

Speech: Secretary of State speech at Exporting Week 2018 – Bristol

It's a pleasure to be here in Bristol for Export Week.

Being Secretary of State for International Trade is a job that takes you to every corner of the world, and I often find myself spending the weekend on a long-haul flight between distant markets.

So it is a real treat to be spending Friday at an event held less than five miles from my own front door! Earlier this week my Department held a joint event with Facebook, exploring the impact that technological advances have had, and will continue to have, on UK international trade.

The focus was not on new products and markets that have developed alongside advanced technology – although the UK is a genuine world-leader in these fields.

Rather, it was about the way that communication and distribution technology has allowed small companies, and even individuals, unprecedented access to global markets.

The effect has been truly transformational. The internet allows the smallest producer to find a market for their product, no matter how niche or specialist.

We are living in an age where commerce is shrugging off geographical constraints. The term 'multinational' has long been shorthand for the largest global companies. But today it is something of a misnomer.

With platforms such as Amazon and eBay now giving even the most modest SMEs a reach that rivals that of the largest international giants, we are fast approaching a point where every producer, no matter the size, has the potential to become a 'multinational'.

Clearly, there is a vast amount of commercial potential waiting to be unlocked.

This matters to the UK more than most countries. This country is home to some 5.7 million businesses, 99.9% of which are classified as SMEs.

According to the Federation of Small Businesses, these companies have a combined annual turnover of £1.9 trillion, and support around 16.1 million jobs – 60% of all private sector employment in the UK.

It is no exaggeration to say that small businesses are the backbone of our domestic economy. And they have the potential to be the driver of our international prosperity as well.

One thing that I have learned in this job is the sheer level of demand that

exists across the globe for UK products, and the high esteem in which British goods and services are held.

Arriving on an overseas trade mission, I am often greeted by an iconic British product that has beaten me to my destination, whether it is a red London bus on the streets of Mexico City, or a bottle of English ale in my hotel minibar in Singapore.

Such stories will come as no surprise to anyone here today who has sold their product overseas.

[Research published by Barclays](#) earlier this year indicated that more than 60% of consumers in the key markets of India and China perceive products that are 'made in Britain' as being of higher quality – and are willing to pay a premium for them.

This is a story repeated across the world. And if we are to deliver a prosperous, economically secure future for the UK and its people, then it is vitally important that businesses of every size are able to realise these international opportunities.

One of the greatest qualities of this country's SMEs is their profusion outside the capital, and the way that they create and sustain world-leading industries in the United Kingdom's regional economic centres.

Take the South West as just one example.

North Somerset has been my home for more than 25 years – so of course I'm not yet classed as a local, but I'm getting there!

In that time, the regional economy has transformed. Agriculture, food and drink are still important – my annual invitation to the North Somerset Agricultural Show would be rescinded if I said otherwise – but traditional industries now rub shoulders with digital technology, advanced engineering and professional services.

Last year, the South West recorded an impressive 12.3% increase in the value of its overseas goods exports, and local businesses vastly extended their global footprint.

These have included firms such as Rockit, a manufacturer of baby-rockers based in Portishead, who have worked with DIT to secure a major new contract, expanding their sales to South Africa, Namibia and Mozambique.

Coming on top of robust sales to Canada, Australia and Hong Kong, this means that exports now account for more than 60% of their turnover.

I believe that Rockit's founders are here with us today.

Such stories of exporting success are repeated not only across the South West, but in every region of the United Kingdom.

Take Retrogenix – a Derbyshire-based biotechnology firm that increased its

revenue from overseas sales by 80% in the last year,

...or Trylife, a Newcastle-based educational film production company, who are working with DIT to bring their films to the North American market.

These collaborations between SMEs and my Department show that, while quality of the product will always speak for itself, government also has a vital role to play in helping SMEs to reach their exporting potential.

To that end, in August the Department for International Trade launched our [Export Strategy](#).

In preparation, we held a nationwide business consultation, asking what we the government could do to help exporters.

You told us that we should inform connect, encourage and finance exporting opportunities. So, we have appointed nine new Her Majesty's Trade Commissioners, to deploy their expertise and shape our interaction with key markets.

We have launched a [National Trade Academy Programme](#), to teach the next generation of business leaders about the fundamentals of exporting.

We have imbedded UK Export Finance experts in our overseas missions, helping to identify those commercial opportunities that qualify for financial support. In conjunction, we have also organised Supplier Fairs here in the UK, allowing British businesses to win international contracts in UKEF-backed projects.

We have established extensive online communities of exporters and customers, and have re-launched the [Export Opportunities Service](#), newly integrated into our online platform at great.gov.uk.

As we speak, there are over 23,000 export opportunities live on the site, representing almost every market and industry in the world.

Examples range from a Dutch education body that wants to source touch screen computers from the UK, to a Hong Kong distributor who want British cheese for hotels, airlines and supermarkets in East Asia.

Whatever you're selling, there is someone out there who is keen to buy.

The [Export Strategy](#) represents one of the most comprehensive export packages offered to businesses anywhere in the world. I know that many companies here today are already working with DIT to take advantage of all that's on offer.

I would strongly encourage the rest of you to do so. Even if you are already a tried and tested exporter, we are ready to help expand your businesses. DIT has a presence in over 100 countries worldwide, offering unparalleled access to opportunities and local expertise.

Everything we do is designed to encourage, inform, connect and finance exports across the public and private sectors, and to transform Britain into

a 21st century exporting superpower.

The strategy is only the most recent development in the work that DIT has been doing to increase this country's exports. And already, the hard work of government and industry is paying off.

In the 12 months to September, the value of UK exports grew by some 4.4%, including strong growth in the manufacturing sector. Indeed, HMRC figures confirm that exports of goods have shown robust growth in every single region of the UK.

In the same period, the growth in exports continued to outstrip the growth in imports, almost halving the UK's trade deficit from £23.4bn to £15.8bn.

And since the referendum we have increased our exports by £111Bn to £610Bn.

Such figures show that the UK continues to buck the global trend, with export growth consistently ahead of the general expansion in global trade. It is an irrefutable fact that, globally, more people want to 'buy British' than ever before.

We have set ourselves the ambitious target of raising exports as a proportion of the UK's GDP from 30 to 35 percent, putting us towards the top of the G7.

This cannot be achieved, however, unless thousands more SMEs choose to begin their exporting journey

Because all of our success belongs to you, our exporting SMEs. As I have often said, while we are concerned solely with international trade, my department is not itself an exporter. We sell nothing overseas ourselves.

Instead, our sole aim is to create the most favourable conditions that allow businesses like yours to retain a competitive edge and thrive in the global economy.

The final thought that I would like to leave you with, is that your success is Britain's success.

This may sound like a soundbite. But I am referring to the wider societal good that comes from a growth in exports.

Recent research published by the Institute for Economic Affairs indicated that, through an increased tax take, job creation and other factors, a 10% increase in the value of the UK's exports could potentially raise £20 billion for the Exchequer, funding the NHS, our armed forces, and the vital public services on which we all rely.

I must stress that this is not government analysis. And there is much work to do if we are to expand our exports by 10%. But it gives an idea of the importance of exporting to the social and economic health of our country.

So, as you begin your exporting journey remember – you are not only building a safe, secure and prosperous future for your own company, but for every

person in the United Kingdom.

There is no greater reward than that.