



HM Revenue
& Customs

Coverage:
United Kingdom

Theme:
Business and Energy

Released:
24 November 2016

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UK trade in goods statistics by business characteristics 2015

Experimental Official Statistics

Summary

- In 2015, there were 143,000 exporting businesses in the UK, with a total employee count of 9.6 million. This is compared with 219,000 importing businesses in the UK with a total employee count of 12.4 million.
- Over half of UK businesses engaged in international trade in goods are at least ten years old (58 per cent of exporters and 53 per cent of importers, excluding those where age is unknown). These businesses contribute the majority of UK international trade in goods.
- Compared with 2014, the number of employees per exporting business has decreased by 3 per cent and the number of employees per importing business has decreased by 4 per cent.

Introduction

HMRC has linked the Overseas Trade Statistics (OTS) trade in goods data with the Office for National Statistics (ONS) business statistics sourced from the Inter-Departmental Business Register (IDBR). Whereas the OTS shows the values and volumes of goods being traded by product and country, this release provides information about the types of businesses that are trading those goods. This report focuses on trade by industry group, age of business and size of business (number of employees). In addition, you can download Microsoft Excel spreadsheets with more detailed information.

This publication is for 2015 data, with 2014 data included for ease of comparison. The 2014 data has not been recalculated to account for revisions to the OTS and is identical to that published last year on 12 November 2015¹. This means care should be taken when making direct comparisons between 2014 and 2015. This is due to the experimental nature of these statistics and resource constraints.

Currently these statistics are labelled as experimental. The reasons for this are:

- to allow this new publication to incorporate new methodology which is subject to change;
- to allow external users to provide feedback on the publication so that enhancements can be made to future releases.

For more information and guidance on the use of experimental statistics, please visit the [Guide to Experimental Statistics](#) on the ONS website.

We welcome feedback on the content and presentation of these statistics. If you have any comments, please send them to:

uktradeinfo@hmrc.gsi.gov.uk

¹ [UK Trade in Goods by Business Characteristics - Experimental Statistics](#)

Methodology Update

1. Due to changes in the OTS methodology from January 2014, non-monetary gold is now included in all OTS data from 2005. It is therefore present in both the 2015 and 2014 datasets compared here².

For more information on this methodology change, see the [Inclusion of non-monetary gold in the OTS](#) publication.

2. This release contains an expanded list of partner countries for which data is available. For details see the Annex in the final section of this report.
3. This release contains improvements to the methodology used in categorising EU trade in crude oil and gas. This has resulted in a larger proportion of the 2015 trade being assigned to the 'Unknown' categories for employee size and age group (see Annex for further details).

² The linked publication [UK Trade in Goods by Business Characteristics 2009 to 2012](#) that was published in November 2013 does not contain non-monetary gold. Users should be cautious when making comparisons between this dataset and the 2014 or 2015 datasets.

Analysis

Industry Group

Table 1: Total value of UK trade by industry group

Industry Group	£ millions			
	Exports		Imports	
	2014	2015	2014	2015
Group 1 Agriculture and Food	16,080	15,178	19,223	18,388
Group 2 Mining, Petroleum products & Waste	25,352	17,836	31,772	23,226
Group 3 Chemicals	13,755	13,564	10,048	9,467
Group 4 Pharmaceuticals	7,950	10,025	3,343	3,154
Group 5 Electronic and Electrical equipment	17,662	17,912	13,056	13,696
Group 6 Machinery and equipment n.e.s	17,406	15,935	9,462	8,153
Group 7 Motor vehicles & transport equipment ³	27,039	26,510	24,827	24,912
Group 8 Aerospace and related machinery	17,085	20,341	8,022	8,821
Group 9 Other manufacturing	15,415	14,788	13,683	12,631
Group 10 Services	140,687	141,520	279,400	282,126
Unknown	11,455	11,160	7,180	6,459
Total	309,887	304,768	420,015	411,033

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data published 24 Nov 2016.

3. Group 7 excludes aerospace.

4. Industry Group 10 Services includes only trade in goods carried out by businesses in the Services Industry.

Figure 1: Percentage change in UK trade value between 2014 and 2015, by industry group

