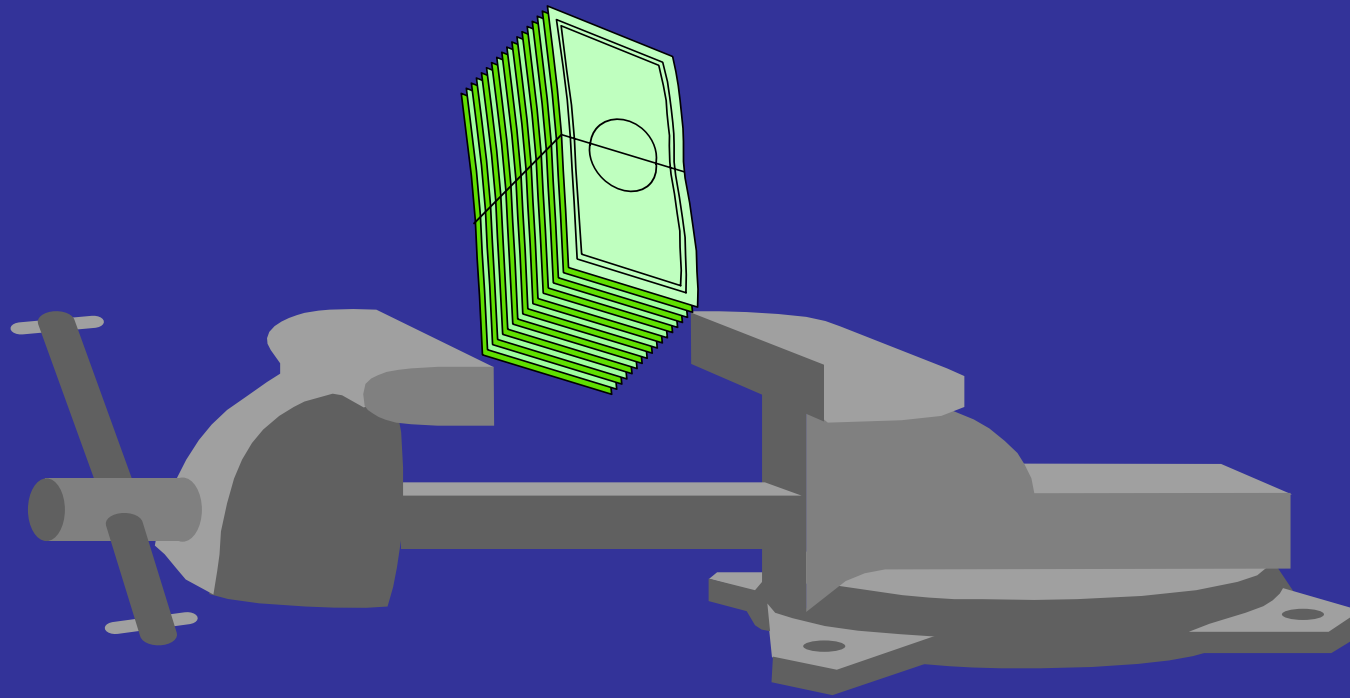




International
Trade Club

The Credit Crunch



Ed Murphy



Overview of the current problem -

- **High interest rates for overdrafts and loans**
- **2-3 years of UK very weak demand/recession**
- **Many other countries in a similar situation**
- **Order decline from the UK and such countries**
- **International competition will rapidly increase**
- **Aerospace and defence industries may be ok**
- **Automotive, other engineering, retailing hit most**
- **Cost push inflation, profit squeeze, price incr.**²



When the going gets tough - The tough get going !

- **Re-evaluate sales strategies and target markets**
- **The Pound is weak – good news for exporters !**
- **More export activity to oil producing countries**
- **More market research, new markets/penetration**
- **More training to raise international skills**
- **Work agents harder, are agreements in place ?**
- **Quote v enquiries but negotiate annual orders !**
- **Reduce or hold costs – squeeze suppliers !**
- **Negotiate longer payment terms to suppliers !**
- **Talk to Club members, the Chamber, the Bank**



**Review
Sales
Strategy**

**Reduce
Company
costs**

**More
Market
Research**

**Train to
Increase
skills**

**Work
Representation
Harder**

**Maximise
Cash Flow**



Hot Market Information –

- **Bahrain**
- **Saudi Arabia**
- **United Arab Emirates**
- **Norway**

Ed Murphy

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