Welcome to
‘Brexit and Beyond’

Breakfast Networking Event
Queen Elizabeth’s School, September 2016
07:45am
Registration, Breakfast and Open Networking

08.10am
Welcome and Growth Plan Update
Dave Barnes, Strategic Director, Christchurch and East Dorset Councils

8.30am
BREXIT – The Entrepreneurs view
Nick Field, International Trade Advisor, Department of Trade

08:50am
BREXIT – The Financiers View
Nick Gregory, Finance Specialist, Dorset Growth Hub

09:10am
Question and Answer session
Questions to the panel

09:25am
Close and Further networking
Feedback from the March Events
Feedback Comments

Can we have an up to date Directory of Business Support organisations?
Can we set up a Local Steering Group to act as a signposting forum?
More networking events to bring business and the Education sector together
More entrepreneurs and inspirational business people to speak to students in schools
Better signposting
Business Survey

- There is a clear need to develop our communications further to engage with businesses that are unaware of the service we provide.
- Only 28% of respondents rated the ‘identification of sites & premises’ as either excellent or good.
- There is room to improve the effectiveness of communications delivered via social media channels and to engage more with those businesses not aware of our presence.
- LinkedIn has been highlighted as a social media channel that is used by the local business community.
Highcliffe Schools Head of Economics and Business Studies would be very pleased to have a member of The Business Community talk to students about the Importance of Documentation in the HR process.

If you can help please contact Duncan Newman who can put you in touch.

Economic Development Team

Four days until the first 'Brexit and Beyond' event
Events

National Apprenticeship week March 2016

“Everything you wanted to know about apprenticeships but were afraid to ask”

Supply Chain Event May 2016
March of the Jellies!

- A co-working/home working network established by the Partnership in January 2016
- Weekly drop in sessions at a local venue
- Our success has lead to other Local Authorities emulating us (for example BoP now have a Jelly).
- 3 established: Wimborne, Christchurch, Ferndown
Business Support and Skills

2014/15 Business Start-up Pilot
• 20 new business start-ups supported through start-up courses

2015/16 Business Start Up Programme
• c£100k committed to assist business start-ups and small existing businesses through a programme of workshops and grant support.

Workshops
• 10 workshops running from December to end of April
• 41 businesses either attended or booked onto the workshops

Grants
• Match-funded grants available for:
  – Up to £500 for business start-ups
  – Up to £5,000 for digital business start-ups
  – Up to £500 for existing small businesses for training
• 43 expressions of, 22 full applications received, 13 approved
Award

FSB – Best all round Business Friendliness Award 2016 (Hants, IOW, Dorset)
But lots to do………………

• Broadband Voucher Scheme

• Young Enterprise 2016

• Digital skills for Businesses
But lots to do...........

Apprenticeship Levy Workshops;

- Wednesday 25th January 2017 – Verwood Hub
- Thursday 26th January 2017 – Christchurch Airport, Building 307, Aviation Business Park, BH23 6NW
- Wednesday 1st February 2017 – Captains Club, Christchurch
- Thursday 2nd February 2017 – QE School

Contact Duncan Newman: DNNewman@christchurchandeastdorset.gov.uk
And Finally........................

Reshaping your councils
a better future for your community

https://www.dorsetforyou.gov.uk/article/423580/Reshaping-your-councils---consultation-on-unitary-proposals-for-Dorset
Exporting and The Effects of Brexit

Nick Field
International Trade Adviser
Department for International Trade
Brexit: What we know

• We are still members of the EU and still enjoy all the benefits of tariff free, paperwork free access to the single market.

• This will continue for at least two years, and will only change after Article 50 is triggered, two years of negotiations have concluded and a final agreement is reached between both parties.

• The government has said it will not trigger Article 50 until 2017, so leaving the EU will not happen until at least 2019.
Brexit: What we also know

• At present the UK's negotiating position and the EU's negotiating position have not been made public. Until this is the case we won't know any more about the future terms of our relationship.
Brexit: What’s less clear regarding Exporting

• There is uncertainty about our post EU access to the single market, the status of regulations and the possible reintroduction of trade barriers and constraints to free movement of people into the UK and EU markets.

