worldwide	The number one online marketplace for handmade products, with over 2.5 million sellers worldwide and over 39.4 million buyers. It is best known for its creative products, from unique handmade pieces to vintage treasures.	
Eclectic Artisans	Australia	An online gallery, showcasing bespoke, hand-crafted contemporary jewellery from over 100 jewellers from across the world. Representing quality, craftsmanship, and design.	
Faire	UK	An online wholesale marketplace empowering small business owners and independent brands to buy and sell wholesale online.	
Just Artisan	US	An online marketplace for handmade goods. It features handmade goods, housewares clothing, and more from talented makers around the world.	
Hardtofind	Australia	Celebrates fun, innovative design from the best small creative businesses. Bringing together a sourced global community of cottage industries, independent studios, and hole-in-the-wall retailers.	
Made.com	UK and Europe	One of the fastest growing online contemporary furniture and interior retailers in the UK and expanding into Europe.	
Madeit	Australia	Australia's online buying and selling destination for handmade items, with 120,000 registered users.	
Not On The High Street	UK	UK's best online marketplace for gifts and, in particular, personalised creative products.	
Rockett St. George	UK	An online emporium of homewares for interiors designers. They search for unique, glamorous, eclectic, witty home accessories, furniture, lighting, kitchenware, artworks, and gifts.	
Wolf & Badger	Worldwide	Stocks over 600 of the world's best independent fashion, jewellery, accessory, homeware, stationery, and beauty brands. Products have a clear personality and stand out.	

126 International Toolkit Exporting resources 127

Glossary of export terms





22

Glossary of export terms

The specialist language and abbreviations used for exporting can be confusing. You probably won't need to know all of these terms, especially if you use freightforwarding services or couriers, but they are helpful to know and your customers may ask you about them. Here is a guide to demystifying the jargon.

ATA Carnet

The ATA Carnet, often referred to as the 'passport for goods', is an international customs document that permits the tax-free and duty-free temporary export and import of non-perishable goods for up to one year.

Bill of lading

A document issued by a carrier, or their agent, acknowledging receipt of cargo for shipment.

Carrier

The transport company that owns the means of transport – in other words, the airline, shipping line, or road haulage company. The transport of goods by carriers comes under the terms and conditions of international transport conventions such as the Montreal Convention (airfreight)

Certificate of Origin

This is a document that establishes the place of manufacture, or production, of the goods. It is generally issued by a <u>chamber of commerce</u> and confirms the nationality (<u>country of origin</u>) of the goods. If a country does not require a Certificate of Origin, then a statement of origin must still be made on the commercial invoice.

Certified documents

When a country's regulation stipulates certificated documents (e.g. invoices or Certificate of Origin), it means that a body such as a chamber of commerce must endorse the document.

Classification of goods

This means determining the subheadings or further subdivisions of the Combined Nomenclature (CN) under which the goods will be classified. Classification is not just used to determine the customs duty rate for a specific subheading. It is also used to apply non-tariff measures.

Combined Nomenclature

A systematic list of goods descriptions based on the Harmonised System (HS), used for the purposes of the Common Customs Tariff, external trade statistics, and other EU policies.

Commodity code

A commodity code is a sequence of numbers made up of six, eight, or ten digits. The commodity code determines:

- -the customs duties and other charges levied on the goods;
- -the preferential treatments that may apply to their import;
- -the restrictions and prohibitions that may apply to the import, export, or transit of the goods.

 Six-digit commodity codes are HS codes. They are used worldwide in monitoring trade volumes and applying international trade measures to goods. The

HS nomenclature forms the basis for the eight-digit Combined Nomenclature and the 10-digit TARIC.

You'll need a commodity code to make your import or export declaration when you bring goods in, or send goods out of the UK.

Commercial sample

This is an overused term and should only be used to describe genuine samples being sent overseas to engender future sales. The commercial samples must not be fit for resale. Free-of-charge supplies are not genuine commercial samples.

