DOING BUSINESS IN
THE U.S. & UK
RESOURCES FOR SMALL BUSINESSES
“The US and UK are focused on specific ways in which we can expand opportunities for our businesses and workers, including for small and medium sized enterprises. We look forward to building on our strong economic relationship to achieve free and fair trade and create good-paying jobs on both sides of the Atlantic.”

AMBASSADOR ROBERT LIGHTHIZER, U.S. TRADE REPRESENTATIVE

“Our U.S.-UK Trade and Investment working group underlines the shared interest in forging closer trade and investment ties between the UK and USA, and the practical steps we can take now to enable our two countries to do business with one another more easily. This brochure is a clear example of how the group can support SMEs, the lifeblood of the UK economy.”

RT HON DR. LIAM FOX MP, UK SECRETARY OF STATE FOR INTERNATIONAL TRADE AND PRESIDENT OF THE BOARD OF TRADE
RESOURCES FOR U.S. SMALL BUSINESSES

Exporting to the United Kingdom

Thanks to our common language, minimal trade frictions, and business-friendly environment, the United Kingdom presents an attractive choice for U.S. small business exporters. The United Kingdom offers dynamic trade and investment opportunities as the fifth largest market in the world. It is also the fifth largest destination for U.S goods exports and the largest market in the world for U.S. service exports.

Approximately 7,500 U.S. firms have a presence in the United Kingdom. More than 40,000 U.S. companies already sell their goods and services in the UK, and the UK is the second global destination for U.S. e-commerce exports. The United States is the number one overseas destination for UK travelers, who become familiar with U.S. brands during their visits.

American small and medium-sized businesses can take advantage of a range of U.S. government services to help you export to the United Kingdom. Exporting can help your business reach new customers, expand sales, and improve its competitiveness. This guide provides you an overview of exporting to the UK in eight steps.
ASSESS YOUR COMPANY’S EXPORT READINESS

CONSIDER assessing your company’s export readiness before embarking upon an export strategy. Use the assessment questions on export.gov to determine if your product or service is ready for export.

ONLINE RESOURCES

LEARN ABOUT THE UK MARKET

VISIT the U.S. government’s export informational portal, export.gov to watch a short video with useful information on the UK market. In only a few minutes, you will learn many of the benefits of doing business in the UK and some tips for success. Dive further into data and analysis compiled by U.S. government business and trade experts who work at the U.S. Embassy by perusing the UK Country Commercial Guide or the Foreign Agricultural Service’s Exporter Guide. Their research is specifically tailored toward U.S. small businesses.

ONLINE RESOURCES
- UK Market Overview: https://www.export.gov/article?id=United-Kingdom-Market-Overview
- Export.gov Country Commercial Guides: https://www.export.gov/ccg
- UK Exporter Guide and Analysis: https://www.fas.usda.gov/regions/united-kingdom

DEVELOP AN E-COMMERCE PRESENCE IN THE UK

INTERNET shopping is more popular in the UK than in any other major country. Consumers in the UK spent $173 billion online in 2016, up 16% from 2015. Consumer e-commerce now accounts for about one quarter of the total retail market in the UK. A full overview of e-commerce considerations are included in
the UK Country Commercial Guide, including relevant UK law, and top e-commerce sites in the UK. Most goods and services sold in the UK are subject to a 20% value-added tax (VAT). Several e-commerce training programs and how-to guides are available on export.gov, and Commercial Service trade specialists, Small Business Development Center specialists, and SCORE volunteer mentors can provide one-on-one counseling and e-commerce tips to help you transform your website to be more competitive in the UK.

