



Making Global Trade Work for Family Businesses

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About Family Business UK

Family Business UK (FBUK) is an independent trade body representing the UK's five million private & family-owned businesses. Our members represent the bedrock of British enterprise, spanning every sector of the economy, from manufacturing and retail to agriculture and professional services.

Collectively, family businesses employ over 15 million people and contributing over £422 billion in tax revenues each year – making them a vital engine of national prosperity and regional resilience. They are driven by long-term thinking and a responsibility to communities across generations.

Family Businesses at the Heart of UK Trade

The UK Government has made clear, through both its *Trade Strategy* and *Plan for Small and Medium-Sized Businesses*, that small and medium-sized enterprises (SMEs) are central to Britain's future prosperity. Ministers have committed to creating the right conditions for these types of businesses to trade by improving access to finance, integrating export support into the new Business Growth Service, and modernising border processes to reduce costs and delays.

These plans show genuine intent to empower small and medium-sized firms and FBUK strongly supports this ambition – their success however will depend on practical delivery, and that requires government to work closely with organisations like FBUK to ensure policies translate effectively for family-owned businesses on the ground.

Family businesses are natural exporters: trusted, resilient, and committed to reinvesting in people and places over generations. Yet while four in ten large companies trade internationally, only around one in ten SMEs do¹ - a gap that represents huge untapped potential.

This position paper offers a series of recommendations to support the Government's drive to boost international trade amongst family businesses.

Key Recommendations

- Export finance targeted at family businesses
- Further skills support for family businesses keen to trade internationally
- Boosting export mentoring services to support family businesses
- Expanding trade touchpoints for family businesses
- Targeted trade support for mid-sized family-owned businesses
- Digital trade facilitation to aid family businesses
- Private family-owned business involvement in trade agreements



Family Businesses and Export

The Challenges

Family businesses face distinctive barriers that can hold them back from seizing trade opportunities. Many lack the specialist teams needed to navigate complex customs rules or international standards. The upfront costs of entering new markets can be prohibitive, particularly where demand is uncertain, and export finance remains difficult to access.

Scale-up Institute Survey data, commissioned by FBUK, shows that five in ten family business, and six in ten family businesses scaling up, see international exporting and expansion as vital to their future growth. However, almost six in ten (57%) family businesses feel that there is too much friction in the system, including tariffs and political uncertainty.^[2] This friction hinders their growth opportunities. Family businesses are keen to see further assistance with effective trade missions, targeted export finance, overseas market research support, and help in identifying market opportunities. This is alongside greater assistance with the physical movement into new markets.

Almost six in ten (58%) family businesses state that the EU presents the best overseas opportunity for their business, followed by the USA (27%), and would value help in navigating the post-Brexit environment and understanding the evolving tariff system in the United States.^[3]

This evidence shows there is a significant volume of untapped trade potential within the family business community, with too many firms unsure where to turn for relevant, targeted support. This risks the UK missing out on growth opportunities, as exporting businesses are often more competitive, profitable and can grow their sales faster.

Family firms, who are not exporting, can be constrained by a risk-averse approach to international expansion. A family firm with a third, fourth, or fifth-generation owner may be more reticent to expand internationally and potentially risk the legacy of the business and its future.

The Opportunities

FBUK is ideally placed to work closely with Ministers and officials across government to ensure that small and medium sized businesses are taking full advantage of existing trade support. As the Government drives forward implementation work on the Trade Strategy, we are also well placed to serve as a strategic partner helping to shape future provision and ensure that our members are informed of the positive support government is offering.



We call on the Government to work with FBUK as a core partner to help deliver tailored advice and support to family businesses, to help them take advantage of new export opportunities and drive growth. FBUK have identified seven policy priorities to support family businesses looking to further their trade.

Policy Priorities

Export Finance Targeted at Family Businesses

Access to finance remains one of the most persistent barriers to SME exporting. Although UK Export Finance supported over £575 million in SME exports last year^[4], only a small fraction of exporting SMEs currently use these services. Many still rely on overdrafts or loans rather than dedicated trade finance.

FBUK believes there is a strong case for closer collaboration between Government, UK Export Finance, and business organisations such as FBUK to ensure that family-owned firms can access the export finance and advice they need. This should include tailored outreach and advisory services, flexible credit guarantees for first-time exporters, and small-scale grants or support mechanisms to cover practical needs such as translation, international marketing, and supply chain integration.

We call on the Government to ensure export support and finance is better targeted to help family firms take their first, or next steps, into international trade, addressing the unique barriers they face.

Further Skills Support for Family Businesses Keen to Trade Internationally

Private family-owned businesses often lack the internal skillset to take the leap into international trade. Evolving trading conditions with our closest partners over the past ten years have affected both the skills and confidence of businesses to trade globally.