Consignee

The overseas party receiving the goods, although not a freight company.

Consignor

The consignor, in a contract of carriage, is the person sending a shipment to be delivered whether by land, sea, or air. Some carriers such as national postal entities use the term 'sender' or 'shipper', but in the event of a legal dispute the proper and technical term 'consignor' will generally be used.

Customs broker

An individual or organisation that helps a shipper to navigate customs requirements.

Customs territory

The customs territory, by definition, is the place where the customs authority acts, controlling foreign trade operations.

Delivered Duty Paid

Delivered Duty Paid (DDP) is a delivery agreement whereby the seller assumes all of the responsibility, risk, and costs associated with transporting goods until the buyer receives or transfers them at the destination port.

Duties

Duties are general or specific taxes on goods or services that become payable when the goods leave the economic territory, or when the services are delivered to non-residents.

EORI number

This is an Economic Operators Registration and Identification number. A business cannot export from the UK or EU without having an EORI number. It is different from a VAT number, although it looks similar. Any business wishing to export must contact the HM Revenue & Customs EORI team. If you are using a freight forwarding or courier service, they will use their own EORI number.

EU member state

The EU comprises 27 member states. Each member state is party to the founding treaties of the union and thereby shares in the privileges and obligations of membership. Following Brexit, the UK is no longer a member state.

Export

To send (goods or services) to another country for sale.

Export controls

Certain types of goods are flagged as strategic such as military goods or high-tech products that could be used for military purposes without modification, or that have the inherent capabilities to assist in the delivery or manufacture of chemical or biological weapons.

Export declaration

All goods leaving the UK must be declared to customs. This export declaration has a variety of names – C88, SAD, NES, EAD – but whatever we call it, it is a legal requirement. The consignor is legally responsible for

the information provided on the export declaration, even though it may be prepared by the freight forwarder. Exporting companies must receive a copy of the export declaration for their records and as evidence of export.

Free circulation

Goods that have been produced within the EU, or that have been imported into an EU country with duty/ tax paid, are in 'free circulation', meaning the goods can move between countries within the EU Customs Union without tax or duties owed when crossing borders.

Goods that enter the customs territory of the EU from a non-EU country are referred to as 'non-community goods' (T status). Before these goods can be marketed within the EU, they should first be released into free circulation. This means that a customs entry should be raised for the goods duty or VAT should be paid.

Once these conditions have been satisfied, the non-community goods (T Status) will become 'community goods' (C Status). They will obtain the same status as goods that have been produced, harvested, or mined within the EU and can be transported throughout the EU without being subject to customs formalities or duties.

Free on Board

Free On Board (FOB) basically means that the cost of delivering the goods to the nearest port is included, but the buyer is responsible for the shipping from there, as well as all other fees associated with getting the goods to their country/address.

Freight forwarder

A company employed to arrange the movement of goods using one or more carriers. They are subject to terms and conditions agreed with the consignor/consignee and should be formally contracted and, if

used regularly, provided with a standard operating procedure (SOP). Many freight forwarders complete export declarations on behalf of the consignor, but they are not legally responsible for any errors or omissions. Liability and duty of care rest with the consignor.

Free trade agreement

A free trade agreement (FTA) is an agreement between two or more countries where the countries agree on certain obligations that affect trade in goods and services, and protections for investors and intellectual property rights, among other points.

Harmonised System

The Harmonised Commodity Description and Coding System, also known as the Harmonised System of tariff nomenclature, is an internationally standardised system of names and numbers to classify traded products.

Import

To bring (goods or services) into a country from abroad for sale.

Incoterms®

International commerce terms are a set of shipping terms with internationally recognised terms and conditions. Written by the International Chamber of Commerce (ICC) since 1936, the terms of sale set out the obligations of both buyer and seller in relation to the movement of goods.

