



SCARBROUGH

QUESTION/ANSWER FORUM: DOING BUSINESS WITH THE UNITED KINGDOM





THE SCARBROUGH GROUP

Freight Forwarding &
U.S. Customs Brokerage



1984

NVOCC Operations &
Consolidation Services



2003

Freight Forwarding &
Mexico Customs Brokerage



2015

1988



Regional Asset-Based Trucks

2014



North American Truck Brokerage

2018



Customs & Supply Chain Consulting



ABOUT THE SPEAKERS



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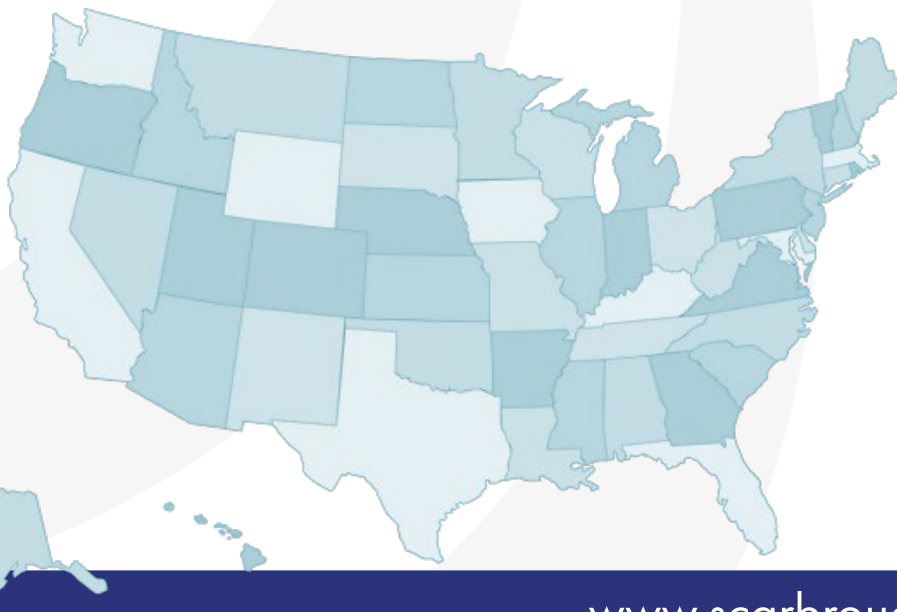
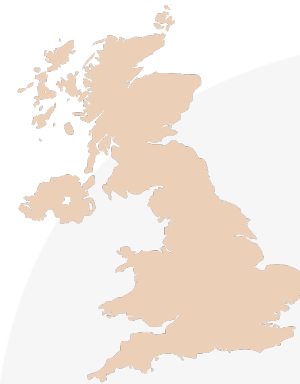


US – UK CONSOLIDATION PROGRAMS

U.S. Import Ocean Consol

Liverpool – New York
Cut off Friday, Sails Monday, arrives in 9 days

London – Charleston
Cut off Monday, Sails Tuesday, arrives in 10 days



U.S. Export Ocean Consol

Chicago - Montreal - London
Cut off Thursday, Sails Friday, arrives in 10 days

U.S. Export Air Consol

Chicago (ORD) - London (LHR)
Cut off Friday @ Noon,
Uplifts Saturday, Arrives Sunday



ABOUT THE UNITED KINGDOM

- 5th Largest export economy in the world
- 3rd largest economy in the EU (following Germany & France)
- Population: 65,648,100
- GDP per Capita: \$44,300 (2017)
(USA = \$57,400; EU = \$39,200)
- GDP Growth rate: 1.7% (2017)
(USA = 1.6%)
- Unemployment: 4.4 % (Dec 2017)
- Inflation: 2.7 % (2017)
- Exports = USD 441.2 Billion (2017)
- Imports = USD 615.9 Billion (2017)