Stronger signposting would support more family businesses in taking the next step on their international trade journey. Greater awareness of organisations such as the Business Academy and the Chartered Institute of Export and International Trade would help businesses access the skills needed to manage international sales.

Upskilling in-house trade specialists or accessing these skills externally from organisations that understand local markets, paperwork, and logistics, would allow businesses to focus on making and selling their products.



Boosting Export Mentoring Services for Family Businesses

We strongly welcome the recent launch of the National Mentoring Business Council. Recent surveys show that eight in ten SMEs believe mentoring services can lead to further business growth.^[5]

A strong focus on export mentoring across the Government's Business Growth Service, Business Gateway in Scotland, Business Wales Mentoring, Invest Northern Ireland, and regional and local business support will be critical to helping family firms on their international trade journey.

Expanding Trade Touchpoints for Family Businesses

Improved Access for Family Businesses

Scale Up Institute data shows that a third of family businesses (34%)^[6] believe improved access to trade shows would enable them to expand into new markets. There should be greater provision for family business opportunities to connect with international family counterparts on the world stage and participate in targeted trade shows.

International Ambassadors Spending Time in Family Businesses

FBUK was delighted to see British diplomats recently spending time in British businesses to help identify opportunities for UK firms. We urge Ambassadors and High Commissioners to engage regularly with family businesses to help foster international connections and unlock overseas opportunities.

Targeted Trade Support for Mid-Sized Family-Owned Businesses

Mid-sized family firms across the UK play a vital role in achieving the government's growth agenda. However, these businesses are often overlooked by policymakers, who tend to focus on either very large companies or start-ups. The scaling opportunity for these firms has, for too long, been neglected. Six in ten (55%) mid-market family businesses feel there is very little support available for businesses like theirs.^[7]

The British Business Bank's new £6.6 billion fund, introduced as part of the Government's Industrial Strategy, along with UK Export Finance, must set achievable finance targets to support these scalable businesses.

Mid-sized family firms have the potential to scale rapidly. It is essential that the Treasury monitors the impact of these funds and ensures that international trade support remains a key driver of growth for this cohort.

Digital Trade Facilitation to Aid Family Businesses

Digitalisation has the potential to transform how family firms export – yet many family businesses have yet to embrace these opportunities. Common barriers include lack of awareness, upfront costs, and uncertainty about interoperability with overseas systems.



The *Small Business Plan* makes clear the potential prize: paperless trade could increase SME exports by 13% and reduce processing times by 75%^[8]. If family businesses can be supported to adopt these systems, the gains for the wider economy could be significant.

FBUK supports the development of a national digital trade facilitation strategy. This should include practical training and guidance for SMEs, targeted grants to help businesses adapt their systems, and affordable solutions for smaller e-commerce exporters struggling with cross-border logistics.

Private Family-Owned Business Involvement in Trade Agreements

Trade agreements represent an important opportunity to reduce the barriers that small and medium-sized firms face in reaching international markets. Yet in practice, family businesses often find these agreements too complex and legalistic to navigate. Rules of origin, standards recognition, and customs procedures are typically written with larger firms in mind, leaving SMEs at a disadvantage.

FBUK calls not only for dedicated SME provisions within future agreements, but also for meaningful SME involvement in their implementation and review. Free Trade Agreements should be designed not only to open markets in theory but to create practical, participatory, and workable conditions that enable family businesses to trade.

FBUK As a Supportive Partner

As the national voice for family-owned enterprises, FBUK bridges the gap between government strategy and business reality. We convene firms across every sector and region, offering direct insight into the challenges they face and the innovations that work.

Our proposition is clear: if government wants to unlock the full trade potential of SMEs, it must work hand in hand with family businesses. FBUK and our members are the natural partners to make that happen.



References

- ^[1] Social Market Foundation (Hyde, 2025) – *Small Business, Big Ambition: Exporting*, June 2025.
- ^[2] Initial Scale-Up Institute Date (2025), commissioned by FBUK, to be published Q1 2026
- ^[3] Initial Scale-Up Institute Date (2025), commissioned by FBUK, to be published Q1 2026
- ^[4] UKEF supports 650 firms to export since 2023 in 'welcome sign' for SME traders | The Chartered Institute of Export & International Trade
- ^[5] Aston University business expert joins new national mentoring council | Aston University
- ^[6] Initial Scale-Up Institute Date (2025), commissioned by FBUK, to be published Q1 2026
- ^[7] Initial Scale-Up Institute Date (2025), commissioned by FBUK, to be published Q1 2026
- ^[8] Backing your business: our plan for small and medium-sized businesses – Department for Business and Trade – August 2025

