

DOING BUSINESS ABROAD

MUCH MORE THAN SUN, SAND AND SANGRIA

Spain's sea borders on the Atlantic and the Mediterranean, make it an ideal location for UIK business.

The Spanish market is open to overseas companies and there are no specific restrictions. British companies continue to manufacture in Spain in a variety of industries such as food, chemicals and automotive components. Investments have also diversified widely, with a strong British presence in the retail, invisibles and service sectors, particularly for property (Britain is the second largest overseas investor in Spanish property).

The Spanish economy (with a population of 43m) has grown substantially over the past 25 years. Economic growth is higher than the European average, and is forecast to continue. Increased standards of living have seen raised consumer expectations. So there is a high demand for consumer goods and services, which make Spain an attractive market for UK companies.

If your product or service is selling well in the UK domestic market and you are interested in expanding your business by exporting to mainland Europe, Spain, with careful research and a professional approach, can yield good results.

Who should you send to negotiate? This will depend to a great extent on the nature of your business. However, the Spanish do like to deal with someone with whom they can build up mutual respect. Good interpersonal skills are therefore important. Language aptitude is highly desirable. It may be a better option to engage a Spanish national.

There are various EU and Spanish government grants and other regional incentive schemes to encourage investments in particular industries.

Every prudent business carries out market research and evaluation before attempting to break into a market. Acquiring knowledge of local laws, regulations and trading practices is an important element in order to obviate potential risk.

Fruhbeck Abogados lawyers of Madrid, Barcelona, Gerona, Marbella, Majorca, Gran Canaria and Cuba work closely with Temple & Co Commercial Solicitors in Daventry, in assisting UK businesses in the Spanish market.

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