



Kim Hayward is a Partner at BDO and is also a Leader of the important Panel Discussion on 8.7.29 “The UK is the second biggest exporter in the world - of services. DISCUSS.!”

Kim sees the human interactivity element in export development as vital and asks this crucial question. *“More recently, knowledge is also coming through data that can be gathered remotely, and service organisations, working with the data and intelligent algorithms, can deliver hugely valuable projects very easily from a modest business infrastructure in the UK. Does this represent an enormous opportunity for the UK service sector? If it does, are we doing enough to promote, encourage and support it?”*

It is interesting that whenever the word “exports” i.e. mentioned or read, the natural assumption is that we are talking about the export of goods, products we sell to the grateful consumers overseas, be it Rolls Royce cars in the Middle East or Scotch Whiskey in Manhattan. It may also come as a surprise to many to learn that **exports of services accounted for 47% of all the UK exports in 2019**, and also that about 60% of all services exported went outside the EU. Why might this be; why is this not an area that gets a greater focus?

If the relative value of the services we export as a nation is not well understood, it is likely that the understanding of where, and more importantly why, we do successfully export our services to is also not widely understood. In this paper we seek to use some of the government’s statistics to drill a little deeper into this as a means to engender debate as to where there might be further opportunities for the export of our services.

In many ways, services are much harder to define and compartmentalise than goods. Some leap out as being obvious, such as Financial Services or the Legal profession, but other are quite obscure especially when they are typically associated with sectors that comprise some aspects of goods and products, such as Life Science/Pharmaceuticals, or SaaS [software as a service]. Indeed, many UK manufacturers not only make their goods, but they service them too.

It will also be useful to understand the specific issues within the export of services, that differ from the export of goods, to be able to explore them further and consider whether further support ought to be made available to service companies wishing to export by both the government and private sector. This will include understanding how services are typically sold abroad and delivered overseas. Delivery has typically been through experienced and knowledgeable people, but from where? Here in the UK, or in territory? More recently, knowledge is also coming through data that can be gathered remotely, and service Organisations working with the data and intelligent algorithms can deliver hugely valuable projects very easily from a modest business infrastructure in the UK. Does this represent an enormous opportunity for the UK service sector? If it does, are we doing enough to promote, encourage and support it?

We hope that this paper, and the Panel Discussion and debate on 8 July, will start to flush out many more issues relevant to the theme of helping the UK maximise its potential from the service sector in the new emerging world, which is expected to accelerate post the pandemic, that we can all learn from.



Read more about Kim Hayward below and also at

<https://www.devonshirehousenetwork.co.uk/08-07-20-panel-discussion-the-uk-is-the-second-biggest-exporter-in-the-world-of-services/>

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