<https://www.cia.gov/library/publications/the-world-factbook/geos/uk.html>



UNITED KINGDOM TRADE

- **Top Export Countries:**

- The United States (13.2%)
- Germany (10.5%)
- France (7.4%)
- The Netherlands (6.2%)
- Ireland (5.6%)
- China (4.8%)
- Switzerland (4.5%)

- **Top Import Countries:**

- Germany (13.7%)
- The United States (9.5%)
- China (9.3%)
- The Netherlands (8%)
- France (5.4%)
- Belgium (5%)

- **Top Exports:**

- Manufactured goods
- Fuel
- Chemicals
- Food
- Beverages
- tobacco

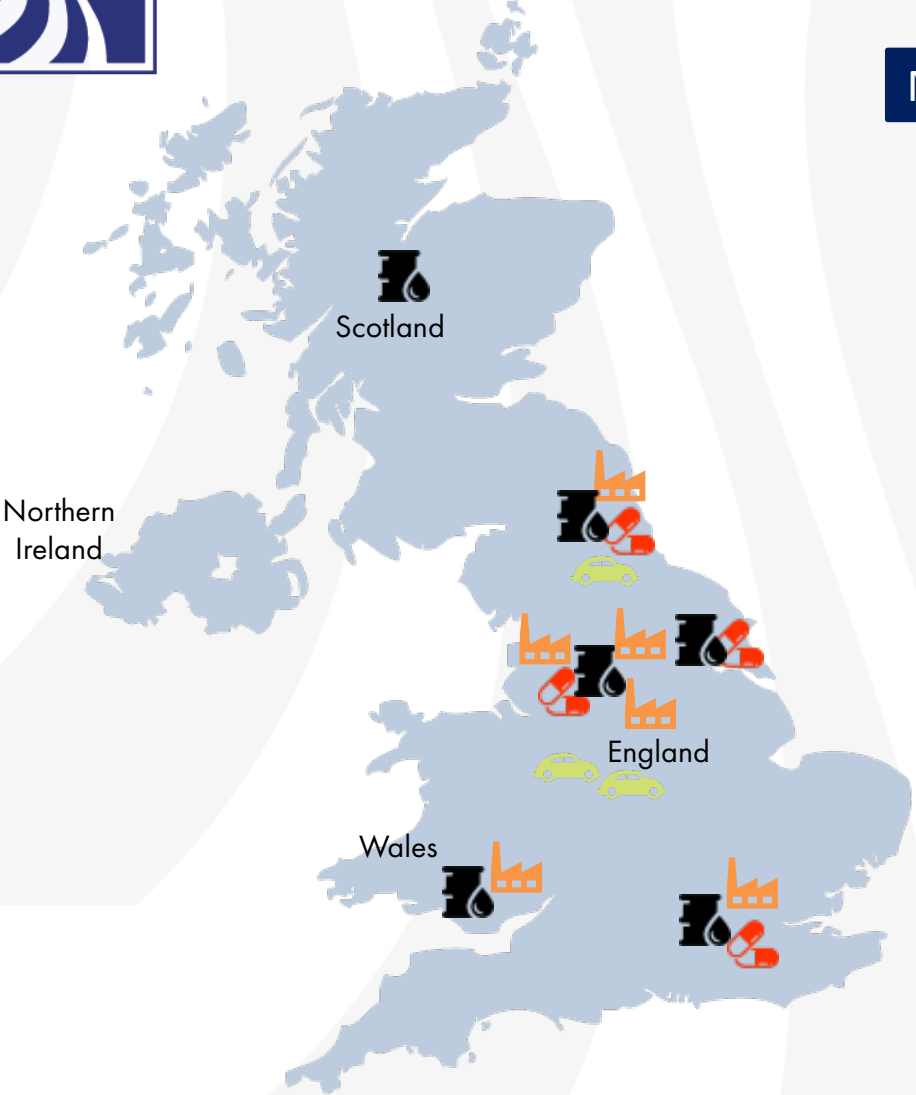
- **Top Imports:**

- Machinery and computers
- Vehicles
- Food stuffs
- Manufactured goods
- Pharmaceuticals



