

Niche companies going global

By Bernard Molloy, global industrial logistics director at Unipart Logistics

The world is becoming a smaller place and in 2013, nowhere will this be more evident than in manufacturing.

Manufacturing has gone global. But this is not globalisation in the sense of simply outsourcing the fabrication of goods to distant places where wages may be lower than in the West. The whole notion of the way products are designed and made has entered a new and exciting era, where networks of niche players collaborate and work together across widely dispersed geographies. Products may now be designed in one location, built in another and assembled from components sourced from anywhere in the world.

These are some of the ideas and observations of one of the leading writers on contemporary manufacturing, Peter Marsh – a journalist for the Financial Times. His new book 'The New Industrial Revolution: Consumers, Globalisation and the End of Mass Production' describes how Western economies are learning to love manufacturing again by leveraging the expertise, skills and design excellence found in abundance in niche manufacturing firms. Using new technologies and global supply networks, niche enterprises are able to operate on a global scale by connecting with partners in other parts of the world to create new and unique products.

Interestingly, he explains, it is commonplace for companies with particular skills and expertise to develop in close proximity to each other, creating clusters of niche companies. Remarkably, in Poole, UK, there are two of the world's largest makers of air spindles - highly specialised devices that use bearings formed of gas molecules and which are used in small electric motors. These companies are exploiting their niche skills on a global basis.

Another phenomenon he eloquently describes is how we have moved from low-volume customisation to high-volume customisation, and how we are now entering an era of 'mass personalisation'. This new phase in manufacturing offers the ability to produce not far off unique products, made to precise personal requirements, and done so on a large scale. Such a paradigm shift in the way we manufacture places a heavy emphasis on the creative structure and 'knowledge based' operating capabilities of the supply chain (network).

Clearly, there is a tremendous opportunity for niche companies to project themselves onto a developing world stage of manufacturing. But the key will be in developing supply chains that are aligned to a more networked way of working. These supply networks will have to be agile, flexible and easily connected to new partner organisations



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as opportunity prescribes – but critically, they will have to be capable of meeting needs on a global basis.

However, niche manufacturers looking to move beyond domestic markets need not be constrained by a lack of global supply chain infrastructure, IT capability or the expertise required to effect the movement of products between partner sites. These supply networks exist already.

Unipart Logistics has a large global footprint established over recent years through managing the distribution and fulfilment of manufactured goods, parts, repairs and returns for a growing number of industry sectors - including retail, technology, consumer products, automotive and defence. We have the ability to serve other markets from a single distribution centre, thus creating multi-market hub capabilities.

As an example of our expertise and reach, our automotive division manages the global aftermarket and support for Jaguar Land Rover (JLR) - one of the world's most successful and iconic automotive brands. Over the last 20 years Unipart Logistics has worked with JLR to provide a full automotive parts service - including sourcing, storing, processing and despatch of parts from 17 distribution centres across the globe to over 850 Jaguar dealers in more than 60 countries. Our teams provide dedicated customer service, procurement, pricing, parts marketing and finance support, to ensure that the right part is in the right place at the right time, 24 hours a day, seven days a week.

Partnering with a logistics service provider that has an existing global footprint of multi-user sites and has the knowledge to bring collaborating enterprises closer together, gives any niche company a global footprint of their own and a capability to do business were business takes them.

TRADING BETWEEN THE UK AND CANADA

By the British Library's entrepreneur in residence, Stephen Fear

Trading with countries outside the EU can present a number of challenges to businesses due to the long distances and the differences in language, law and business culture. Nevertheless, it can also offer a wide range of opportunities for growing businesses.

Many people talk about the 'special relationship' between the UK and United States of America. However, as the second largest country in the world and increasing presence as a global trade power, Canada presents many exciting trading opportunities to businesses looking to grow through importing and exporting.

Due to their similarities in language, law and political system, Britain remains one of Canada's largest investors and its primary European trading partner with some British companies already established in the country. Canada's reputation as one of the richest and highly developed countries means that it is a very attractive trading prospect.