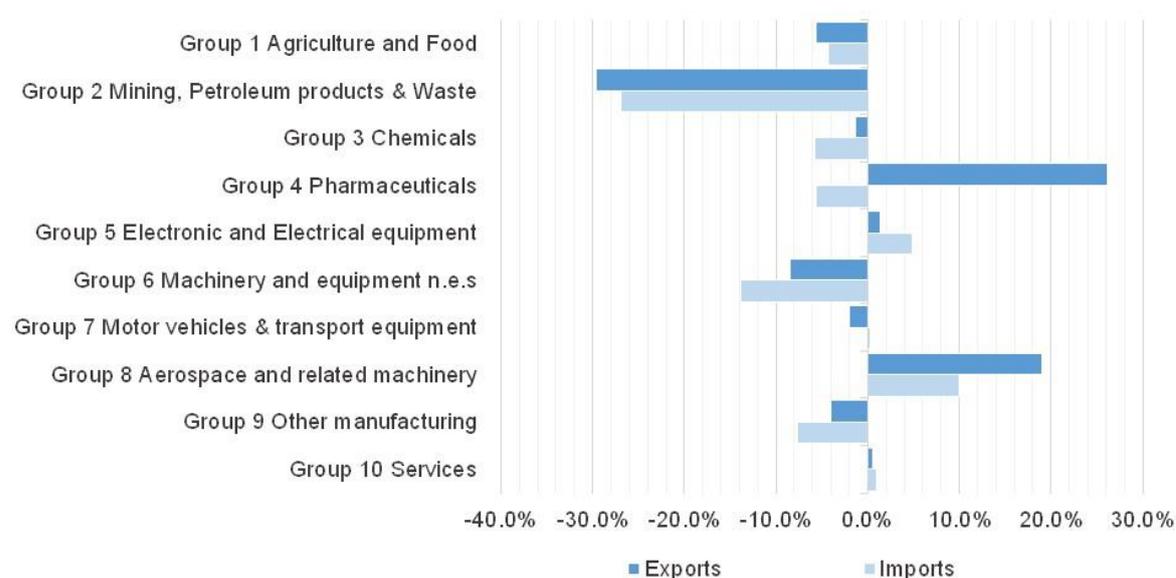


Table 1 and figure 1 show that the value of imports and exports declined for the majority of industry groups between 2014 and 2015. Excluding the Unknown group:

- ↑ Four groups show growth in export value (4. Pharmaceuticals, 5. Electronic and electrical equipment, 8. Aerospace and 10. Services).
- ↓ Six groups show a decrease in export value (1. Agriculture, 2. Mining & petroleum, 3. Chemicals, 6. Machinery & equipment, 7. Motor vehicles and 9. Other manufacturing).
- ↑ Four groups show growth in import value (5. Electronic and electrical equipment, 7. Motor vehicles and 8. Aerospace and 10. Services).
- ↓ Six groups show a decrease in import value (1. Agriculture, 2. Mining & petroleum, 3. Chemicals, 4. Pharmaceuticals, 6. Machinery & equipment and 9. Other manufacturing).
- ↑ Notable rises: Aerospace saw large increases of 19 per cent in exports and 10 per cent in imports. Exports from the Pharmaceuticals group increased by 26 per cent.
- ↓ Notable falls: The Mining & Petroleum industry saw a 30 per cent fall in exports and a 27 per cent fall in imports. For the Machinery and equipment industry there was an 8 per cent decrease in exports and a 14 per cent decrease in imports.

Table 2: Business count by industry group

Industry Group	Number of businesses			
	Exports		Imports	
	2014	2015	2014	2015
Group 1 Agriculture and Food	6,828	6,847	10,989	11,637
Group 2 Mining, Petroleum products & Waste	1,657	1,700	1,958	2,067
Group 3 Chemicals	1,461	1,491	1,399	1,464
Group 4 Pharmaceuticals	216	222	242	269
Group 5 Electronic and Electrical equipment	4,151	4,107	4,201	4,289
Group 6 Machinery and equipment n.e.s	3,435	3,391	3,263	3,323
Group 7 Motor vehicles & transport equipment ³	1,331	1,298	1,331	1,370
Group 8 Aerospace and related machinery	170	185	186	196
Group 9 Other manufacturing	13,086	13,073	13,443	13,799
Group 10 Services	104,706	105,074	158,132	164,572
Unknown	5,874	5,970	15,006	16,316
Total	142,915	143,358	210,150	219,302

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data published 24 Nov 2016.

3. Group 7 excludes aerospace.

4. Industry Group 10 Services includes only businesses in the Services Industry that are trading in goods.

Figure 2: Percentage change in business count between 2014 and 2015, by industry group

