

# Bord Bia's Brexit Barometer 2018



## Small Business Open Day

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22 January 2018

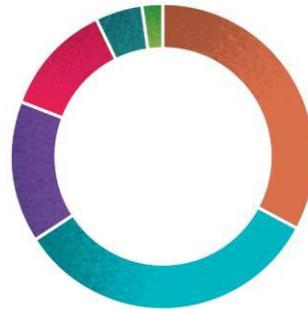


***Bord Bia***  
Irish Food Board

# Irish Food & Drink Exports

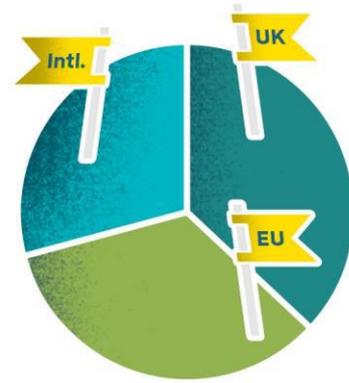


**€12.1bn**  
↓4% in value terms on 2017



Dairy 33%  
Meat and Livestock 33%  
Prepared Foods 15%  
Beverages 12%  
Seafood 5%  
Horticulture and cereals 2%

↓29%  
International markets account for 29% or €3.5bn



↑37%  
37% of Irish food and drink exports are destined for the UK or €4.5bn

↑34%  
Other EU markets account for 34% of exports or €4.2bn



10,000 more people employed in the agri-food industry in 2018 than in 2010



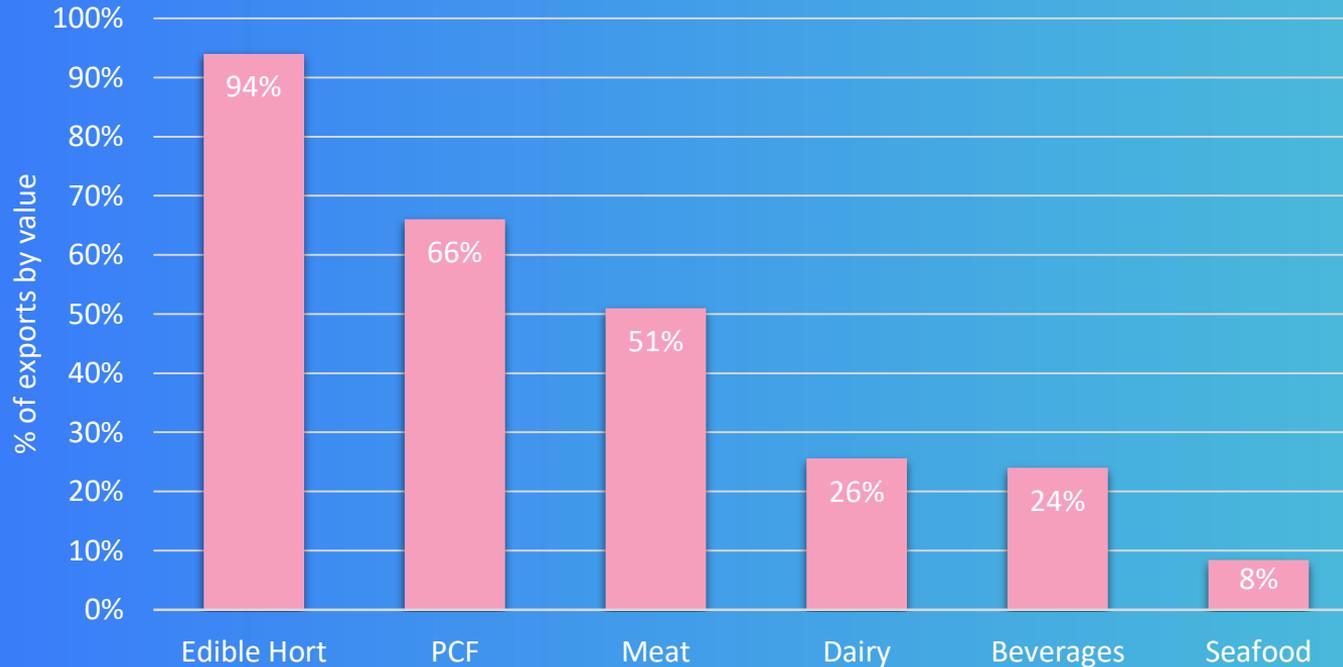
**9th**  
9th consecutive year of export growth in volume terms



