

I am writing on behalf of the Music Industries Association (MIA), the trade body for those making and selling musical instruments. Our 225 strong membership of predominantly small businesses supports 10,000 jobs across all the home nations and creates £5.2bn in Gross Value Added for the UK economy.

Last week we were made aware of the Government's decision to end the Tradeshow Access Programme (TAP), a scheme that was instrumental in helping our members maximise the opportunities arising from international trade. Although we're disappointed by the decision to discontinue TAP, we hope the Government uses its review to further enhance the support available to those companies who aspire to export, and who will ultimately make the Government's vision of 'Global Britain' a reality.

For many sectors, the period between TAP being withdrawn and its successor being implemented won't be problematic, particularly given the restrictive effects of Covid-19 on physical trade shows and global travel. However, the timing of the decision presents a unique challenge for small businesses in the music industry, who rely on TAP to attend the National Association of Music Merchants 2022 show. The California based event is held in January and is the pre-eminent trade convention for our members and the wider industry.

To ensure the withdrawal of TAP does not prevent small UK businesses from attending this crucial trade show, we're calling on the Government to provide the MIA with interim support of £50,000.

If the Government is serious about banging the drum for Britain and maximising the potential gains from global trade shows, there are none more important for the music industry than NAMM. For ambitious businesses wanting to expand into the markets outside of Europe, NAMM brings together 115,000 attendees, 4,000 Buying Organisations and 2,000 Exhibiting Companies representing 7,000 music industry brands. Over the years, it has enabled MIA members to showcase their products to distributors, consumers and the media. It also plays a significant role in promoting Britain's reputation as a country at the cutting edge of product development in music education, production and performance.

There's a concern within the industry that a reduced attendance in January will permanently damage our share of exports, especially as other countries maintain or increase their trade show support. After 18 months of virtual interaction, it is easy to forget the power of physical meetings. Zoom cannot replicate an in-person demonstration, and like our global competitors, British suppliers need to be able to showcase their products in the flesh.

We trust that in the long-term, the Government's successor to TAP will continue to support small businesses seeking to attend key trade shows. Unfortunately, these future arrangements will come too late for those in need of grants for the NAMM show in January 2022.

The Road to Recovery

The commercial opportunities that NAMM provides are crucial for the sector, but with GDP 6% lower in March 2021 than pre-pandemic, attendance in January 2022 has taken on increased importance. Although the Government's economic support over the last 18 months has been welcome, many manufacturing businesses have seen a decline in revenues disproportionate to their overheads. Cash flow is therefore a huge issue across the industry, making the withdrawal of TAP an even greater obstacle to attendance. Ordinarily, the cost of a presence at NAMM amounts to around £10,000, including flights, hotel and an exhibition stand. The absence of DIT support, coupled with the sector's dire economic condition, makes these costs more prohibitive than ever.

International trade can play a key role in accelerating the post-covid recovery. The UK music industry is no exception and is set to contribute over £1 billion a year in exports by 2030. However, if this potential is to be fulfilled, it's imperative that support for trade shows continues, including for NAMM 2022.

TAP and the Music Instrument Industry

The MIA has for more than 30 years administered the TAP programme and has a history of successfully introducing a wide range of companies to events such as the NAMM Show. Most of these businesses manufacture and sell high quality instruments, and the grants have been influential in helping them achieve international recognition and market share.

The figures illustrate this clearly. Since 2015, TAP grants for NAMM of £161,475 have led to taxable sales of £5,869,800, a return on investment of £36 for £1 spent by the Government. The grants have also played a crucial role in helping 6 companies achieve the Queens Award for export.

We welcomed the DIT's Internationalisation Fund for small and medium sized businesses. However, this alone will not be enough to offset the impact of TAP's withdrawal, as is tacitly acknowledged by the Government in its plans to introduce a successor. Moreover, this fund is only available for future activity, and cannot be accessed by our members, many of whom booked NAMM on the basis of TAP grants being available.

To seize these commercial opportunities in January 2022, the MIA would like HM Treasury and the DIT to provide it with interim support of £50,000 to make NAMM possible for its members. The MIA would administer and award this grant under mutually agreed criteria, to ensure it generates the maximum impact and value for the taxpayer.

We hope the Government recognises the unique situation faced by the music industry ahead of NAMM 2022, and agrees to this vital interim support that will be key to building on the success of previous years.

In addition to the top line figures included in this letter, I have attached a document containing a number of case studies. These provide individual perspectives from previous TAP recipients who've benefitted from attending NAMM over the years.

Yours sincerely,

Anthony Short

Executive Director of The Music Industries Association