**ONLINE RESOURCES**

E-commerce in the UK: [https://www.export.gov/article?id=United-Kingdom-eCommerce](https://www.export.gov/article?id=United-Kingdom-eCommerce)

E-commerce Export Resource Center: [https://www.export.gov/eCommerce](https://www.export.gov/eCommerce)

UK Online and Distance Selling Rules: [https://www.gov.uk/online-and-distance-selling-for-businesses](https://www.gov.uk/online-and-distance-selling-for-businesses)

Small Business Development Centers: [https://www.sba.gov/tools/local-assistance/sbdc](https://www.sba.gov/tools/local-assistance/sbdc)

SCORE: [https://www.score.org/](https://www.score.org/)

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**ARRANGE FOR FINANCING**

**ACCESS** to capital, financing, and concerns about getting paid are often cited as reasons many U.S. companies do not export. However, many U.S. businesses are not aware of or do not take advantage of U.S. government and private export financing and insurance programs to offset risk. You should start a conversation with your local bank when you start to develop your export strategy. Some U.S. banks view loans for exporters as risky. This makes it harder for you to get loans for things like day-to-day operations, advance orders with suppliers, and refinancing existing debts. The Small Business Administration (SBA) has export finance specialists who can provide counseling and training on export financing options and ways to mitigate payment risk. In addition, SBA works with banks all across the country to offer tailored export finance solutions through SBA’s International Trade Finance Programs. The Export-Import Bank of the United States has export finance and insurance programs to ensure you get paid, and the attractive payment terms can make your product more competitive in the UK.

**ONLINE RESOURCES**

Trade Finance Guide: [https://www.export.gov/tradefinanceguide](https://www.export.gov/tradefinanceguide)
PARTICIPATE IN A TRADE EVENT

TRADE missions to and trade shows in the UK bring U.S. companies, including rural companies and small and medium-sized enterprises, into direct contact with potential buyers and distributors. They are often sector-focused, so they are highly targeted. Federal agencies, U.S. states, Small Business Development Centers, and other business organizations organize trade missions and participate in trade shows, and can help secure quality meetings with potential buyers, distributors, and partners.

Additionally, trade events in the United States provide a closer-to-home venue for U.S. companies to explore opportunities in the UK market. U.S. businesses hear from in-country experts and meet potential buyers and partners. Events may include interaction with U.S. trade specialists based in the UK whom participating business can consult on their exporting plans.

Your company may be able to utilize your state’s participation in the Small Business Administration’s State Trade Expansion Program (STEP) when participating in overseas trade missions and trade shows.

ONLINE RESOURCES
Global Trade Events: https://www.export.gov/Events
STEP Awards: https://www.sba.gov/content/2017-step-awardees-state-blue
Small Business Development Centers: https://www.sba.gov/tools/local-assistance/sbdc

CONNECT TO BUYERS OR DISTRIBUTORS

AS a small U.S. business looking to export to foreign markets, finding international buyers doesn’t always come easy. Many businesses in the United
States want to begin exporting consistently and profitably, but have trouble finding reliable and lucrative foreign buyers. The U.S. Commercial Service offers several services, including the International Partner Search plus virtual introductions, Gold Key Service, Single Company Promotion, and the U.S. Exporter Directory. Watch a short video with tips on finding foreign buyers at export.gov, or read more about the unique services tailored toward small businesses.

ONLINE RESOURCES

Promote and Expand Your Business: https://www.export.gov/Promote-and-Expand
SBDC Local Offices: https://www.sba.gov/tools/local-assistance/sbdc
STEP Awards: https://www.sba.gov/content/2017-step-awardees-state-blue
Market Access Program: https://www.fas.usda.gov/programs/market-access-program-map

7 KNOW THE RULES OF TRADING & BE COMPLIANT

To get ready to export, a small business should become aware of its rights and responsibilities under applicable U.S. and foreign government laws, regulations, and requirements. For U.S. exports to the UK, U.S. small businesses should follow instructions in UK Government publications and official sources on importing rules, including those contained within this publication. Exporters should also review insights from the U.S. Department of Commerce’s Customs, Regulations & Standards section of the UK Country Commercial Guide for an overview of considerations.

A good resource for learning country-specific import and export rules and finding contact information for the official inquiry point are the Transparency Notifications in the World Trade Organization (WTO) Trade Facilitation Agreement Database.