Istanbul Convention on Temporary Admission

The Convention on Temporary Admission (Istanbul Convention) is a part of the ATA system allowing the free movement of goods across frontiers and their temporary admission into a customs territory with relief from duties and taxes.

Lacey Act declaration

The Lacey Act declaration, otherwise known as PPQ Form 505, is required by law for certain importers of wood or plant products to be submitted to the United States. Check if you need this for your products. There are also bio-secure import restrictions to other countries, notably Australia. Check with your local chamber of commerce or freight service.

Legalised documents

When a country's regulation stipulates legalised documents (e.g. invoices or Certificate of Origin), it means that the document must be endorsed by the embassy of the country to which the goods are being shipped.

Merchandise in Baggage (MIB)

If you are travelling with commercial goods in your baggage that are subject to restriction or are controlled, you must electronically submit a full customs declaration using a customs agent or intermediary if you do not have the specialist software to make the declaration yourself.

Online marketplace

An online marketplace (OMP) is a type of e-commerce website where product or service information is provided by multiple third parties. Examples include Amazon, eBay, Etsy, and Trouva.

Preferential trade

Preferential trade arrangements for individual, or groups of, countries outside the UK and EU that are allowing reduced rates of customs import duty.

Proforma invoice

A binding commercial agreement between seller and buyer. This typically contains a date of issue, a description of what is being sold, and the total amount payable as well, as any taxes or fees that may be incurred between the time of issuing and when the delivery is made. Providing as precise an estimate as possible, the goal of a proforma invoice is to avoid exposing your customer to any unanticipated charges or duties. Much like an invoice, however, a proforma invoice's terms of sale can still be changed. This means that it only applies to sales that have not yet been completed.

Re-export

To export (imported goods), typically after they have undergone further processing or manufacture.

Rules of origin

Rules of origin are the criteria needed to determine the national source of a product. Their importance is derived from the fact that, in several cases, duties and restrictions depend upon the source of imports.

TARIC nomenclature

TARIC, the Integrated Tariff of the EU, is a multilingual database integrated all measures relating to EU customs tariff, commercial, and agricultural legislation. This data provides administrations of the member states and automatic customs clearance.

Tariff

A tariff is a tax imposed by one country on the goods and services imported from another country. In the case of Brexit, the EU and Great Britain have a free trade deal; tariffs only occur when the product is not of UK origin.

Temporary Admission

A customs procedure under which certain goods can be brought to a customs territory conditionally relieved totally, or partially, from the payment of import duties and taxes. Such goods must be imported for a specific purpose and must be intended

for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of them.

Transport document

Transport documents such as air waybills and bills of lading are commercial evidence of export and may be used to provide evidence in VAT audits that goods have left the UK.

VAT

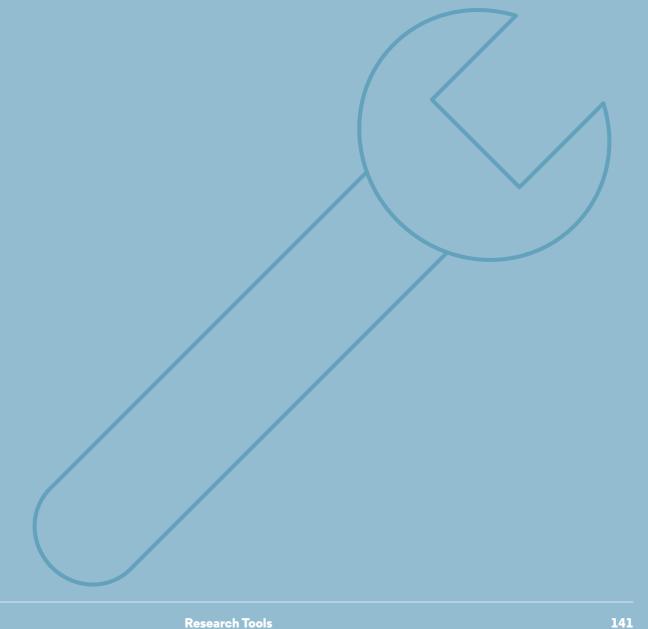
Value added tax (VAT), known in some countries as a goods and services tax, is a type of tax that is assessed incrementally. It is levied on the price of a product or service at each stage of production, distribution, or sale to the end customer.

