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Export Incentives and Barriers to Export
The Icelandic Fishing Industry

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Abstract

Though Iceland’s economy has for centuries largely been driven by export, especially fish exports, there has not been much research by scholars in that area or in internationalizing from Iceland. In 1996, Arnar Bjarnason published his book *Export or die - The Icelandic fishing industry: the nature and behaviour of its export sector*. At that time, it was the most extensive and comprehensive research on the export sector in the Icelandic fishing industry. Since then, some research has been done in the area. This study is meant to follow up some elements of Arnar Bjarnason’s research. The overall aim of this research is to identify the export behaviour of Icelandic marine product export companies (IMPEC’s), but the aim can be further decomposed into three objectives. The first is to identify and locate IMPEC’s, the second is to summarise the barrier for the IMPEC’s, and the third is to summarise the incentives that lie behind the export. In this research, both the two basic research methodologies, the qualitative and quantitative methods, are used to collect data, in addition to the theoretical approach.

A number of interesting research findings have emerged from this study.

Regarding barriers to export, high transportation cost from Iceland is seen as the biggest obstacle today for IMPEC’s. The policy of political parties is second, the third is domestic transport cost and the fourth is the unstable business environment in Iceland.

Another interesting finding is that the listed barriers resulting from this research are totally different from export barriers found in other research listed in this study, as well as different from the theoretical approaches documented.

The main motivations or incentives for export is the personal characteristics, like foreign experience and experience in the fishing industry of the managers/owners of IMPEC’s, as well as their personal network or connections they have acquired abroad.

By comparing the Icelandic environment of the IMPEC’s, it can be concluded that no single theory can explain the internationalization or the exports from Iceland - though there is strong evidence that the characteristics of the management and the incentives, explained by the network model, could be common factors for most IMPEC’s.

The thesis will also discuss the limitations of the research.
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1 Introduction

The fisheries and later the fishing industry, has been throughout Icelandic history one of the most important industries for Iceland, and probably the most important factors for economic- and cultural development, as well as for the wellbeing of people in this small, cold, uninhabitable country. The location of most Icelandic towns and villages are directly connected to fisheries as most of them are built near the seaside, where the access to the valuable resource was good and fishing relatively easy (Jón Þ. Pór, 2002; Ragnar Árnason & Sveinn Agnarsson, 2005; Sigfús Jónsson, 1984). In 2010, Icelandic vessels caught 1.063.000 tons of various fish species, with a value of 133 billion ISK, making Iceland the 17th biggest fishing nation with approximately 2% of the total world catch (Hagstofan, 2011a; Íslandsbanki, 2011).

The export of goods and services has also always been very important for Icelandic economy and from the year 1945 to 2007, it represented on average about 37% of the GDP. After the Icelandic economic collapse in 2008, the GDP growth came to stagnation, but the export continued its growth. In 2010, the export represented a staggering 56,5% of the GDP (OECD, 2011). There has been relatively steady growth in the export and since 1945, there has been an average of 5,2% annual growth in the merchandise export (Hagstofan, 2011h). Fish and other marine products have always played a huge role in export, and throughout Icelandic history, the share of marine products has usually been more than half of the Icelandic export. In 1949, it was at its highest level with a share of almost 97,5%. Since then, the share has fallen, but it was not until 2008 that marine products lost its leading role in Icelandic export statistics, when aluminium instead took the lead. In 2010, marine products were behind 39.3% while aluminium had a 55,4% share of all exports (Hagstofan, 2011d). This reduction of the export shares of marine products does, however, not indicate that the export of fish is decreasing. It only means that the export of aluminium is in its growing phase. Though the world fish catch has been going down rapidly in the last years, the global demand for fish is increasing every year and that has led to escalation in the fish price so the total value of the exported
marine products have in fact been growing in the last decades. In 2010, the value of the exported marine products was 220,5 billion ISK (Hagstofan, 2011d).

Though Icelandic economy has for centuries largely been driven by export, especially marine product exports, it is interesting to see that little research has been conducted on that area.

Arnar Bjarnason’s book in 1996, *Export or die - The Icelandic fishing industry: the nature and behaviour of its export sector*” was the most extensive and comprehensive research on the export sector in the Icelandic fishing industry. Bjarnason interviewed directors of all Icelandic marine product export companies (here after called IMPEPC’s) at that time, and the interviews where then followed by questionnaires which 57 of those 60 companies participated in (Arnar Bjarnason, 1996). With the analysis of the collected data, he published a book containing both an overview of the sector as well as detailed information on specific topics concerning the internal/external environment of the companies, as well as the nature of the export.

Since then, little research has been done in this area.

In the spring of 2011, the researcher of this thesis received an e-mail from the University of Iceland about a possible thesis project in collaboration with Dr. Arnar Bjarnason and Mátís, an Icelandic Food and Biotech R&D Company. They had decided to commit extensive research on marketing and internationalization of Icelandic seafood companies. The project was aimed to identify the IMPEC’s, the marketing of the products and what characterizes the behaviour of those exporting companies. The project intended to follow up the extensive research Arnar Bjarnason begun in the nineties. Participating in this extensive research on marketing and internationalization of Icelandic seafood companies was seen as a good opportunity to get a deeper understanding and broader base of knowledge in international theories and business, while contributing to the theoretical base of this under-researched industry. The work on this project started in the summer of 2011.
1.1 The objective of this study

This thesis is partly an update of the Arnar Bjarnason’s research results, and the overall aim is to identify the export behaviour of IMPEC’s. The objectives can be decomposed into three objectives:

1. Identify IMPEC’s.

2. Summarise the barriers for IMPEC’s

3. Summarise the incentives that lies behind the export

IMPEC’s were identified by going through public and private databases, and the required data was collected from these databases. With these data, the researcher localized and contacted all Icelandic companies which were involved in the marine export industry. The importance of finding and contacting the managing director or owners of those companies was two folded. The first was to get an overview of the structure and the environment of those companies, and second, the managing directors or owners of IMPEC’s were of course needed to identify the incentives and barriers to export for their kind of companies.