U.S. Customs and Border Protection (CBP) maintains a U.S. “single window,” the primary system for processing trade-related import and export data required by government agencies. To use the system, known as the Automated Commercial Environment, companies must apply for an account. The CBP website contains information on using the Automated Commercial Environment, as well as
guidance to help new importers and exporters comply with trade rules. Small businesses may also benefit from having the help of a licensed trade professional to help guide their goods across borders. Resources to find freight forwarders, who can move export cargo door-to-door, are also available on export.gov.

**ONLINE RESOURCES**
Shipping & Export Compliance: https://www.export.gov/article?id=1-Export-Compliance
WTO Transparency Notifications: https://www.tfadatabase.org/notifications/transparency
ACE and Automated Systems: https://www.cbp.gov/trade/automated
Tips for New Importers and Exporters: http://www.cbp.gov/trade/basic-import-export
Freight Forwarding: https://www.export.gov/article?id=Freight-Forwarder-What-is-a-FF

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**RESOLVE TRADE ISSUES**

**NO** one can anticipate every trade question or contingency. When issues arise, it is easy to contact a trade specialist for help or to report a trade barrier online. U.S. government trade experts will determine whether those barriers violate any trade commitments and identify strategies to address them.

The Small Business Administration offers assistance to facilitate U.S. small business trade and investment, as well as overcome a wide variety of trade regulation and trade finance challenges. U.S. small businesses can contact the inquiry point toll-free at +1 (855) 722-4877 or by email at international@sba.gov.

**ONLINE RESOURCES**
Locate a Trade Specialist: https://www.export.gov/locations
Report a Trade Barrier: https://www.export.gov/Report-a-Trade-Barrier
SBA Office of International Trade: https://www.sba.gov/offices/headquarters/oit
OTHER SUPPORT AVAILABLE FOR SMES

There are many online tools and resources to help you research international markets and learn about exporting mechanics, but in-person assistance is also available, as are competitive awards to help small businesses succeed in the international marketplace. Trade counselors can help with every step outlined in this brochure.
U.S. COMMERCIAL SERVICE
The U.S. Commercial Service, part of the U.S. Department of Commerce’s International Trade Administration, offers companies a full range of expertise in international trade. Companies can find assistance locally in more than 100 U.S. Commercial Service offices nationwide and in more than 70 international offices. Trade specialists can help your company develop your export strategy, choose the best market, find and evaluate potential overseas partners, and increase your brand awareness and market exposure.

U.S. Export Assistance Centers (USEACs) are located in major metropolitan areas throughout the United States. In addition to U.S. Commercial Service international trade specialists, approximately 20 centers include SBA international trade financing specialists and approximately 8 centers include Export-Import Bank staff.

Locate an office near you:
https://www.export.gov/locations

SMALL BUSINESS DEVELOPMENT CENTERS & OTHER RESOURCE CENTERS
Small Business Development Centers (SBDCs) are resource partners of the U.S. Small Business Administration. SBDCs provide no cost, one-on-one, long-term professional business advising and low-cost training to U.S. small businesses. Specialized services for current and prospective small business exporters include export business plan development, exporting and importing counseling, export finance consultation, market research, and identification of trade shows and trade missions. SBDCs can be found in about 1,000 locations throughout the United States and its
territories with more than 500 counselors certified in international trade.

Many of SBA’s other resource partners, like SCORE, Women’s Business Centers, and Veterans Business Outreach Centers, as well as SBA District Offices also have expertise to prepare small businesses for global trade.

Locate an office near you: https://www.sba.gov/tools/local-assistance

STATE TRADE EXPANSION PROGRAM

The State Trade Expansion Program (STEP), administered by SBA, provides competitive awards to U.S. state and territory governments to assist U.S. small businesses with export development, including foreign market sales trips, trade shows, subscription services, website development, design of marketing media, and export training workshops.