Canada has a long history of trade with the US and of course they share the world's longest land border, but the trading relationship between UK and Canada is going from strength to strength. The Bank of England even appointed Canadian Mark Carney as its Governor, which will only further our links to this major commonwealth nation. Furthermore, in 2012, Canada and the UK signed a Memorandum of Understanding on diplomatic cooperation, which promotes the co-location of embassies, the joint provision of consular services, and common crisis response, which again shows the very special relationship that continues to thrive between these two nations.

British businesses can find a diverse range of trading opportunities in Canada as the country's main natural resources include petroleum, natural gas, metals and minerals, fish, forests and wildlife. Meanwhile, UK imports to Canada currently include automobiles, energy and power, creative and media technology, healthcare technology, pharmaceuticals and durable consumer goods.

Despite the fact that there are fewer economic and cultural barriers for trading in Canada, there are still some business and cultural differences that need to be taken into account. For example, a quarter of Canada is French-Canadian meaning that it is essentially bi-lingual and can mean that labelling of products should reflect this.

Many SMEs do not have resources or time to take advantage of overseas markets, and will welcome an approach from someone based in an overseas territory willing to sell their products into the market there.

Whilst international trade is an exciting opportunity for companies looking to grow, it is also a complex process. There are many aspects that need to be considered that would not normally affect trading within the UK; for instance, dealing with customs, foreign government authorities and international carriers. It is also essential that companies familiarise themselves with the business practices, customs, currencies and cultures of the respective countries they are looking to trade with.

As previously mentioned, the UK and Canada have a very special trade relationship but for any business seriously wishing to grow, they need to tread carefully and educate themselves properly before taking any financial risk in overseas markets.

DON'T GET LOST IN TRANSLATION

By Geoffrey Bowden, general secretary of The Association of Translation Companies

When looking to export, businesses should ensure that translation forms a key part of their marketing strategy. Without it, the strategy is doomed to failure.

As a recent British Chambers of Commerce report highlights, UK plc suffers from an embarrassing language deficit when compared to our international competitors. So it should be no surprise to discover that many of the country's exporters place translation way down their list of priorities, have it as a hastily added after-thought, or not at all.

Communicating in the language of your target market should be an essential part of the marketing strategy. Having none, or opting for poor quality translation will undermine the success of company's export plans and cause long-term damage to the business.

This might seem like stating the obvious, but when developing your marketing strategy it is critical to find out what language is spoken in the

target market. Some regions are multilingual, e.g. Belgium, Switzerland, Canada, etc. Although widely understood, English is not really acceptable in any market where English is not the native language, and it can be considered a discourtesy to hand over marketing materials which have not been translated for a local audience.

Additional translation factors also need to be considered as, particularly in Asian markets, straight translation can lead to misunderstanding within your target customer base. For some words, there is no straight translation, therefore an alternative descriptor must be agreed that reflects your product adequately.

A professional translation company working with your marketing strategists and played in early into the planning process will not only be able to save you a huge amount of time further down the line, they will be able to provide you with cultural insights to ensure that the concepts you wish to use will work in

different markets. A flying pig might be suitable in European markets, but would be totally misplaced and inappropriate in Arab countries.

Assuming the market is considered appropriate enough, a strategy for globalising company communications should be put in place. This will include the website, sales literature and brochures. Even if your marketing campaign includes television, cinema and new media advertising, a good translation company should be able to provide you with a complete voice-over service in addition to written translations.

When it comes to concise communications, investing in a translation company will pay off in the long run. Businesses should take the time check out a range of companies. High prices don't guarantee high quality, but you should also be wary of excessively low prices. Request several quotes from a number of language service providers to get an idea of the

ballpark cost of having your material translated. If one of the quotes is much less than the others, then it's possible that corners may have been cut somewhere and they should be treated with caution.

Prices can still vary between the other service providers you shortlist, as can quality. You may be able to request a free 'test translation' which should help inform your choice. Bear in mind that project management, proofreading and technology services are key to the translation process too – so ensure that whatever quote you receive includes all of the above.

Be realistic with your costs too. You can't put a price on professionalism and bargain basement translations may actually be harmful to your business.

It is important that businesses employ a translation company whose professional outlook matches their own. It is necessary that companies have reassurance that its chosen translation company will add value to its exporting efforts, not just



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producing word for word translations, but being creative with marketing messages to ensure the translation sounds completely natural to a native speaker and uses local colour which will interest a reader and appear to be pieces of original text written in the target language.