**180+**  
Irish food and drink is sold in more than 180 markets worldwide

# Sector dependence on UK as export destination

FY 2018



Source: CSO, Bord Bia estimates



# Brexit Barometer 2018



# Introducing Bord Bia's Brexit Barometer 2018

**117**

Companies  
Participated  
Over **35**  
days

**99-120**

Questions

**6**

Topics

**28**

Sub categories

**1**

Customer  
Relationship

**2**

Supply  
Chain

**3**

Customs &  
Tariffs

**4**

Financial  
Resilience

**5**

Market  
Diversification

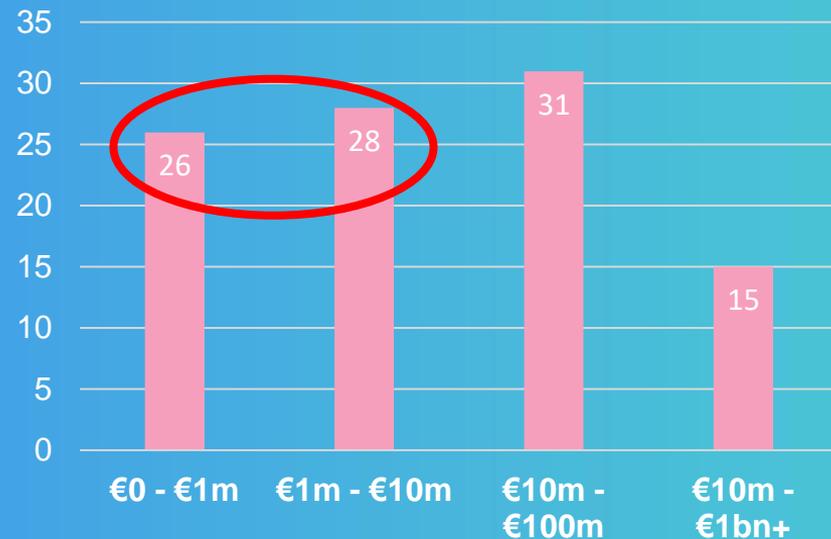
**6**

Emerging  
Risks

## Bord Bia's Brexit Barometer 2018

# Participant Profile

Sector	No of companies	% of total UK exports (estimate)
Dairy & dairy ingredients	10	80
Primary meats	10	40
Prepared Consumer Foods	61	50
Alcoholic beverages	19	10
Seafood	10	17
Horticulture	7	90
<b>Total</b>	<b>117</b>	<b>48</b>



\*The data quoted in this report is based on Bord Bia's Brexit Barometer respondents and not on CSO figures.



# Findings



# Brexit Readiness

What progress have you made in regards to Brexit since March 2017?

**74%**

Have made either clear or some progress to prepare for Brexit

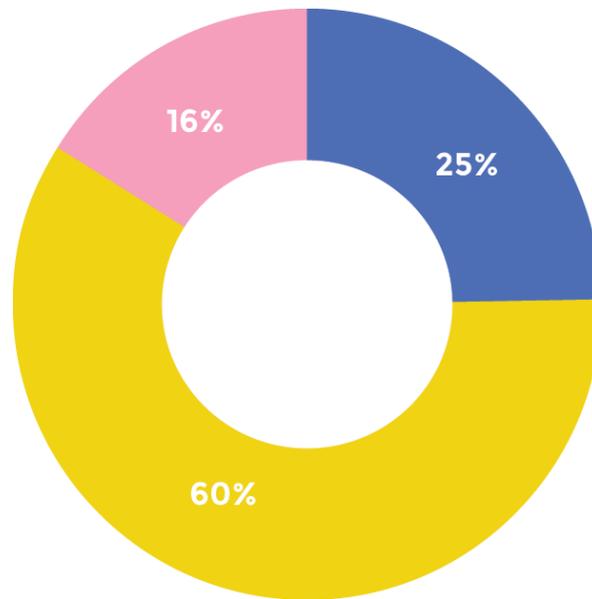


# Brexit Readiness

## The impact of Brexit

Companies who participated in the survey ranged from micro-enterprises with turnover of less than €1m, to the largest companies in the Irish food and drink sector.

