

ILLUMINATING EXPORTS

CASE STUDY: LINEAR GUIDANCE ILLUMINATION

In the six years since it was founded, illumination manufacturer LGI has picked up customers around Europe and is now looking to break into new markets.



FAST FACTS

COMPANY: LINEAR GUIDANCE ILLUMINATION (LGI)

COUNTRY: UK

INDUSTRY: FIRE, POLICE & SECURITY; DEFENCE

WEBSITE: WWW.LINEARGI.CO.UK

Linear Guidance Illumination (LGI) develops and manufactures flexible lighting products that are now used by emergency services, militaries, construction services and the oil and gas sector. The Wiltshire-based company was founded in 2003, and now exports its lighting products to Spain, France, Germany, Holland, Denmark and Argentina.

LGI's hottest sellers include its Waysafe system, a 5mm cable that emits a blue/green light along its length. The cable is highly visible at night and is popular with emergency services and the military.

"We knew when we started that we would have to look abroad for customers," says John King, Director of LGI. "The UK market alone was not sufficient to sustain the level of work we required to keep our business moving forward. We have been lucky that we have had a

relatively easy time exporting and have found many customers abroad who are excited about our products and who keep coming back."

INITIAL EFFORTS

Several months after its founding, LGI targeted Spain, Holland, Belgium and Australia as the first overseas markets in which to sell its goods. The company worked hard to find distributors by researching local agents on the internet. It began selling its products overseas through distributors not long after.

LGI found success in Spain and Holland and now counts these two markets as its most successful. However, its efforts in Belgium and Australia were not as fruitful. The company decided to end its contracts with its distributors in those countries for a lack of sales in 2007.

"Like any young company, we made mistakes in our early days," says John. "Our need to export and the excitement that went along with it led us to work with distributors that were not up to our high standards. We have since learned from the experience and are now far more careful about the people and agents we employ to work on our behalf."

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VALUABLE ASSISTANCE

In 2004, LGI received a call from UK Trade & Investment, which had heard about the company's efforts to export. LGI was open to exporting guidance and soon after met with an international trade adviser who advised the company on the range of export programmes that UK Trade & Investment offers to help SMEs.

LGI decided to join UK Trade & Investment's Passport to Export programme, which offers new and experienced exporters guidance, support and training. Through Passport to Export, the company attended a number of trade shows where it was introduced to valuable clients. The scheme helped LGI continue its success in the Spanish market, and the company stayed with the programme for three years.

"Without the help of UK Trade & Investment we would have been much slower getting our export business off the ground," says John. "UK Trade & Investment's contacts and advice have helped us achieve success around Europe. With their help we have been able to successfully market our unique product and find reliable distributors, which has made entering new markets easier than we expected."



NEW MARKETS

Having found success in Europe, LGI is now looking to expand into new markets in the Southern Hemisphere. It has recently commissioned an Overseas Market Introduction Service (OMIS) report to find new distribution partners in Australia and South Africa.

In Argentina, the company recently attended a UK Trade & Investment sponsored event where it was introduced to its current distributor. LGI is also considering expanding into Italy, and it plans to turn to UK Trade & Investment for help and advice finding local partners there as well.

"We have been working closely with UK Trade & Investment to be sure that they are clear on the information we want from the OMIS report," says John. "Our growth overseas has been steady although somewhat slower than we initially wanted. We have now found a formula that works and are confident that we will see continued success abroad. I would advise any company considering exporting overseas to talk to UK Trade & Investment first, as they can save you time, money and a lot of effort."

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THE UK AND SPAIN

The UK is Spain's fifth largest supplier, and in 2008 exports of goods were valued at £9.9 million. The UK is also the second largest foreign investor in Spain and there are around 700 UK companies in Spain.

Spain is a highly developed, competitive market. Almost anything sold in the UK is likely to sell well in Spain, and there are many opportunities for British exporters across a range of sectors. Approximately 16.2 million British tourists visit Spain each year, and over 350,000 Britons now live in Spain. As registration is no longer compulsory, there may actually be about 700,000 British citizens living there.