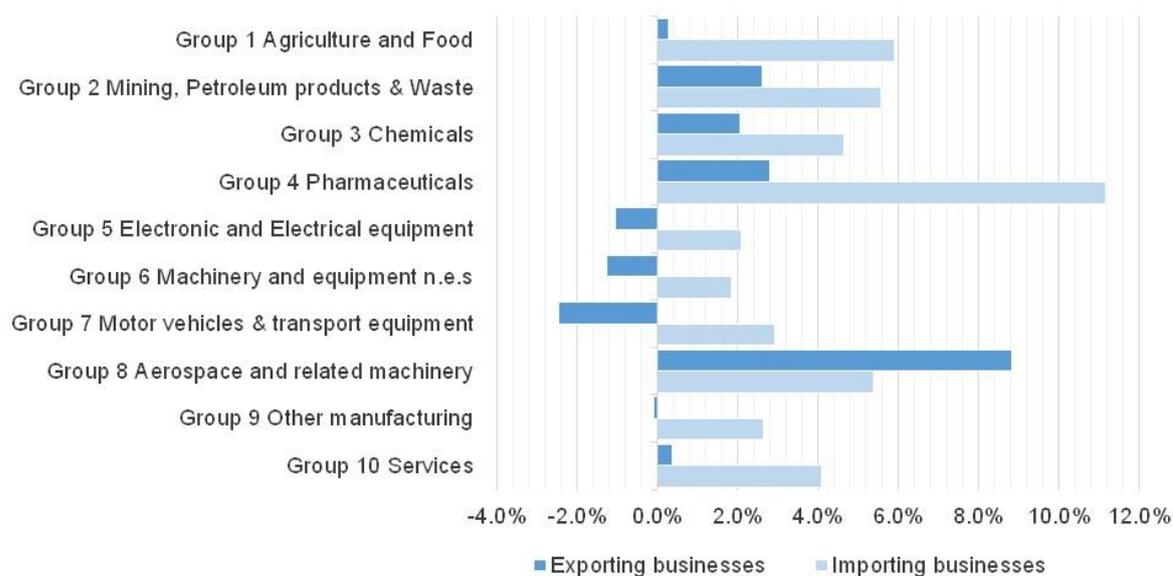


Table 2 and figure 2 show that the number of exporting businesses was largely unchanged between 2014 and 2015, whilst the number of importing businesses increased for all industry groups. In particular:

- ↑ For the Aerospace industry, the number of exporting businesses rose by 9 per cent, while the number of importing businesses rose by 5 per cent.
- ↑ The number of importing businesses in the Agriculture and Food group rose by 6 per cent.
- ↓ The largest percentage decrease in exporting businesses was for the Motor vehicles industry (down 2 per cent).

Table 3: Employee count for businesses by industry group

Industry Group	Number of employees			
	Exports		Imports	
	2014	2015	2014	2015
Group 1 Agriculture and Food	482,584	484,666	551,435	558,104
Group 2 Mining, Petroleum products & Waste	305,820	303,902	346,487	347,613
Group 3 Chemicals	91,071	107,612	90,753	108,389
Group 4 Pharmaceuticals	48,290	45,032	48,989	45,504
Group 5 Electronic and Electrical equipment	177,850	182,886	179,600	184,406
Group 6 Machinery and equipment n.e.s	169,231	162,293	166,810	162,717
Group 7 Motor vehicles & transport equipment ⁴	145,805	152,582	147,841	155,321
Group 8 Aerospace and related machinery	95,767	96,262	95,743	96,202
Group 9 Other manufacturing	485,125	492,744	500,856	514,513
Group 10 Services	7,777,499	7,525,464	10,167,730	10,181,897
Unknown
Total	9,779,042	9,553,443	12,296,244	12,354,666

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data as published 24 Nov 2016.

3. Totals exclude the Unknown category.

4. Group 7 excludes aerospace

5. Industry Group 10 Services includes only employees of businesses in the Services industry that are trading in goods.

Figure 3: Percentage change in employee count between 2014 and 2015, by industry group