- Optimistic
- Uncertain
- Pessimistic



**117 Companies**  
participated over 35 days

## 6 topics:



**Customer Relationships**



**Supply Chain**



**Customs & Tariffs**



**Financial Resilience**



**Market Diversification**



**Emerging Risks**

## 3 Reports:



## The Results:

**74%**

have made either clear or some progress to prepare for Brexit

**85%**

have met key UK customers in the past 12 months

**80%**

of respondents believe they continue to have opportunities to increase sales to the UK

**62%**

have mapped their supply chains to identify possible delays, costs or customs challenges arising from Brexit

**73%**

are either highly or moderately confident in managing customs processes

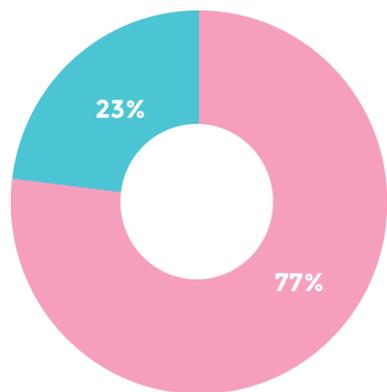
**77%**

have identified risk & exposure to currency fluctuations as a result of Brexit

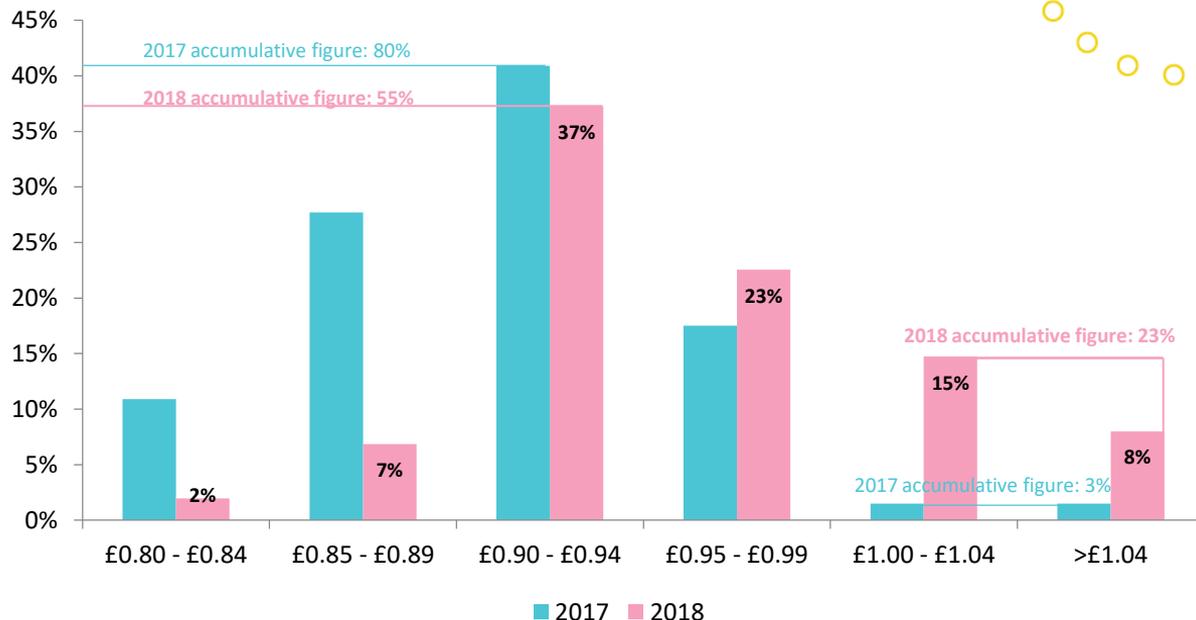
**85%**

are actively seeking to expand business into new markets

Has your company identified its risk and exposure to currency fluctuations as a result of Brexit?