INDUSTRY SECTORS BY REGION

Main Business Sectors





TOP PORTS IN UK



- **Ocean Cargo Ports:**

- Felixstowe
- Southampton
- London Gateway
- Liverpool
- Grangemouth
- Belfast

- **Air Cargo Ports:**

- London Heathrow
- Birmingham
- Manchester
- Newcastle
- Glasgow
- Belfast



E-COMMERCE

- In The United Kingdom 16.4% of all retail sales came from the internet which amasses to € 15.6 billion (\$ 18.6 Billion) in 2017.
- Top Purchases
 - Clothes, Sports goods
 - Household Goods
- Social Media
- Amazon UK
- Fulfillment Opportunities





UK CULTURE

- Greetings
 - Handshake for ladies or gents is perfectly fine
- Timing and Scheduling
 - Most UK companies are working between 9am & 5pm
 - 1 hour lunch is taken at some point between 12pm & 2pm
- Body Language
 - Friendly
- Corporate Culture
 - Professional & honest
- Language and Communications
 - English





UK CULTURE

- What to wear

- Day to day business meeting: trousers, jacket & shirt
- More formal meeting: add a tie
- Out of office hours/ typical meeting at a British Pub: jeans, t-shirt and sneakers.



- Meals and Meetings

- Rare these days for staff at many manufacturing companies to find the time for a lunch meeting, normally I would plan a 30 to 60 minute meeting between 9:30 am – 2:00pm



- Business Relationships

- Relaxed & Friendly





UK TRADE

- Trade agreements all through EU
- BREXIT
- Authorised Economic Operator
 - AEO status is an internationally recognised quality mark that shows your:
 - role in the international supply chain is secure
 - customs controls and procedures are efficient and meet EU standards
 - It's not mandatory, but gives quicker access to some simplified customs procedures and, in some cases, the right to 'fast-track' your shipments through some customs and safety and security procedures.





VAT TAX

A **value-added tax (VAT)**, known in some countries as a goods and services **tax (GST)**, is a type of **tax** that is assessed incrementally, based on the increase in value of a product or service at each stage of production or distribution.

UK Import Tax

- VAT is paid by the Consignee in the UK at a rate of 20%.
- UK VAT registered companies are able to re-claim their VAT from the UK Government.



If during the course of any 12 months, your 'taxable supplies' exceed the VAT registration threshold, you are legally obliged to register for VAT. The VAT registration threshold is set at £85,000 for the 2017-18 tax year (and will not change for two years from 1 April 2018). 'Taxable supplies' are anything that is subject to VAT. So, if your turnover of taxable supplies exceeds £85,000, or if you know that it will, you must register.

<https://www.gov.uk/government/organisations/hm-revenue-customs>



Popular Incoterms©
 to ship from
 USA to UK

	Any Transport Mode		Sea/Inland Waterway Transport				Any Transport Mode				
	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAT	DAP	DDP
Charges/ Fees	<i>Ex Works</i>	<i>Free Carrier</i>	<i>Free Alongside Ship</i>	<i>Free on Board</i>	<i>Cost & Freight</i>	<i>Cost Insurance Freight</i>	<i>Carriage Paid To</i>	<i>Carriage Insurance Paid To</i>	<i>Delivered at Terminal</i>	<i>Delivered at Place</i>	<i>Delivered Duty Paid</i>
Packaging	Buyer or Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading Charges	Buyer	Seller*	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Delivery to Port/Place	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Export Duty & Taxes	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Origin Terminal Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on Carriage	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage Charges	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Insurance	**	**	**	**	**	Seller	**	Seller	**	**	**
Destination Terminal Charges	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Delivery to Destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller
Import Duty & Taxes	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller

*Seller is responsible for loading charges, if the terms state FCA at seller's facility. **Negotiable between buyer and seller



