

EXPORT ATLAS

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1. SUMMARY OF GOOD PRACTICE

▪ **Overview & Aims**

With support from Dutch export agencies, the Netherlands already has a successful export drive. Set up in 2005 to complement existing activity, the Export Atlas programme focussed on SMEs operating in the Agriculture, Food, Environment and Water processing sector, providing them with a unique 'clustering' opportunity to export into Eastern European countries not targeted in previous initiatives and viewed as having trade potential.

On their own, smaller SMEs with export potential do not have the critical mass to set up independent export networks, resulting in missed opportunities, sales and growth potential from growing Eastern European markets. Clustered with other companies they do achieve this critical mass.

Lacking both the knowledge of export markets and how to go about exporting, the programme provided an opportunity for 25 smaller SMEs to utilise their export potential and overcome barriers to export.

▪ **Key Resources**

- **Key Partners**

Business Development Friesland (BDF) The programme lead, BDF operates within a large international network of companies, intermediaries, local governments and knowledge institutes, developing initiatives aimed at expanding trade opportunities; putting SMEs in contact with the right contact across the world.

Provinsje Fryslan – the regional authority representing economic interests in the province.

- **Funding & SME Contribution.**

The Atlas programme generated a total investment of €2M with €1.35M raised from Banks, Sponsors and Accountants and around 40% of the investment (€650,000) funded by participating SMEs. Participating SMEs could also access grants from the fund for external research in addition to the technical support provided by the programme.

▪ **Eligibility Criteria**

Participating companies were required to be:

- Registered with the Chamber of Commerce and founded at least 5 years beforehand;
- Have a legally established Head office in one of the northern Provinces of the Netherlands; Fryslân, Groningen or Drenthe

- Active in the agrofood, water technology or energy sector
- Have limited experience of exporting and the desire to increase their export activities.

▪ **Terms & Conditions**

The main condition was evidence of the company's commitment to the programme; that they understood the programme would take a lot of effort and a lot of their time and they were prepared to spend time, energy and some budget to gain the benefits.

2. IMPLEMENTATION

- Focusing export efforts on target markets in countries considered to have the most Agri-Food potential; the Ukraine, Serbia, Bulgaria, Romania, Turkey, Croatia and the Baltic States, participating SMEs had access to four key areas of technical expertise and support throughout the three year programme:

- ✓ Access to a knowledge network of 8 'on the ground' Atlas Business Ambassadors in East European countries, people originating from the region, now residing and working with their own business in the target countries. Representing and acting as eyes and ears for the 25 SMEs involved in the programme.
- ✓ Experienced exporters selected from regional i.e. internal knowledge networks, providing help and coaching on a range of practical issues from help with improving their internal sales process though to their activity on the international market.
- ✓ Access to external consultancy services and experts in addition to Friesland BD support.
- ✓ The opportunity to meet and develop their network and export business interests with likeminded companies. Membership of the World Trade Centre Network.

▪ **Key Stats Results to Date**

The overall target was improvement of export opportunities in Eastern European countries

KEY MEASURE	2011
Applications Submitted	100
Applications Accepted	25* (max nos allowed)
Funding Granted to SMEs	€10,000 (max per SME) €250,000 in total
Funding Invested by SMEs	Co-investment of € 15.000 per SME.
Additional income generated (first 3 years)	€13M
Additional income generated (after 3 years)	€2M per year to date
Jobs Created	65 Direct/38 Indirect Jobs

Export Atlas has now attracted interest from other SMEs who have now joined the scheme. Generating an additional export turnover of €2M all 25 companies participating in the Atlas project are continuing their export programme, 18 of them exporting to Eastern Europe countries originally targeted.

Although local export coaches were not used as much as expected the key success factors were:

- ✓ The permanent presence of people (Atlas Business Ambassadors) from the Friesland region in the target countries provides SMEs with a trusted point of contact person, easy to communicate with and who fulfilled the role of local agent for the Dutch companies involved.
- ✓ The opportunity for joint presentations of SMEs at exhibition fairs in Latvia, Romania, Ukraine, Serbia etc. viewed as a very positive experience for SMEs. Collaborating together provided them with the ability and organisational capacity to occupy a large exhibition space and speak to a lot of potential clients.

3. KEY LEARNING POINTS & OPPORTUNITIES

The quality of the Business Agents in target countries is very important. The most important aspect of the programme was building trust by selecting good agents and representatives fluent in the language, in the right location, familiar with the local ways of doing business. They need to have the right contacts/networks and act as your ambassadors.

Legacy benefits arising from the project included:

- ✓ An established network of Atlas Business Ambassadors.
- ✓ Ongoing contact and development of business opportunities between Atlas Business Agents and 25 SMEs completing the programme who have remained in touch beyond the end of the programme.
- ✓ Greater improvement in cooperation between local SMEs as a result of the joint efforts of all the representatives involved in the project.

The opening of three offices 'Fryslân House' in Amsterdam, Riga Latvia & New York shared by Friesian companies exporting to Latvia, Russia and America. Originally set up with public funds, running and staff costs are shared by the companies involved and offices manned by a permanent member of staff/agent providing a cost effective and sustainable international presence, with facilities to work and host clients etc.

▪ Transferability

The principles and methodology set up for Export Atlas and Fryslân House have proven to be sustainable beyond the initial set up stage. The system of having agents from regions that live and work in the target country and represent a group of exporting SMEs could be replicated and implemented in other regions.

FURTHER INFORMATION:

You Tube link <http://www.youtube.com/watch?v=Wldxcx6lkXk>
 Export Atlas project www.exportatlas.nl
 Business Development Friesland (BDF) - <http://www.bdfriesland.nl/>
 Fryslân House, Riga - www.fryslanhouse.com