



Grow Abroad

Conference

A Report



THE FUTURE OF FDI

This was the subtext of Conway Events' latest production in London, held on 27 and 28 October 2015. Grow Abroad was a two day event exploring the potential to be unlocked by smaller businesses that dare to expand in international markets.

The first day was aimed squarely at smaller businesses themselves though attended also by intermediaries and government agencies interested in helping them on their way. The second day was designed for the public bodies charged with attracting foreign investors and provided invaluable advice and tools for targeting SMEs in overseas markets.

PROBLEM SOLVING

The conference itself was divided into three sections: problem solving, location suggestions and case studies. The problem solvers were specialist providers of assistance to small companies: Safeguard World International endorsing the safety and cost-effectiveness of outsourcing international payroll, Smart Currency explaining how to minimise the cost of foreign exchange transactions, THP on what to look out for in labour law in different jurisdictions, the Intellectual Property Office on what to take into consideration whilst protecting your assets and Geniac demonstrating the logic and sense of using low-cost administration tools to manage the back office of your business whilst you concentrate on growing it.

Among other gems, we learned that it takes 8 years to register a patent in Brazil. This first panel was ably moderated by Grant Thornton, whose aim is to be the 'go to' advisor for growth.



JULIE MEYER

Julie Meyer of Ariadne Capital and First Tuesday fame joined the conference after a break and gave us her partial vision of a future in which small businesses will become ever more adept at challenging the established order. Her premise is that business-to-business relationships will cease to resemble those we know nowadays. Instead they will be replaced by a business-to-consumer-to-business model. She paid homage to Carlota Perez for her work on economic cycles and made an excellent case for the study of history.

REAL BUSINESS PROPOSITIONS

Julie then joined the members of the first panel and they discussed several of the business propositions presented by attendees. A translation and localisation agency, a software developer with an energy-efficiency product and an origami puppet manufacturer engaged in lively, at times heated, debate with the panel and other members of the audience regarding their plans and, regardless of their firmly held convictions, undoubtedly received very valuable advice.

LOCATIONS

After lunch, the location showcase disproved any fears about graveyard slots. The UK, USA Germany, Hong Kong and UAE were ably represented and an extremely helpful and entertaining conversation evolved. At least one sceptical SME was probably moved to investigate the opportunities lying in wait at Dubai 2020 as a result of the impartial promotion provided by Santander.



THE FUTURE FORTUNE 500s

Finally, we heard from four companies that have achieved what every small business in the room aspires to: growth through overseas expansion. With humility and humour, they confessed their errors and urged the audience to avoid making the same ones by taking advantage of the experts in the room. Mistakes ranged from an over-hasty choice of partner in India to imposing HQ operating procedures on a very different local business culture. But two threads were strongest: the ability to let go of the non-core business - such as the back office - and the importance of listening to and taking guidance from others.

FDI TRAINING

Wednesday 28 October was dedicated to training investment promotion agency staff in the particular techniques necessary for attracting smaller businesses to their location.

A WORLD OVERVIEW

Tim Carnegie of CBRE provided an excellent snapshot of the worldwide movement of FDI from small and mid-sized companies. Though they account for just 5% of projects at present, in many cases their market value is substantially higher than that of their traditional counterparts. Tim cited the example of WeWork, only five years old and operating in just 17 cities but already valued at \$10bn – three times the market capitalisation of Regus, with its 25 year track record, 2,300 offices and 8,700 employees in over 100 countries. Tim's conclusion was that we should be keeping an eye on today's minnows as their growth can be sudden and explosive. Joe Phillips of All Out Location echoed much of what Tim had reported as he explored the agencies around the world that were doing something specific for SMEs. Though there are not many that have yet put plans into action his message was clear: this is a group that it would be unwise to ignore as large corporate projects become smaller and scarcer.



AFTERCARE AND BEST PRACTICE

David Parker of Oxford Intelligence stressed the value of Aftercare and provided many examples of best practice techniques from the Invest HK 'walk of fame' to clever use of LinkedIn. Last before lunch, we heard from three seasoned practitioners, David Crook, Karena Vaughan and Robert Hurley, representing Australia, Northern Ireland and the UK respectively. They talked about the scale of their operations, how they helped SMEs and what, in their experience, the special requirements of a smaller business tend to be. Hand holding and soft landings seemed to be the most highly prized support, with specific reference made to legal assistance and partner search.

MARKETING AND SOCIAL MEDIA

After lunch, Sanam Lou of the Brand Brewery provided an energetic look at the best ways of marketing to small businesses. Her session sparked a lively debate about nation branding that included an examination of the links between tourism and fdi. Immediately following Sanam, David Parker was back to talk specifically about using social media for targeting and reaching this smaller group. He provided invaluable examples of when and how to use LinkedIn, Twitter, Facebook, Instagram, Vine and others.



THE ORACLE ACADEMY

The last speaker was Jane Richardson of Oracle Academy who described the company's constant and growing need for relevant staff. Her dearest wish is to partner with governments throughout EMEA and APAC in order to provide their current and future schoolchildren with the tools and teaching that Oracle and other employers will need them to have when they enter the workforce.

ORACLE ACADEMY

THE FUTURE OF FDI

On this positive note, the two days of attention to FDI's minority protagonists concluded. But it was clear that this 5% really is up and coming. And fast. Not only do they include the Future Fortune 500; they are the future of FDI.



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