Volumetric weight

Freight charges are generally calculated on the actual weight of the goods plus packing (gross weight), but if the goods are a low weight but large in volume, then you will be charged for the amount of space your goods use.

Research tools





23

Research Tools

British Library

Registering with the <u>British Library Business & IP</u> Centre will give you access to a number of industry databases to support your market research.

Some useful resources available through the British Library database:

Mintel

 A market intelligence agency that provides insights into industry sectors, market research, trends, and effective strategies.

Passport (Euromonitor)

-The world's leading independent provider of strategic market research, providing data and analysis on thousands of global products and services. Passport provides insights into industry growth and forecast statistics.

Google Analytics

Use Google Analytics to track website activity such as session duration, pages per session, bounce rate, etc. of individuals using the site, as well as information about the source of the traffic.

Google Trends

Google Trends normalises search data to make it easier to draw comparisons between terms. It can help you test your search terms, comparing them by location and time period, to understand customer behaviour, and support of your research into search engine optimisation (SEO) and marketing campaigns.

Index of Economic Freedom

The Index of Economic Freedom measures jurisdictions against each other in terms of parameters such as trade freedom, tax burden, judicial effectiveness, and more. These factors may be weighted according to their influence on economic freedom and compiled into a single score that allows for a ranking.

McKinsey & Company

McKinsey & Company offers detailed sector and industry reports, exploring performance, customer behaviour, future strategies, and opportunities.

Office for National Statistics

UK's largest independent producer of official statistics and the recognised national statistical institute of the UK. It is responsible for collecting and publishing statistics related to the economy, population, and society at national, regional, and local levels.

Statista

The home of diverse statistics from a wide range of sources across international markets and sectors.

Legal and regulation information

Anti Copying In Design

Anti Copying in Design (A©ID) is the UK's leading design and intellectual property campaigning organisation. A not-for-profit membership association for designers and manufacturers, providing cost effective tips, advice, and guidelines to help members protect their intellectual property.

Briffa Legal

Specialist intellectual property solicitors for creative businesses and services to identify, protect, develop, and enforce intellectual property. Briffa Legal offers expertise in brand strategy and trademark portfolio management, innovation and invention, designs, copyright, and image rights.

British Standards Institute

The British Standards Institute (BSI) is the UK's national standards body for regulating product standards and certification. Its website offers regular updates on international changes to standard regulations and requirements for importing and exporting goods.

IP Health Check - Intellectual Property Office

Free online tool to help protect your intellectual property assets.

Organisations that support the crafts sector

Regional Arts Councils

Arts Council England

Arts Council England (ACE) is the national development agency for creativity and culture. ACE offers two useful free mailing lists: Arts News and Arts Jobs. Sign up for a weekly summary of news, job opportunities, and events.

Arts Council of Northern Ireland

Arts Council of Northern Ireland distributes public money and National Lottery funds to develop and deliver a wide variety of arts projects, events, and initiatives across Northern Ireland.

Arts Council of Wales

Arts Council of Wales is the country's funding and development organisation for the arts.

British Council

The British Council is the UK's international organisation for cultural relations and educational opportunities. Its mission is to foster knowledge and understanding between the UK and the wider world. The British Council finds new ways of connecting with, and understanding, other cultures and communities to develop stronger creative sectors around the world that are better connected with the UK.

Creative Scotland

Creative Scotland is the public body that supports the arts, screen, and creative industries across all parts of Scotland on behalf of everyone who lives, works, or visits here. They distribute funding from the Scottish Government and the National Lottery.

