

UNDER STRICT EMBARGO UNTIL 00.01 ON MONDAY 7 AUGUST

**InterTradeIreland Business Monitor reveals local companies not taking advantage of stable environment to plan for potential Brexit impacts**

* After 12 months, still only two per cent of all companies and three per cent of exporting companies have a Brexit plan
* 34 per cent of exporters have experienced a negative impact due to Brexit
* 77 per cent of exporters report that uncertainty makes it difficult to plan
* 76 per cent of companies report Brexit has had a neutral effect on their business to date
* 56 per cent report they are stable – the highest since Business Monitor began recording business stability and growth in 2011
* 82 per cent of firms working close to or at full capacity

The latest quarterly (April - June 2017) InterTradeIreland Business Monitor Report, shows that, despite the UK voting to leave the EU 12 months ago, the proportion of companies with a plan in place to deal with the potential outcomes of Brexit has remained static at 2 per cent.

Alarmingly, this figure only increases to three per cent for those exporting despite 34 per cent stating that they have already experienced a negative impact due to Brexit. To date the impending Brexit has had minimal impact on businesses with the vast majority (76 per cent) reporting that it has been neutral.

Exporting business claim that the lack of clarity around Brexit is stalling planning efforts with more than three quarters (77 per cent) reporting that uncertainty makes it difficult to plan. However, firms are now starting to seek more guidance on Brexit matters with more than a third of businesses with cross-border sales (36 per cent) saying they would welcome additional one-to-one support and a quarter of exporters (24 per cent) wanting additional information on tariffs or licensing (25 per cent).

56 per cent of firms are reporting they are stable, the highest figure since the Quarterly Business Monitor started to ask businesses about their stability and growth in 2011. Coupled with the fact that 82 per cent of firms across the island are working at close to capacity, the Business Monitor reveals remarkable steadiness in the economy with few signs yet of direct negative impacts from the prevailing uncertainty, despite concerns around Brexit.

Further signs of solidity are evident despite an intensely competitive economy with companies which trade cross-border experiencing growth in both employment numbers (17 per cent of firms) and sales (50 per cent of firms). This may provide a firm foundation as companies move into potentially challenging times.

Aidan Gough, Strategy and Policy Director at InterTradeIreland, said:  “The stability experienced in the last quarter is encouraging and it’s essential that firms take advantage of this to plan their next steps. A steady environment can provide ‘thinking time’ and it’s important businesses use this opportunity to begin to research, compile and initiate plans that will ensure they remain resilient beyond Brexit.

“InterTradeIreland has now launched a Brexit Advisory Service where potential and current cross-border businesses can receive one-to-one Brexit advice and we want to encourage as many firms as possible to take advantage of our insights and expertise. InterTradeIreland is in a unique influencing and information-gathering position, working with governments on both sides of the border, using our extensive knowledge to advocate on behalf of SMEs. As a result of this, we have tailored our Brexit Advisory Service to offer key advice to local organisations. This includes 100% financial support up to £2000 towards expert advice in relation to specific issues such as movement of labour, goods, services and currency management.

“Our message is clear: while we recognise the pressures facing small businesses, particularly as owners can be focussed on the here-and-now, there is, nevertheless, a window of opportunity. This must now be grasped to prepare for the challenges and indeed the opportunities that will be presented by any new cross-border trade arrangements which may emerge over the coming years. Every firm operating on a cross-border basis, or with ambitions to grow, should plan, act and engage today – this is the key to ongoing stability and success.”

A copy of the 2017 Q2 InterTradeIreland Business Monitor Executive Summary can be viewed at: <http://www.intertradeireland.com/researchandpublications/business_monitor/>

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**Notes to the Editor:**

InterTradeIreland’s quarterly Business Monitor survey is the largest and most comprehensive business survey on the island and is based on the views of more than 750 business managers across Northern Ireland and Ireland since 2008. The Business Monitor differs from other surveys in that it is seen to be the ‘voice of local businesses’ feeding directly from telephone interviews conducted with firms of all sizes from across a range of sectors to track all-island economic indicators such as sales, employment, business outlook and other specific topical research areas on a quarter by quarter basis.

**Business Monitor Infographics : Attached**

Attached to this press release is an infographic highlighting key findings from the Business Monitor Report for use and reference where applicable.