To find local contacts for STEP visit: www.sba.gov/STEP

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service (FAS) of the U.S. Department of Agriculture has a network of 93 offices that cover 171 countries, including the United Kingdom, staffed by agricultural attaches and locally hired agricultural experts who are the eyes, ears, and voice for U.S. agriculture. The U.S. Department of Agriculture’s Market Access Program (MAP) helps to share the costs of overseas marketing and promotional activities through a network of approved cooperator organizations.

ONLINE RESOURCES

Market Access Program: https://www.fas.usda.gov/programs-market-access-program-map
The UK’s trading relationship with the U.S. is vital in supporting the UK’s prosperity, and underpins the special relationship that we have with the U.S. The U.S. is an attractive market for the UK for many reasons – minimal language barriers; access to global supply chain, which can lead to exports for other markets; and a strong rule of law.

For these reasons and more, the U.S. is the UK’s single largest export market, accounting for almost 20% of all UK exports of goods and services in 2018 and valued in excess of £100 billion. More than 35,000 UK companies exported goods to the U.S. in 2017, the vast majority being SMEs, so a trading relationship is important in enabling UK SMEs to grow and develop their business in the U.S.

Exporting can help SMEs to expand in new markets, be more innovative and increase their productivity and profitability, although there can also be challenges. There is a wide range of support from the UK government and other organisations available to UK SMEs, and this guide provides some practical steps to make it as easy as possible for SMEs to do business with the U.S.
THE Department for International Trade (DIT) is the UK Government’s focal point for all export promotion, export finance and export policy issues. Through its website, DIT provides a wide range of information, support and guidance for all UK SMEs seeking to export or expand their business internationally, whether they be new, occasional or regular exporters.

**ONLINE RESOURCES**

Department for International Trade website: https://www.great.gov.uk
Scottish Development International (SDI): https://www.sdi.co.uk/export-from-scotland
Northern Ireland: https://www.investni.com/support-for-business/thinking-about-exporting.html

**FIND OUT ABOUT DIT EXPORT SUPPORT THAT SUITS YOUR BUSINESS**

NEW EXPORTERS

Preparation and planning are key for any exporters but particularly so for SMEs embarking on an export journey for the first time. The DIT website contains information on a range of issues such as researching the market, finding customers and internationalising a business website. In addition, the UK Government has recently produced a guide for new exporters called ‘Selling overseas: a guide for beginners’.

OCCASIONAL EXPORTERS

DIT recognises that there will be companies which only enter export markets occasionally. There is a range of information focused on occasional exports which includes topics ranging from visiting trade shows, and analysing competition through to export finance, getting paid, and protecting a company’s intellectual property.
REGULAR EXPORTERS

There are many UK companies which export regularly, and over 90% of the UK’s goods exporters in 2017 were SMEs. There is support available for issues ranging from licensing or franchising a business through to setting up an overseas operation, raising finance and helping companies understand the value of their intellectual property.

ONLINE RESOURCES
https://www.great.gov.uk/advice

ACCESS OTHER ONLINE SERVICES AVAILABLE FROM DIT

ADDITIONAL ways in which SMEs, with UK Government support, can develop their international business include:

- Establishing a ‘Find a buyer’ trade profile. Companies can sign up for DIT’s find a buyer service, which enables SMEs to promote their products and services to international buyers;

- Attending trade missions, expos, conferences and events. SMEs can search for events, trade fairs, missions and webinars relevant to their sector or the overseas market in which they are interested, in order to promote their businesses to a much wider market;

- Applying for live export opportunities from international buyers. Businesses can apply for overseas export opportunities for their products or services;

- Utilising the ‘selling online overseas’ tool to find the best marketplaces for SMEs to showcase products online - and to take advantage of special deals negotiated by the Government for UK businesses. Companies can also find out more about the Government’s e-exporting programme.
EXPLORE DIT’S TOP TIPS FOR EXPORTING TO THE US

DETERMINE where to sell. The U.S. is a federal system. You need to determine the implications of developing your business in a specific state, or whether national entry is possible for your product or service. Find the consumption/import figures of products similar to your own and the economic growth rate of a potential new market. Look up the demographics and your potential competition.