Regional Crafts Councils

Crafts Council

The Crafts Council is the national charity for craft.

They inspire making, empower learning, and nurture craft businesses. We believe craft skills and knowledge enrich and uplift us as individuals, and, in doing so, will change our world for the better.

They do this through a variety of activities, including supporting craft makers and businesses to grow in the UK and overseas.

Craft Northern Ireland

Craft NI is the regional development agency for craft in Northern Ireland. It promotes national contemporary crafts through exhibitions, trade fairs, and training.

Craft Scotland

Craft Scotland is the national development agency supporting makers and promoting craft in Scotland. Through an exhibitions and events programmes, digital platforms, and strategic partnerships, Craft Scotland provides leadership for the sector, creating opportunities for makers to develop their creative and business practice and exhibit and sell work in Scotland and beyond.

Chambers of commerce

British Chambers of Commerce

The British Chambers of Commerce (BCC) is an independent network of Accredited Chambers of Commerce in every nation and region of the UK. BCC is trusted to help British goods reach customers overseas. By certifying the origin of goods, chambers of commerce help to reduce the possibility that overseas customs authorities stop British shipments. They work to ensure the smooth passage of UK goods across international borders. Accredited chambers of commerce provide crucial support for businesses trading internationally.

Chamber International

Working on behalf of the Chambers of Commerce, Chamber International supports businesses of all sizes throughout the UK. It can help your business develop its overseas presence and begin (or increase) international trading, offering a full range of export and import advice for international exporters and importers. Many of its services are paid for, but Chamber International will answer simple export documentation queries. It also offers document templates (i.e. Certificate of Origin) and advice.

International Chamber of Commerce

International Chamber of Commerce is the voice of world business championing the global economy as a force for economic growth, job creation, and prosperity.

Business support agencies

Business Wales

Business Wales is a free service that provides impartial, independent support and advice to people starting, running, and growing a business in Wales. They offer a mixture of online and face-to-face support, as well as training workshops and individual advice.

Department for International Trade

The Department for International Trade (DIT) secures UK and global prosperity by promoting and financing international trade and investment and championing free trade. It offers free local export support and advice, as well as grant support for small to medium-sized enterprises (SMEs).

Whether you're interested in exporting for the first time, or an experienced exporter, support from the UK Government's Department for International Trade (DIT) can help your business to grow in new markets. Visit great.gov.uk to:

- -Create your own export plan online for free;
- -Identify high potential markets for your products;
- -Access free online lessons to build your knowledge about selling internationally;
- -Search and apply for live export opportunities;
- Explore e-commerce options and support to sell online internationally;
- -Explore finance and insurance options from UK Export Finance (UKEF).

New export training offer

If you're new to exporting, you should sign-up to the <u>UK Export Academy</u>, a free, comprehensive training offer for UK businesses featuring masterclasses, events, mentoring, and roundtables.

Events

Find <u>events</u> that are relevant to you and your business, as well as register for seminars, workshops, and trade shows.

Attend, or exhibit at, international trade shows

If you export, or you are considering exporting, you can apply for support to attend, or exhibit at, overseas trade shows and conferences, potentially including grants to offset some costs.

Explore tailored support through your local trade office

You could receive tailored export support from your local trade office in the UK. You may also be eligible for specific international market support through our teams around the world. Find out more by contacting your nearest trade office.

Get help with selling to Europe

Contact the <u>UK Government Export Support Service</u> online, or on 0300 303 8955. It provides a single point of contact to help businesses selling goods or services to Europe.

Funding to support export-related activity

Businesses in England may be eligible for a grant of up to £9,000 to offset costs associated with export, including market research, translation, and social media. Contact your nearest local trade office to find out more.

Trade finance for UK Exporters

UK Export Finance (<u>UKEF</u>) is the UK's export credit agency. You may be eligible to receive finance and insurance that can help you win contracts, fulfil orders, and get paid.