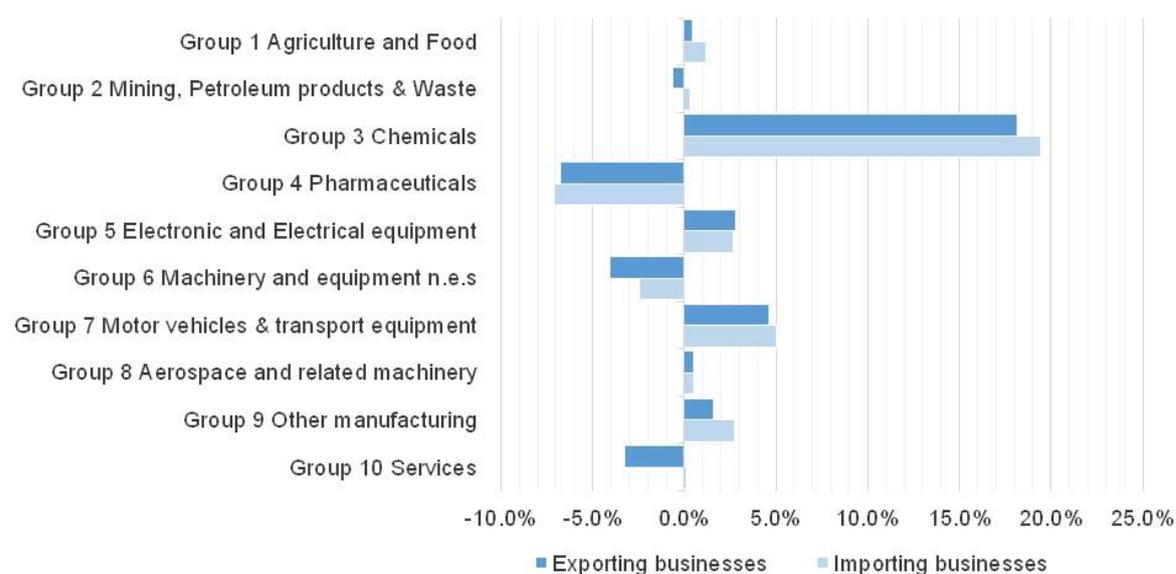


Table 3 and figure 3 show that the majority of industry groups have seen a small increase in the number of people they employ. However, at the total level, while imports follows this trend, exporting industries have seen a net decrease in the number of employees. This has been heavily impacted by a sizeable decrease within the Services Industry³.

- ↑ The largest percentage increase was in employees within the Chemicals industry group (up 18 per cent for exporting businesses and 19 per cent for importing businesses).
- ↓ The largest percentage decrease was in employees within the Pharmaceuticals industry group (down 7 per cent for both exporting and importing businesses). This was at odds with the increase in the numbers of businesses importing and exporting within this industry group (see table 2).
- ↓ The largest actual decrease in the number of employees was seen in exporting businesses within the Services Industry³; this has fallen from 7.8 million employees to 7.5 million.

³ Industry Group 10 Services includes only the number of employees employed by businesses in the Services industry that are trading in goods. See annex for further information.

Age Group

Table 4: Total value of UK trade by age of business

Age (years)	£ millions			
	Exports		Imports	
	2014	2015	2014	2015
0 to 1	6,427	5,820	12,350	15,381
2 to 3	13,313	8,125	15,678	20,435
4 to 5	16,424	19,237	14,963	21,748
6 to 9	39,891	38,488	44,330	41,095
10 to 20	68,894	65,344	96,063	89,915
20 +	149,573	145,434	220,371	208,908
Unknown	15,365	22,321	16,259	13,551
Total	309,887	304,768	420,015	411,033

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data as published 24 Nov 2016.

Figure 4: Percentage change in UK trade value between 2014 and 2015, by age of business

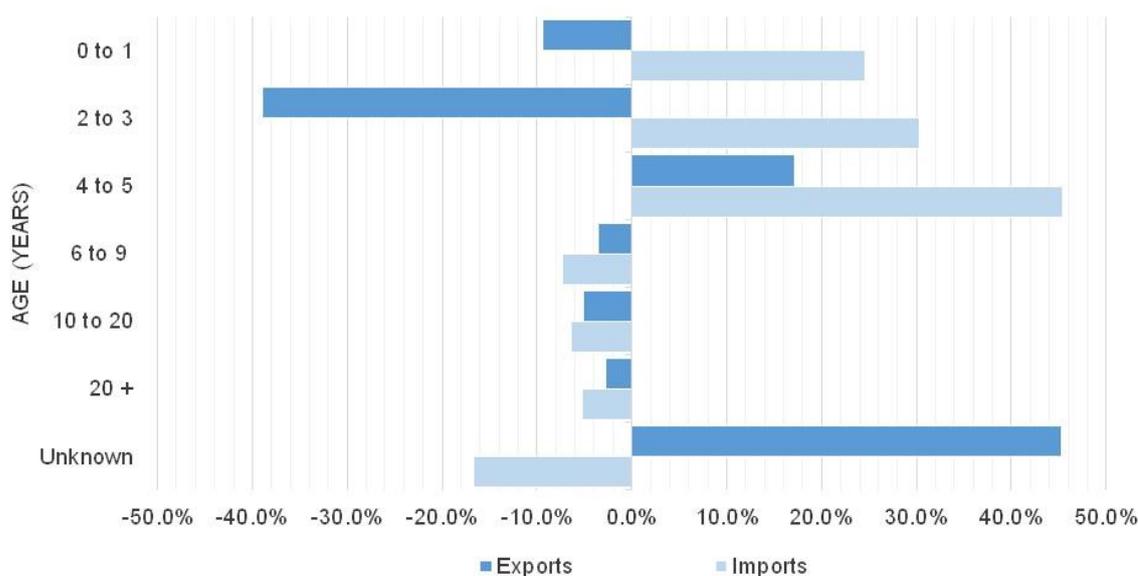


Table 4 shows the value of trade by age of business. Interpretation of movements in age group categories should be treated with caution, since individual businesses naturally progress through the groups.