• This will hopefully become clearer during the negotiations, although crux issues may have to wait until 2019 before being clarified.

• It’s possible that the UK will leave the EU customs union, in order to be able to negotiate new trade deals with other countries. If it does this, exporting companies will have to fill in paperwork, including Rules of Origin Certificates.
Brexit: What’s less clear regarding Exporting

• This paperwork is unlikely to be more burdensome than paperwork to other non EU markets - most of whom British companies have strong trading relationships.
Brexit: Threats?

• ROOs may have implications for some businesses' ability to export to the EU, if they have low levels of locally added value to their products.

• Exports could become less competitive if duties and tariffs become prohibitive.

• Business Development could be harder with extra regulation around travel, exhibitions and samples.
Brexit: The Strengths / Opportunities

- We are used to travelling and exporting to non-EU destinations
- We still have goods and services that the Europeans need / want to buy
- More favourable trade deals with some of the higher growth, more rewarding markets
- Opportunity to engage with your existing clients
Brexit: The Strengths / Opportunities

• New Government Department for International Trade

• Support for existing Exporters to access new markets

• Support for new Exporters to get started

• Exchange rate means our products are currently cheaper to Europe (and to the USA!)
Brexit: Taking Advantage of Export Opportunities

Apply for export opportunities
Register for events
Export country guides
Expand your business to the UK
Our services
Export Control Organisation
UK Export Finance

30 August 2016 — News story
UK remains number one investment destination in Europe
New FDI figures show the UK had a record number of inward investment projects...

21 July 2016 — Service
Exporting is GREAT
Get live export opportunities and practical support from this new site. The demand is out there - you could be too.

4 August 2016 — Press release
Ministerial portfolios confirmed at Department for International Trade
Brexit: Taking Advantage of Export Opportunities

RIGHT NOW THERE ARE 1832 EXPORT OPPORTUNITIES. FIND YOURS.

THREE STEPS TO BECOMING AN EXPORTER
**New (New/Novice Exporters)**

- Export Essentials
  - Ready for Export (Workshops)
  - Market Research Scheme
  - IP Assessment Scheme
  - Investment & Funding Scheme
  - International Mentoring Scheme
  - Overseas Visit Support
  - Digital Marketing Scheme
  - Grant Funding

**DIT Core**

- Baseline Service
  - Export Savvy
  - Trade Development Support
  - E-Commerce
  - Export Opportunities
  - OMIS
  - High Value Opportunities
  - Events and missions

**New (Experienced Exporters)**

- Extend your Global Reach
  - High Growth Market Support
  - Market readiness & planning
  - Sales & Marketing Strategy
  - Commercial development
  - Risk assessment
  - Market visit preparation
  - Market entry support
  - In-country commercial assistance
New
(New/Novice Exporters)

Export Essentials
Ready for Export (Workshops)
Market Research Scheme
IP Assessment Scheme
Investment & Funding Scheme
International Mentoring Scheme
Overseas Visit Support
Digital Marketing Scheme
Grant Funding
Export Essentials
(For new and novice exporters)
Export Essentials

Focused on new and novice exporters

- International Trade Adviser (up to 24 months)

  ❖ **Ready to Export** - 1 day induction workshop

- Choice of support products

- Eligible to apply for grant

Customised Support

- Mentoring Scheme
- Market Research Scheme
- Intellectual Property Scheme
- International Market Visit Scheme
- Digital Marketing Scheme
- Funding & Investment Scheme
Ready to Export – Induction workshops

1 day workshop

Sessions that explore:

• export success stories (case study based)
• clarifying and setting export goals
• addressing barriers and gaps in knowledge
• identify key areas for business and personal development
• key next steps with an action plan

International Trade Adviser

Ready to Export?
Face to face advice about market research

- Full review of market research needs
- Help on how to effectively use market research
- Facilitate support for market research and advice on market entry and market development strategies
- Free initial desk-based market research and report for selected market
Specialist advice to help navigate complexities of IP protection