Have a plan. Your export plan should confirm you have the people, capacity and knowledge to enter the highly competitive U.S. market.

Choose a route to market. Whether you sell directly, use a distributor or agent, or embark on a joint venture, you must ensure clarity of responsibility for things like delivery and payment, and always remember to protect your intellectual property.

Find the opportunities. Meet buyers and generate new business.

Understand your obligations. Get registered, insured, and paid. Know what is required from you legally and financially to avoid litigation. There is a wide range of support available to SMEs seeking to start exporting or increase their international business, and DIT can also provide information and resources to make the various regulations, permits, licences, customs, and tax requirements much simpler.

Get useful information by reading the new and improved export guide to selling overseas in the U.S.

As your first port of call, connect with DIT in the U.S. by completing the North America Export Portal so the local team can learn more about your business,
provide you with useful information, and determine how we can assist. Following completion of the portal, a trade advisor will follow up within 2 business days.

**ONLINE RESOURCES**

DIT North America Export Portal: https://www.surveymonkey.com/r/DITNorthAmericaExport

Guidance to exporting to the US: https://www.gov.uk/guidance/exporting-to-the-usa

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5 **THINK ABOUT WHETHER YOU NEED EXPORT FINANCE**

**UK** Export Finance (UKEF) is the UK’s export credit agency which can offer export finance and insurance to UK exporters to complement the private sector. UKEF can support exports for any size of company and across all sectors.

UKEF helps UK companies:

- win export contracts – by offering attractive financing terms to overseas buyers;

- fulfil export contracts – by supporting working capital loans and contract bonds;

- get paid for export contracts – by insuring against buyer default, even in markets not covered by traditional insurers.

UKEF can also provide your bank with a guarantee for up to 80% of a working capital loan or contract bond value when issued by your bank in support of an export contract. SMEs can access this UKEF support directly from their bank (HSBC, Barclays, Lloyds, RBS/NatWest, Santander) without needing to apply separately. The first point of contact is UKEF’s Export Finance Managers, each dedicated to a region of the UK. They offer free support and guidance to companies looking to export.

**ONLINE RESOURCES**

UKEF: https://www.gov.uk/government/organisations/uk-export-finance

There is also a range of practical help available to SMEs from other UK Government sources.

**HM Revenue and Customs (HMRC)**
HMRC can give you expert assistance on a number of matters relating to the importing and exporting of goods, including the classification of goods, duty relief, controls and procedures, VAT, export licences, export taxes and exchange rates.

**Intellectual Property Office (IPO)**
The IPO is the government body responsible for Intellectual Property (IP) rights including patents, designs, trademarks and copyright. It can help companies protect and benefit from their ideas or inventions at home and abroad.

**Online Resources**

In addition to the sources of help available from the UK Government, there is, of course, further support available commercially from a range of business organisations, including professional bodies such as banks, accountants and lawyers who can advise on a range of financial, taxation and legal issues as they relate to growing a business by exporting. There will also be help and advice available from business representative bodies such as the Confederation of British Industry (CBI), Institute of Directors (IoD), Federation of Small Businesses (FSB), and particularly the British Chambers of Commerce (BCC), and Institute of Export (IOE).

**Freight forwarding**
Freight forwarders arrange the transit of goods from one destination to another and provide the logistical solutions to transport cargo around the globe. They
provide the knowledge and expertise to prepare and process the correct documentation relevant to international shipments. Commercial invoices, shipper’s export declaration and a bill of lading, which is used between two modes of transport (e.g. air and sea) and is used as evidence of a contract specifying the carriage of goods, are just some of the documents used by freight forwarders.

When shipping goods, it is best to ensure the correct terms and conditions are agreed ahead of delivery. International Commercial Terms (Incoterms® (2010)) are widely used in international commercial transactions. They are a series of three letter trade terms primarily used to communicate the tasks, costs and associated risks with the transportation and delivery of goods.