- ↑ There was a large increase in value of imports for businesses aged between 0 and 5 years (up 34 per cent), although exports for businesses in this category decreased by 8 per cent.
- ↓ In contrast, businesses aged 6 years and above saw a decrease in the value of imports of 6 per cent, while the value of their exports decreased by only 4 per cent.
- ↑ The biggest percentage increase in both the value of exports and imports was for businesses aged 4-5 years (up 17 per cent and 45 per cent respectively).
- ↓ The biggest percentage decrease in the value of exports was for businesses aged 2-3 years (down 39 per cent).
- ↑ The large increase in the Unknown category for exports is due to the inclusion of some crude oil exports in this category for 2015 data; these exports of crude oil were assigned to the '20+' age group category in 2014 data.

Employee Size

Table 5: Total value of UK trade by employee size

Employee Size	£ millions			
	Exports		Imports	
	2014	2015	2014	2015
0	27,553	26,919	44,994	44,923
1 to 9	16,269	16,369	26,661	26,778
10 to 49	25,226	24,266	47,417	48,100
50 to 249	42,340	42,297	63,194	65,195
250 +	183,253	173,003	221,825	213,274
Unknown	15,246	21,915	15,924	12,763
Total	309,887	304,768	420,015	411,033

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data as published 24 Nov 2016.

3. The zero employees group can include sole traders and businesses who are required to register for UK VAT due to distance selling regulations

Figure 5: Percentage change in UK trade value between 2014 and 2015, by employee size

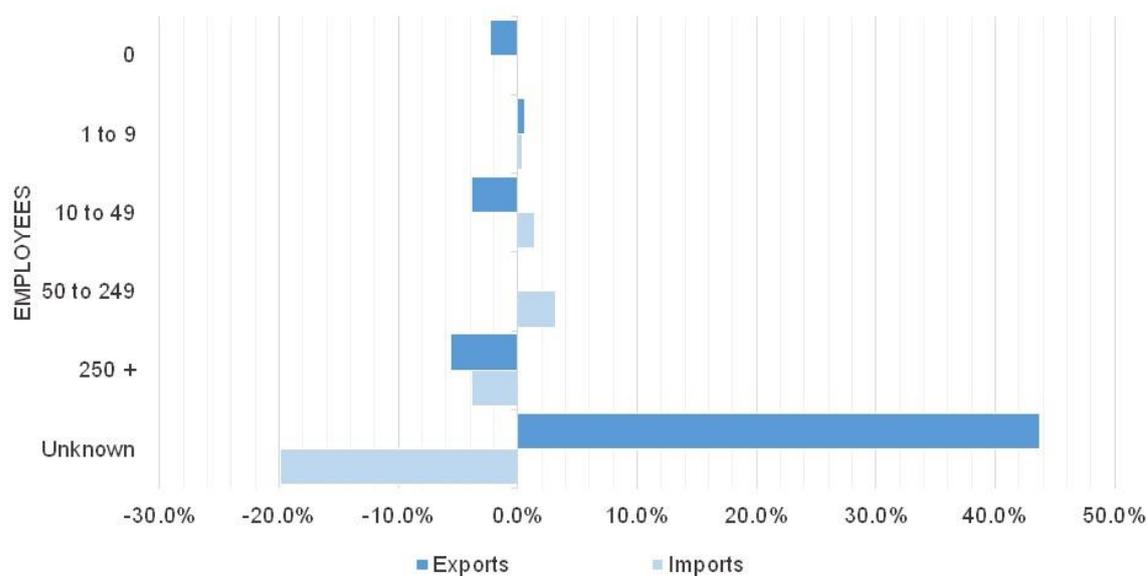


Table 5 and figure 5 show that, excluding the Unknown category, most employee size groups experienced relatively small changes (less than 5 per cent) in the value of imports and exports between 2014 and 2015. The most notable changes are:

- ↑ The biggest percentage increase in the value of imports was for businesses with 50-249 employees (up 3 per cent).
- ↓ The biggest percentage decrease in the value of imports was for businesses with 250+ employees (down 4 per cent).
- ↓ Value of exports decreased for all groups apart from the 1 to 9 employees category, where there was a slight increase.
- ↓ The biggest percentage decrease in the value of exports was for businesses with 250+ employees (down 6 per cent). This is mainly due to methodological changes which have moved 2015 data from this category to the Unknown category.
- ↑ The large increase in the Unknown category for the value of exports is due to the inclusion of some crude oil exports in this category for 2015 data; these exports of crude oil were assigned to the 250+ employee category in 2014 data.