Popular Incoterms©
 to ship to
 USA from UK

	Any Transport Mode		Sea/Inland Waterway Transport				Any Transport Mode				
	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAT	DAP	DDP
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Packaging	Buyer or Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading Charges	Buyer	Seller*	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Delivery to Port/Place	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Export Duty & Taxes	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Origin Terminal Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on Carriage	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Carriage Charges	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Insurance	**	**	**	**	**	Seller	**	Seller	**	**	**
Destination Terminal Charges	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Delivery to Destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller
Import Duty & Taxes	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller

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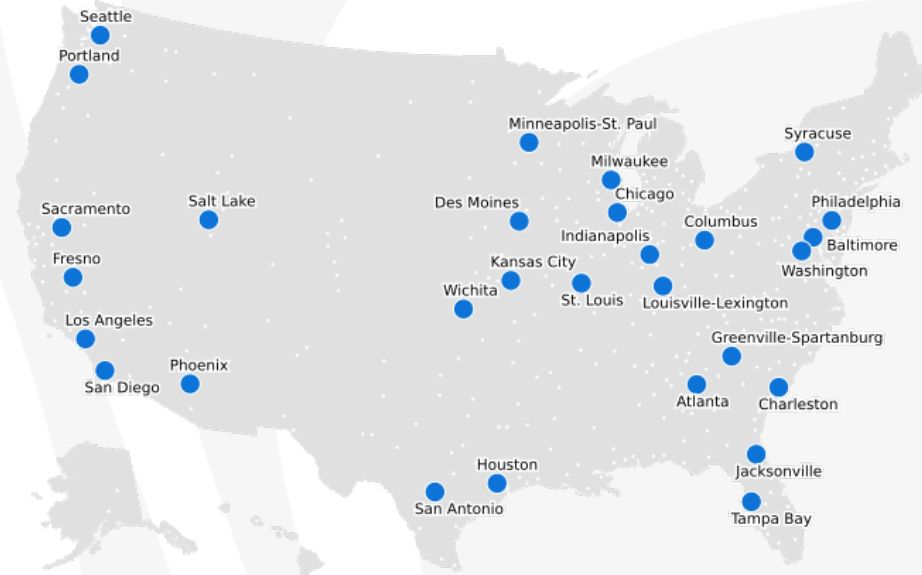
RESOURCES

[British Chamber of Commerce \(UK Exporters\)](#)

[Trade Shows](#)

[Export.Gov Commercial Guide to UK](#)

[Bureau of Industry and Security](#)



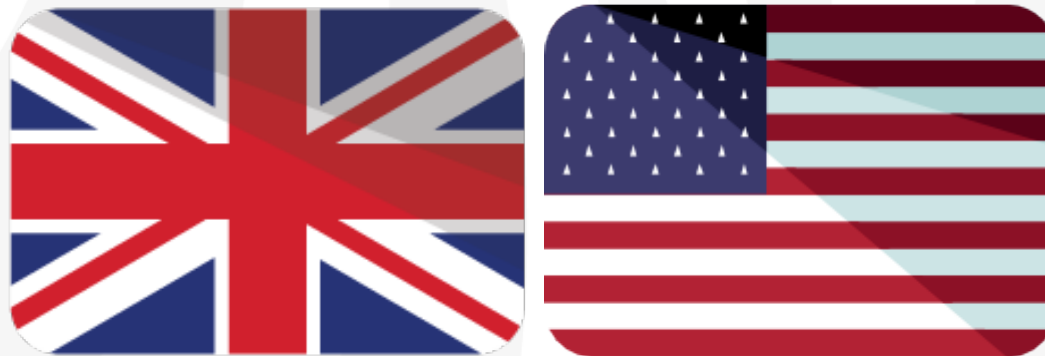
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[U.S. Commercial Service](#)

[Global Cities Initiative](#)



QUESTIONS:
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