

### **'Exporting – Scotland Must Go Back To The Future'**

Scotland is not the exporting power it was 100 years ago, or even 10 years ago, so it is interesting to reflect upon the recent return to Scotland of whisky left under a hut by Antarctic explorer, Ernest Shackleton, during his 1907-09 expedition. This is being analysed by Whyte & Mackay to rediscover how the spirit was created. A key question for everyone in Scotland is, can we rediscover the spirit of our exporting forefathers which, for example, in Shackleton's era saw 'Clyde built' ships represent 25% of the world's total production?

Currently, following two years of recession, we see headlines like "Scottish economy poised to slide into reverse". Exporting can help combat this, but while we have some successes, particularly in manufacturing assisted by lower exchange rates, too many companies appear unwilling or apprehensive about trying to export or develop new markets. So, how to turn this around?

Firstly, we can learn from others. Talking to Lexwork International colleagues has shown me that Scottish business is lagging behind counterparts in addressing export opportunities. For example, professional services companies in France, Italy, Spain and Germany have not only invested resources into familiarisation with the Chinese and other Asian markets, but many are prepared to send personnel to work for a year in the target economy, creating valuable networking links plus building experience and important trade knowledge. Colleagues in North America report similar investments into developing South American markets. These investments are brave as they are up front and will take some time to recoup, but the will is there to see this through, just like we used to do.

Secondly, the Scottish and UK Governments must play a greater role by delivering sound business growth policies, as called for by departing CBI Director General, Richard Lambert and other agencies.

Take renewable energy policies, which offer Scotland a chance to become not only a significant energy exporter but also a world centre for development of technology and skilled consultants leading to export growth. We need the Scottish and UK Governments to rely less on ambitious green targets, hoping that home grown or inward investment industry development will follow. While green policies and commitments to carbon accounting are fine, politicians really need to focus more on creating an industry friendly environment that encourages investment in local development jobs and successful incubation of renewable energy sector businesses. Speaking with central and local government figures they are now realising there is a real danger of a serious shortfall in skilled people to fill the hoped-for growth of development. It has been recognised that port facilities need to be redeveloped but we also need training facilities now and policies which encourage existing local companies to diversify their training and investment into this sector.

Our competitors already follow this approach. During a discussion at the Canadian Embassy last week it was clear that Canadian provinces, like many European states, tend to lead with an emphasis on home-grown business development/job creation policies rather than green targets, even to the extent of over-riding local planning and permit issues.

Thirdly, self-help needs to underpin our spirit of adventure. Scotland remains a centre for high tech industry and skills, but our innovation is often sold on to foreign investors. Let's develop more export opportunities using these skills. Universities are increasingly moving towards such commercialisation opportunities, and there are openings for entrepreneurial business leaders to share investments in developing export potential. The recent launch of 'Smart Exporter' is a valuable step forward to assist new exporters and there are Business Gateway and other opportunities to learn about the methods of exporting goods and services. These include advice on how to establish sales representatives, branch offices, Internet selling, agents, distributors, and the more significant options of local joint ventures or using SDI incubator centres.

However, in my experience nothing beats getting out there, shaking hands and pushing for sales. Do it with a bit of well-planned research, having identified potential 'buddies' in the relevant market and keeping your eyes and mind open. Often it is about lifting our eyes from the immediate problems on our desks or shop floor, identifying a market and going for it with the right tools.

The Scottish spirit for adventure is still there – people like Scots cyclist Mark Beaumont are a 21<sup>st</sup> century equivalent to Shackleton – but it needs determined actions, not just ambitious targets, from our politicians and business leaders to ensure companies seize development and exporting opportunities.

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