Table 6: Business count by employee size

Employee size	Number of businesses			
	Exports		Imports	
	2014	2015	2014	2015
0	9,493	9,156	14,730	14,983
1 to 9	76,650	77,281	112,256	117,876
10 to 49	33,519	33,128	44,254	45,094
50 to 249	10,295	10,579	13,009	13,566
250 +	3,463	3,468	4,359	4,446
Unknown	9,495	9,746	21,542	23,337
Total	142,915	143,358	210,150	219,302

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data as published 24 Nov 2016.

3. The zero employees group can include sole traders and businesses who are required to register for UK VAT due to distance selling regulations.

Figure 6: Percentage change in business count between 2014 and 2015, by employee size

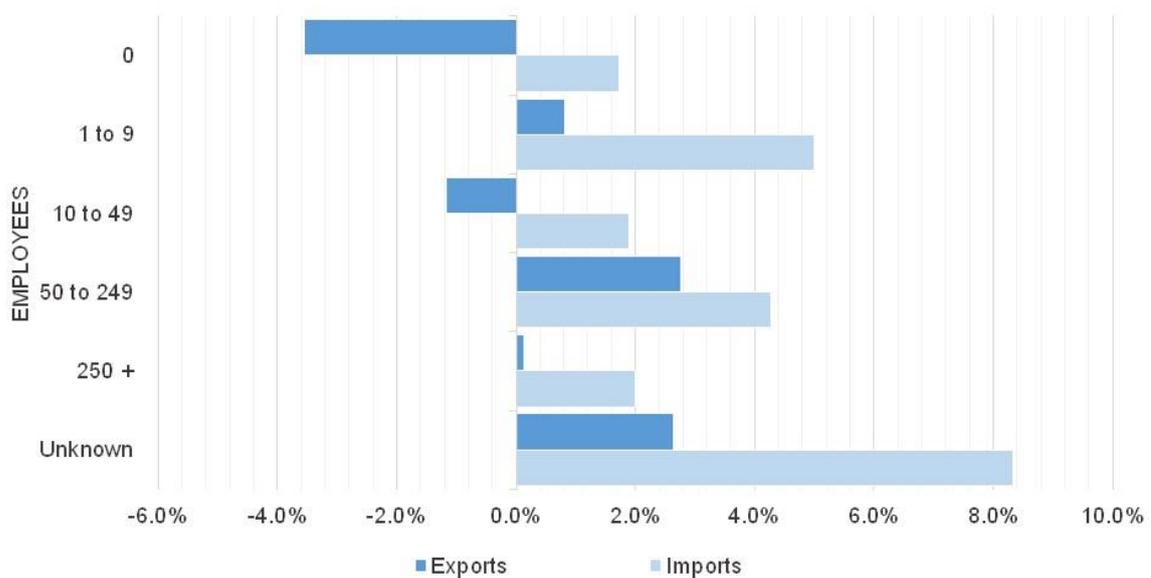


Table 6 and figure 6 show that that there were minimal changes between 2014 and 2015 in the total number of importing and exporting businesses by employee size.

- ↓ The number of exporting businesses with zero employees on their pay roll decreased more in percentage terms than any of the other groups (down 4 per cent).
- ↑ There was an increase in the number of importing businesses for all employee size groups. The largest percentage increase was in businesses with 1 to 9 employees (up 5 per cent).

Table 7: Employee count for businesses by employee size

Employee size	Number of employees			
	Exports		Imports	
	2014	2015	2014	2015
0	0	0	0	0
1 to 9	257,594	255,501	379,776	390,305
10 to 49	720,353	714,420	941,210	958,955
50 to 249	1,064,730	1,095,757	1,338,042	1,393,998
250 +	7,736,365	7,487,765	9,637,216	9,611,408
Unknown
Total	9,779,042	9,553,443	12,296,244	12,354,666

Source: HMRC OTS and ONS IDBR data

Note: 1. 2014 data as published 12 Nov 2015.

2. 2015 data as published 24 Nov 2016.

3. The zero employees group can include sole traders and businesses who are required to register for UK VAT due to distance selling regulations.

4. Totals exclude the Unknown category.

Figure 7: Percentage change in employee count between 2014 and 2015, by employee size