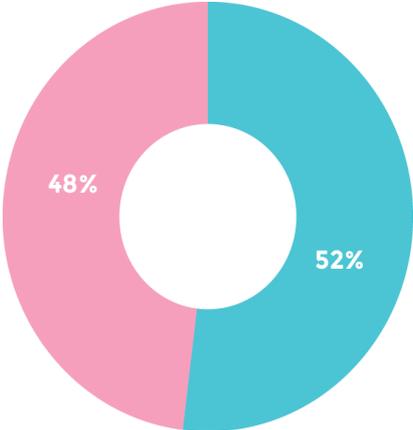


Yes No



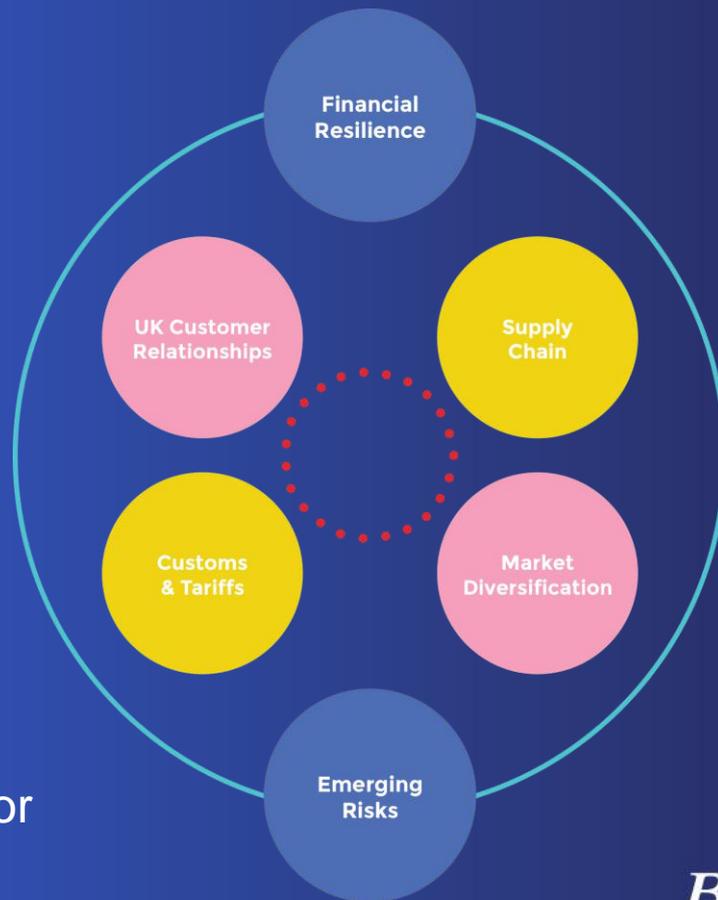
At what level of Sterling would your business begin to have severe difficulties, even if all other factors (tariffs, other customs' requirements, etc.) were to remain as they currently are?

# Do you have a hedging strategy in place?



# Key Brexit Issues

Facing the Irish food and drinks sector



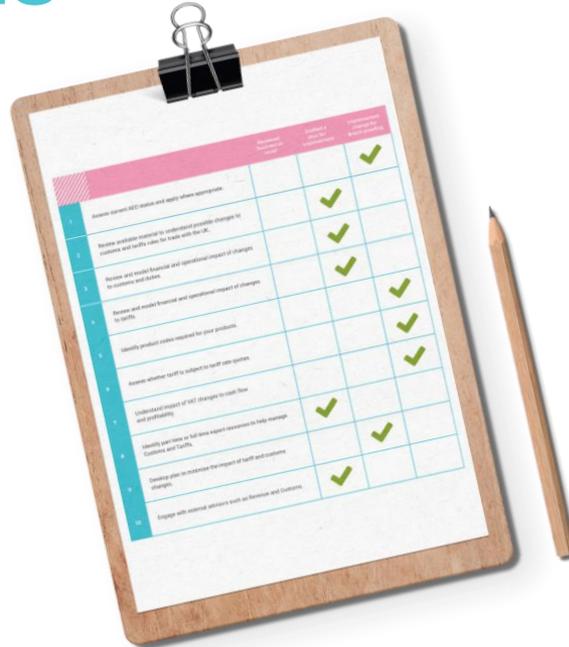


# Responding to the results



# Recommendations and Brexit Plan Template

- Practical steps
- Flags supports
- Template for a Brexit plan



## UK Customer Relationships

1. Initiate a Brexit conversation
2. Develop a tailored marketing strategy
3. Take proactive measures to manage customer
4. Better understand market position



## Supply Chain

1. Supply chain mapping
2. Key supplier resilience
3. Shelf life and lead time
4. Reducing supply chain costs
5. Contingency stockholding
6. Landbridge



## Customs & Tariffs

1. Improve understanding of official customs requirements
2. Improve position regarding cost implications of customs
3. Prepare yourself for impact to VAT and taxes
4. How to become an Importer of Record
5. Better understand Product Tariff Classifications
6. Assess whether supply chain partners are registered under Trusted under Trusted Trader/Authorised Economic Operator schemes



## Financial Resilience

1. Understand the impact of currency exposures
2. Hedging
3. Reduce business costs
4. Financial measures to consider



## Market Diversification

1. Expand into new geographies
2. Expand knowledge of market growth
3. Market entry considerations



# Responding to Brexit challenges

## Bord Bia's Brexit Barometer 2018



### SKILLS



### INSIGHTS



# Responding to Brexit challenges

## BUILDING DIFFERENTIATION, WINNING GROWTH



# Thank You!

[www.BordBia.ie/Brexit](http://www.BordBia.ie/Brexit)