**ONLINE RESOURCES**

BCC: [https://www.britishchambers.org/uk/page/home-page/international-trade-hub](https://www.britishchambers.org/uk/page/home-page/international-trade-hub)

IOE: [http://www.export.org.uk](http://www.export.org.uk)

Freight forwarders in the UK (British Industry Freight Association): [https://bifa.org/home](https://bifa.org/home)

OTHER SUPPORT AVAILABLE FOR SMES

The UK Government is committed to creating an economy that boosts productivity and earning power throughout the country and has developed the Industrial Strategy, which invests in the skills, industries and infrastructure of the future, and helps businesses to embrace and benefit from the opportunities of technological change. The Industrial Strategy includes business growth support from the Department for Business, Energy and Industrial Strategy (BEIS) to help SMEs improve their productivity and reach their potential, underpinning the goal of making the UK the best place to start and grow a business.

ONLINE RESOURCE:
**FINDING THE RIGHT SUPPORT AT THE RIGHT TIME**

It is important that SMEs are able to access the assistance they need on an individual basis.

**England**
- The network of 38 Local Growth Hubs acts as a single local access point to help businesses to understand the range of support available to them from across the public and private sectors.
- The Business Support Helpline provides support and business improvement advice to pre-starts, start-ups, and existing businesses.

**Scotland**
- You can access support for your business through Business Gateway.

**Wales**
- You can access support for your business through Business Wales.

**Northern Ireland**
- You can access support for your business at the Northern Ireland Business Info website or by contacting the Invest Northern Ireland helpline.

Digital tech start-ups and scale-ups can also use Tech Nation’s targeted growth programmes, created to fast-track these businesses onto the broader national and international stage.

**ONLINE RESOURCES:**
- Business Support Helpline (England): enquiries@businesssupporthelpline.org or 0300 456 3565
Research and Development

There is currently a range of support on offer to help SMEs develop research and commercialise their ideas, much of which is provided by Innovate UK.

Innovate UK, part of UK Research and Innovation, drives productivity and growth by supporting businesses to realise the potential of new technologies, develop ideas and make them a commercial success, and by connecting businesses with the right partners and expertise that can help them bring their ideas to market.

(Please be aware that from April 2018, Innovate UK will become part of a single organisation, UK Research and Innovation).

The Knowledge Transfer Network (KTN) creates connections, dialogue and partnerships between people with different expertise, specialisms and backgrounds to help businesses innovate and grow.

Through the network of Catapult Centres, businesses can get access to £850m worth of cutting-edge research and demonstration equipment and facilities.

**Online Resources:**

Knowledge Transfer Network: https://www.ktn-uk.co.uk
Catapult Centres: https://catapult.org.uk
Innovate UK: www.gov.uk/innovate-uk or 0300 321 4357 or support@innovateuk.gov.uk
ACCESS TO FINANCE

Whether you’re looking to launch, grow or expand your business, there is finance available to support your ambitions.

Innovate UK provides funding to help businesses to develop the new products, processes and services that will meet or define the markets of the future. It runs competitions around four key technological sectors, and an open programme that provides financial support to any innovative company based in the UK working in any high-value innovative technology, business model or process in any area of the economy. It also offers Innovation Loans to support businesses in the space between grants and the point at which the market will provide appropriate finance or investment.

The British Business Bank works in conjunction with over 100 private sector partners to create a vibrant finance market for smaller business and offers a range of debt, equity and guarantee programmes. It has published a simple guide to finance options facilitated by the Bank at each stage of the business life cycle.

ONLINE RESOURCES:
Innovate UK funding programme: https://www.gov.uk/apply-funding-innovation
Innovation Loans: https://www.gov.uk/guidance/innovation-loans-what-they-are-and-how-to-apply
Business Finance Guide: www.thebusinessfinanceguide.co.uk/bbb