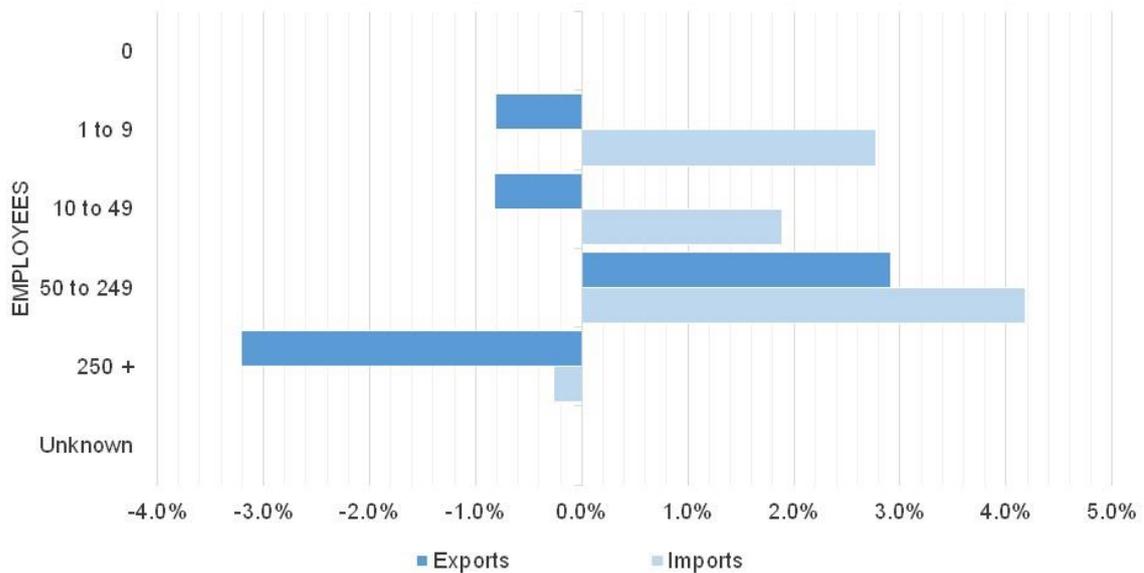


Table 7 and figure 7 show that between 2014 and 2015, there was little change to the total number of people employed by importing and exporting businesses.

- ↑ For importing businesses, there were increases in the number of employees for all SME groups (businesses with less than 250 employees), while large businesses (250+ employees) saw a minor decrease in employees.
- ↓ For exporting businesses, the large business group (250+ employees) saw the biggest percentage decrease in number of employees (down 3 per cent).

Access to data

The detailed tables for 2015 data are available on the uktradeinfo website in [Microsoft Excel spreadsheet format](#). The 2014 data (published November 2015) is also available on the same webpage.

These files contain tables for Industry Group, Age, and Employee Size individually and also 2 dimensional tables which show:

- Industry Group by Age;
- Industry Group by Employee Size;
- Employee Size by Age.

A breakdown of Industry, Age or Employee Size by country for 2015 is available for selected partner countries. These countries are Algeria, Australia, Bangladesh, Belgium, Brazil, Canada, China, Czech Republic, Denmark, France, Germany, Hong Kong, India, Irish Republic, Israel, Italy, Japan, Malaysia, Mexico, Netherlands, Nigeria, Norway, Poland, Qatar, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Thailand, Turkey, UAE, USA, Vietnam, EU (all EU partner countries combined), NEU (all Non EU partner countries combined), World (all partner countries combined).

Annex: Metadata FAQ

What is the purpose of these experimental statistics?

To produce trade statistics based on 10 predefined industry groups to show the total value of UK trade imported and exported, broken down by age and employee size of UK businesses.

Why is this release an “Experimental Statistic”?

Experimental statistics allow a new publication to incorporate new methodology which is subject to change. It also allows external users to provide feedback on the publication and enhancements can be made to future releases.

What data has been used to produce this release?

This release combines data from the Overseas Trade Statistics (OTS) published by HM Revenue & Customs (HMRC) with the Inter-Departmental Business Register (IDBR) published by the Office for National Statistics (ONS). The OTS is a detailed dataset covering the UK's trade in goods with other nations by partner country and product. More information can be found in the [methodology paper](#) for the Overseas Trade Statistics. Since 1994 the IDBR has been the comprehensive list of UK businesses that is used by government for statistical purposes. More information about the [Inter-Departmental Business Register](#) can be found on the ONS website.

How has the data matching been done?

By matching the VAT number of each business on the trade statistics data with its corresponding reference on the IDBR data. If a match was not found, then a ‘fuzzy matching’ on the name was attempted. Any remaining unmatched VAT numbers were allocated to an industry group obtained from departmental VAT records where possible.

This release contains some changes to the methodology for categorising EU trade in crude oil and gas. Some EU trade in oil and gas cannot be attributed to a VAT number. For 2015, this trade has been placed in the 'Unknown' category for employee count and age of business, with the industry group estimated from departmental records on businesses trading similar goods. Prior to 2015 this data was allocated to other categories for employee count and age of business. This change has resulted in a larger proportion of the 2015 trade being assigned to the ‘Unknown’ categories for employee size and age group. For more detailed information or to comment on this methodology, contact the uktradeinfo helpdesk (email: uktradeinfo@hmrc.gsi.gov.uk).

Why do the trade totals not match the published OTS?