Report a trade barrier

You can report <u>here</u> if a trade barrier is affecting your exports or investment from the UK.

Innovate Edge

UK's innovation agency, which provides money and support to organisations to make new products and services. It is a non-departmental public body operating at arm's length from the Government, as part of the UK Research and Innovation (UKRI) organisation.

Institute of Export

Established in 1935, the Institute of Export is the professional membership body representing and supporting the interests of everyone involved in importing, exporting, and international trade.

Offering a unique range of individual and business membership benefits and a world-renowned suite of qualifications and training, the Institute is the leading authority in best practice and competence for businesses trading globally.

Local Enterprise Partnerships

A Local Enterprise Partnership (LEP) is a locally-owned partnership between local authorities and businesses. A LEP plays a central role in deciding local economic priorities and undertaking activities to drive economic growth and create local jobs. Providing a selection of business support and funding opportunities in the local area. You can find your local LEP here.

Scottish Enterprise

The 'Make it to Market' grant from Scottish Enterprise funds of up to £5,000 for Scotland-based businesses to help in the following areas:

- -Research international market opportunities, customers, and routes to market.
- -Access specialist international market knowledge and quidance.
- -Make updates to your products and packaging to suit your market.
- -Incorporate translation and local market requirements into your product.
- -Protect your intellectual property overseas.
- -Make a visit to the market for customer feedback and development.

The Goldsmiths' Centre

The UK's leading charity for the professional training of goldsmiths, offering silversmithing and jewellery courses in London.

UK Export Finance

UK Export Finance (UKEF) is the UK's export credit agency. You may be eligible to receive finance and insurance that can help you to win contracts, fulfil orders, and get paid.

Grant funding and support programmes

Innovate UK Edge

Provides a wide range of funded support programmes for innovative businesses looking to grow.

Internationalisation Fund

Match-funded grants of between £1,000 and £9,000 will be available for future activity (subject to eligibility and availability).

To secure a grant, you'll need to fund a proportion of your costs yourself. This varies according to where your business is based and will be either 40 or 50% of the total cost.

The fund can be used to support areas including (but not exclusively limited to):

- -Market research
- -Intellectual property (IP) advice
- -Translation services
- -International social media/SEO
- -Trade fairs
- -Independent market visits
- -Consultancy and other international commercial services

STEP travel grants

Grants available to support creative artists and cultural change, as well as makers travelling internationally, to help foster a society with greater solidarity, participation, equality, and a stronger sense of social justice.

Wales Arts International

The International Opportunities Fund supports professional arts practitioners and organisations based in Wales to undertake international visits aimed at developing international work and the presentation and delivery of artistic work outside the UK.

Trade associations

British Allied Trades Federation

British Allied Trades Federation (BATF) is a federation of trade associations, representing companies in the design, manufacture, and supply of giftware, travel goods, and finishing industries. The National Association of Jewellers is also part of the organisation.

British European Design Group

The British European Design Group promotes creative excellence worldwide. Working with companies, institutions, and individuals in the creative industries to exhibit their products and skills in key export markets around the world.

British Institute of Interior Design

Committed to encouraging and supporting creativity and competence in the field of interior design.

China-Britain Business Council

Helping to grow trade and investment between the UK and China. The China-Britain Business Council (CBBC) can provide you and your business with many valuable opportunities.

UK Fashion and Textile Association

UK Fashion and Textile Association (UKFT) brings together designers, manufacturers, suppliers, and retailers to promote their businesses and the UK fashion and textile industry. It runs a programme of events for the industry, including seminars and networking opportunities; and helps to promote British designers and brands taking part in trade shows and other events across the globe.

Residencies

Res Artis

A worldwide network of arts residencies. An association of over 650 centres, organisations, and individuals in over 70 countries dedicated to offering artists, curators, and all manner of creative people the essential time and space away from the pressures and habits of everyday life, an experience framed within a unique geographic and cultural context.

Crafts Council Registered Charity Number 280956





