

# CAPITALISING ON EXPORTING OVERSEAS

Operating beyond your domestic market can be a different experience; from culture to currency, competition to regulation. Here are some useful considerations that will help you to export more effectively and minimise the risks of trading overseas.



## WHAT TO CONSIDER

Whether you're new to exporting or you'd like to export more, you'll improve your chances of success by doing some preliminary work first to get your business export-ready.

- ✓ Be realistic and prove that export can be profitable before you make any serious investment.
- ✓ Make sure your domestic business is stable and has the financial capacity to export before pursuing overseas markets.
- ✓ Research who the competitors are, any language issues and explore payment terms.
- ✓ Create an export plan, which will enable you to evaluate the potential benefits and risks. Start with one or two countries that have growth potential and a customer need.
- ✓ Check that your product or service is legally exportable and determine if you will be able to satisfy an increase in demand.



## HOW TO MINIMISE RISKS

All businesses must balance risk with potential reward whenever making decisions. Being aware of all the aspects of exporting is critical when looking to capitalise on new markets.

- ✓ With a variety of regulations surrounding exports, it is important to gain the necessary knowledge on international documentation, import VAT, duty, excise or levies.
- ✓ Decide whether it's best to price your goods or services in the local currency of the country in which you are trading.
- ✓ If you are trading in a foreign currency, you should protect yourself against foreign exchange risk. One way to hedge against exchange rate movements is to arrange a forward foreign exchange contract.
- ✓ Build currency fluctuations into your margins when setting a price. Some currencies are more volatile than others and any movement could have significant consequences for profit margins.

A good resource for businesses who operate overseas or are considering exporting, is the free '[Steps to Exporting Guides](#)' online information service from Enterprise Ireland. In addition, Trade and SME's resources by the [Irish Exporters](#) links Irish exporters and importers to support and business groups both in Ireland and around the world.

For more information on foreign exchange or our export funding solutions, speak to your relationship manager who can help you trade with confidence.

 VISIT [bibbyfinancialservices.ie](http://bibbyfinancialservices.ie)

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