- Advice on trade marks, copyright, patents and IP protection overseas
- How to gain competitive advantage with IP - getting the right protection
- Face to face support, review and audit of current and future protection needs
- Detailed report containing advice, recommendations and guidance on appropriate actions to take
One-to-one mentoring for between 6-12 months

- Explore personal and professional challenges
- Develop strategies and goals for positive impact on business development
- Release and develop resourcefulness
- Explore options to consider alternative actions in order to solve problems
Digital Marketing Support Scheme

One-to-one specialist support to gain insight into digital marketing and how to maximise its potential

• Harness the power of digital marketing

• Gain deeper insight by joining a Digital Marketing master class

• Follow up with access to a specialist for one-to-one on how to maximise Digital Marketing
Specialist help to navigate the labyrinth of funding and investment sources

• Help to develop a solid financial footing to implement an export plan
• Attend a Funding and Investment clinic
• Full review of needs with specialist advice on best ways to access funding and investment
Overseas Market Visit Advice

Advice about overseas trade shows, exhibitions and events

- Help to facilitate pre & post-visit support aligned to market research
- Coordinate overseas visit including liaison with DIT post in market, Embassy and OBN
- Facilitate pre and post-market visit briefings
- Assist with planning and travel arrangements
Brexit and Exporting: Summary

• Brexit is coming

• Full effects are not known, and won’t be for a while

• Customers in Europe (and beyond) enjoy British products and services, and in that regard, nothing has changed

• Exporting – both to EU and non-EU – will become ever more important

• There is lots of help, advice and support for companies already exporting, or looking to start
How will Brexit affect access to funding?

Nick Gregory
Investment Specialist
Dorset Growth Hub
Wimborne, 29th September
What are Growth Hubs?

• Growth Hubs are locally based, Government-backed services linked to the National Business Support Helpline. They enable businesses to access local and national business support.

• Wave 2 Growth Hubs: Between September 2013 and June 2015, Lancaster University led a £32 million government programme to boost economic growth in some of England's fastest growing cities.

• These Hubs are collectively set to create more than 4,000 new private sector jobs by 2017 and, to date, have supported over 67,000 small- and-medium sized enterprises. Each Hub created packages of support that ranged from grants and vouchers, to skills development and mentoring, to one on one signposting (or navigating) to the most appropriate support.
The Peer-to-Peer Finance Association welcomes the Financial Conduct Authority’s recently announced post-implementation review of crowdfunding rules as an opportunity to ensure an appropriate balance of regulation between protecting investors and borrowers, without stifling innovation and competition. It is important that consumers are able more easily to differentiate between the various levels of risk in the multitude of alternative finance investments and make informed decisions which reflect their own preferred exposure: for example, an equity-based crowdfunding product for a start-up enterprise carries a very significantly greater level of risk compared with most peer-to-peer lending products. The regulatory regime should reflect these divergent risk profiles.
We would like to acknowledge the generous support received from the UK Crowdfunding Association, the Peer-to-Peer Finance Association and Innovate Finance.

We would like to thank the following platforms for completing the tracking survey.
8 Facts on Alternative Finance

IN 2015 THE MARKET GREW TO £3.2 BILLION

INCREASED MARKET SHARE FOR SMALL BUSINESS LENDING AND START-UP INVESTMENT

BUSINESS LENDING:

12% of the market for lending to small businesses in the UK

START-UP INVESTMENT:

Equity-based crowdfunding is 15.6% of total UK seed and venture-stage equity investment

REAL ESTATE IS TAKING OFF

The combined debt and equity-based funding for real estate amounted to almost £700 million in 2015

IN INVOLVING MORE PEOPLE, PROJECTS AND BUSINESSES IN FUNDING AND FUNDRAISING

NUMBER OF FUNDERS:

1.09 million people invested, donated or lent via online alternative finance platforms in the UK

NUMBER OF FUNDRAISERS:

254,721 individuals, projects, not-for-profits and businesses raised finance via online alternative finance models
THE 2015 UK ALTERNATIVE FINANCE INDUSTRY REPORT

GROWING INSTITUTIONALISATION OF THE MARKET

- 45% of all platforms reported some institutional involvement
- 26% of all P2P business loans in 2015 were funded by institutions
- 32% of all P2P consumer loans in 2015 were funded by institutions

FAST GROWING MODELS:

- DONATION-BASED CROWDFUNDING grew by 507% from £2m in 2014 to £12m in 2015
- EQUITY-BASED CROWDFUNDING is the second fastest growing sector - up by 295% from £64 million raised in 2014 to £332 million (including real estate crowdfunding) in 2015

PLATFORMS ARE HAPPY WITH CURRENT REGULATION

- Peer-to-Peer Lending
  - 95.7% are very satisfied
  - 4.3% are neutral
- Investment-based Crowdfunding
  - 99.4% are very satisfied

RISKS TO GROWTH FRAUD OR MALPRACTICE

- 57% of platforms saw a collapse of one or more of the well-known platforms due to malpractice as a high risk to growth

CYBER SECURITY

- 51% of the surveyed platforms regarded cyber security as a factor that could have a very detrimental effect on the sector
Total UK Online Alternative Finance Raised Between 2013 and 2015

Growth Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>£666m</td>
</tr>
<tr>
<td>2014</td>
<td>£1.74bn</td>
</tr>
<tr>
<td>2015</td>
<td>£3.2bn</td>
</tr>
</tbody>
</table>

Figure 1

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>£623.65m</td>
</tr>
<tr>
<td>Q2</td>
<td>£749.02m</td>
</tr>
<tr>
<td>Q3</td>
<td>£860.62m</td>
</tr>
<tr>
<td>Q4</td>
<td>£965.82m</td>
</tr>
<tr>
<td>Total</td>
<td>£3.2bn</td>
</tr>
</tbody>
</table>

Figure 2


2015 Market Volume by Alternative Finance Model

- Peer-to-Peer Consumer Lending: £909m
- Peer-to-Peer Business Lending: £881m
- Peer-to-Peer Business Lending (Real Estate): £609m
- Invoice Trading: £325m
- Equity-based Crowdfunding: £245m
- Equity-based Crowdfunding (Real Estate): £87m
- Community Shares: £61m
- Reward-based Crowdfunding: £42m
- Pension-led Funding: £23m
- Donation-based Crowdfunding: £12m
- Debt-based Securities: £6.2m
INCREASING SHARE OF THE MARKET FOR BUSINESS FUNDING

**Total Alternative Business Funding in 2015**

- 2014: £1bn
- 2015: £2.2bn

**Total Number of SMEs Funded through Alternative Finance Channels in the UK**

- 2014: 7,000
- 2015: 20,000
What are the business needs

• What type of issues come forward?
  1. Start ups and pre starts funding
  2. 2 years plus established businesses
  3. funding for cash flow
  4. funding for growth
Early stage businesses

• Traditionally friends fools and family.. Also
• Govt start up loans
• Crowdfunding rewards
• Crowdfunding investors
• Card machine or paypal funding
• Angels
• Dorset Funding Cluster
• Open free to acess
• Initial aggregator type menu
• Rangewell
• Funding options
• Then application forms ..placed with potential lenders .
• Best available solution....if not clear ...
• What can be done to get business in shape to get funding
Established businesses

- Most of the fintech businesses require 2 years account although funding circle just relaxing this requirement can be quicker than the bank but issues currently with new regulator and some players losing money eg funding knight margins v small
- Banks not really vey keen although are obliged to give alternatives if the computer says No
- Factoring, single invoice discounting
Question and Answer Session

Please feel free to pose any questions you may have regarding Brexit to our panel of experts.

‘Brexit and Beyond’
September 2016
Thanks for attending
‘Brexit and Beyond’

Breakfast Networking Event
Queen Elizabeth’s School, September 2016