The trade totals will not match the published OTS for two reasons, both related to EU trade. Firstly, the OTS totals for EU trade include an estimate for non-response which is not included in this publication. Secondly, the

contribution of traders below the Intrastat threshold for EU trade has had to be recalculated on a per trader basis, and has not been allocated to individual EU countries. Although this closely replicates the methodology for the estimation of below threshold trade in the OTS, timing and other issues means there is not an exact match.

Which variables are being published?

Age (0-1, 2-3, 4-5, 6-9, 10-20, 20+, unknown)
 Employee size (0, 1-9, 10-49, 50-249, 250+, unknown)
 Industry group (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, unknown)
 Statistical Value of trade in goods
 Employee count
 Business count

What are the industry groupings?

The Standard Industrial Classification 2007 (SIC) groupings within each Industry group are:

Group	Description	SIC 2007
Group 1	Agriculture and Food	A, 10 – 17
Group 2	Mining, Petroleum products and Waste	B, 19, 24, D, E
Group 3	Chemicals	20
Group 4	Pharmaceuticals	21
Group 5	Electronic and Electrical equipment	26, 27
Group 6	Machinery and equipment n.e.s	28
Group 7	Motor vehicles, transport equipment (excluding aerospace)	29, 30 (excluding 30.3)
Group 8	Aerospace and related machinery	30.3
Group 9	Other manufacturing	18, 22, 23, 25, 31, 32
Group 10	Services	33, F – U

For further details on SIC 2007 visit the [ONS website](#).

What partner countries or geographical areas are available?

Only a selection of partner countries are available, which are: Algeria*, Australia, Bangladesh*, Belgium*, Brazil, Canada, China, Czech Republic*, Denmark*, France, Germany, Hong Kong, India, Irish Republic, Israel*, Italy, Japan, Malaysia*, Mexico*, Netherlands, Nigeria*, Norway, Poland*, Qatar*, Russia, Saudi Arabia*, Singapore*, South Africa, South Korea*, Spain, Sri Lanka*, Sweden*, Switzerland, Taiwan*, Thailand*, Turkey*, UAE*, USA, Vietnam*, EU (all EU countries combined), NEU (all Non EU countries combined), World* (all countries combined). These are the top EU and non-EU partner countries for the UK in terms of trade value.

* New for 2015 data.

This data is available in [Microsoft Excel spreadsheet format](#) for expert users.

How were the employee count and business count fields calculated?

The business count is the total number of businesses who imported or exported, with the specified characteristics. The employee count is the total number of employees for those businesses. It does *not* mean that all these employees are directly involved in the activity of international trade.

Does this data include trade in services?

This publication does not include any data on services traded by businesses. However, a breakdown is provided of industry type, which includes group 10: Services. The figures within this group include only the value of **goods** traded by those businesses who are classified as a Services industry, the number of businesses in the Services industry who are trading in goods and the employee counts for these businesses. The figures do not contain any data on the services these businesses provide or the values related to this.

How have suppressions been applied to these experimental statistics?

While the OTS is subject to passive disclosure control, due to linking with the IDBR these experimental statistics are subject to active disclosure control. Disclosure control procedures applied are in line with those recommended by GSS guidance on disclosure control.

Where the data has been suppressed additional suppressions, called masks, have been used making it impossible to calculate the contents of suppressed cells. All suppressed cells are shown with an "S".

A 3-way cross-tabulation between Age, Employee size and Industry group was not possible due to the number of suppressions and masks needed to the data.

Are there any similar statistics available on the characteristics of UK exporters and importers?

The ONS publish the **Annual Business Survey (ABS): Exporters and Importers in Great Britain** (latest release published 10 November 2016). This includes details of the number and proportion of non-financial GB enterprises (excluding Northern Ireland) engaged in international trade in goods and services, categorised by employment size group, broad industry group, ownership (UK/foreign owned), turnover and age of business. A regional breakdown is also supplied.

The aim of the **Annual Business Survey (ABS): Exporters and Importers in Great Britain** is to supply comprehensive information on business trading

behaviour for both goods and services to provide answers to questions such as:

- What share of businesses export goods and/ or services?
- What share of businesses import goods and/ or services?
- Are importing businesses also those that export, or do some businesses only import or export?

The aim of the HMRC **UK Trade Statistics by Business Characteristics** is to add value to the UK trade in goods data by looking at the characteristics of businesses trading. This may provide answers to questions such as:

- How many people are employed by businesses engaged in international trade in goods?
- What share of exports/imports is carried out by particular industry groups?
- How many new businesses involved in international trade in goods are trading with specific partner countries?

Due to **methodological differences** between the ABS statistics and the HMRC statistics published in this release, the trade in goods data within each dataset are not directly comparable and may differ. Methodological differences between the two releases include differences in: data sources and coverage, measurement of employee count, disclosure control procedures and the handling of revisions.