This study includes two research questions:

1. What are the main barriers for Icelandic marine companies to export their products?

2. What are the main incentives for the managers or owners of Icelandic marine companies to start exporting their products?

1.2 Outline

This paper is built up of six chapters that are structured as follows:

Chapter 1 introduces this research project and what the motives are. It also describes the aim and objectives of the research and presents the research questions that the thesis is aimed to answer.

Chapter 2 provides the theoretical framework by summarizing the most relevant theories, to this thesis, on international export and trade.

Chapter 3 provides an overview on the Icelandic fishing industry and its environment. Key numbers will be presented.
Chapter 4 provides an overview on theories in methodology, lists the relevant research methods used in the study and explains why and how the research methods were used to answer the two research questions.

Chapter 5 summarizes the findings of the research and lists the barriers and the initiatives to export, in an order of importance. The results on the survey will be presented and linked with the main findings in the interviews.

Chapter 6 will present the conclusion drawn from the results and they will be compared and linked to the theories, presented in chapter 2.
2 International trade – A Theoretical Approach

Internationalisation is a term often heard in the media, but though there is no universal agreement regarding the meaning of the word. There is a common understanding that “International business involves all commercial transactions—private and governmental—between parties of two or more countries” (Daniels, Radebaugh, & Sullivan, 2007). It can then be further narrowed down to firm environment, that is, the Internationalization of firm, but with this narrowed view, the focus is on the firm itself and its participation in international operations (Ásta Dís Óladóttir, 2009; Johanson & Vahlne, 1977; Joliet & Hübner, 2003; Oviatt & McDougall, 2005; Welch & Luostarinen, 1993).

Though there are many definitions and differing views on the nature of the term ‘internationalization,’ there are also many who try to define it; they have been clustered into two mainstream views:

1. The stage approach. The traditional “old” view that „internationalization is a gradual, sequential process through different stages, with the firm increasing its commitment to international operations as it proceeded through each stage“ (Sylvie Chetty & Campbell-Hunt, 2003)

2. The „new stream“ view. This states that firms can skip this gradual process and start export from the beginning: they are „Born Global“ (Baronchelli & Cassia, 2010; Bell, McNaughton, & Young, 2001; Gabrielson & Manek Kirpalani, 2004; Harveston, Kedia, & Davis, 2000; Knight & Cavusgil, 2004; Rasmussen & Madsen, 2002)

Though there are these two mainstream views, they are not put against each other and one view is not better than the other, nor is one right and the other wrong, though some have criticised the stage approach as “out-dated”. Due to the different nature of every firm, one view could suit better to explain the international operation of the firm and/or guide them in their first steps into the global market.
2.1 Theories of trade

But why did internationalisation occur? Why do countries and companies trade? What is to gain from trade? Those questions have been answered by many scholars but of course there is no single, consistently right answer that can explain everything. Many theories have been brought to light and as one theory could explain or give answers to one or more of these questions, in one particular market or country, it has proven difficult to transfer “the solution” to other markets; there is no “universal” theory which explains everything. What should countries trade? Why does one country have great economic growth and trade while other similar countries, with similar resources, stand still or even stagnate? Many have tried to answer these questions and give an overlook of the evolution of trade theories. A brief summary of the main theories is now given - the first, by Adam Smith.

2.1.1 Absolute Advantage

In his book, published in 1776, *The Wealth of Nations*, Smith came up with the theory of Absolute advantage: “If a foreign country can supply us with a commodity cheaper than we ourselves can make it, better buy it off them with some part of the produce of our own industry, employed in a way in which we have some advantage” (Smith, 2001). That means that “each country should specialize in the production an export of that good which it produce[…] with the fewest labour hours” (Czinkota, Ronkainen, & Moffett, 2005).

To simplify: If two countries A and B produce each the same two goods 1 and 2, and country A produces good 1 with fewer resources than country B and B would produce good 2 with fewer resources than country A, then both countries should specialize in the one product which they have the absolute advantage and import the other good; thus a balanced trade can be established between those two countries and both gain from more efficient production and trade.
2.2 Comparative Advantage

What would happen if one country possessed absolute advantage in the production of both goods? According to Smith, there should be no trade as that country would not gain anything from trade with the other country. David Ricardo said otherwise in 1819. With his theory of Comparative Advantage he stated that even though one country possesses absolute advantage in the production of both goods, they should focus on the production of only the one good in which they have lower opportunity cost compared to the other country. One country cannot have Comparative Advantage for both products (Czinkota, et al., 2005). Table 2.1 explains this:

Table 2.1. Comparative Advantage

<table>
<thead>
<tr>
<th>Country</th>
<th>Good 1</th>
<th>Good 2</th>
<th>25%</th>
<th>400%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>4</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>1</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>1.25</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Country A can produce 4 units of good 1 in one hour and 5 units of good 2 for the same time. For country B, it’s 1 and 4 units. Country A has absolute advantage in production of both goods as it can produce three times more of good 4 and 1.25 times more of good 2, than country B, for the same hour. But, for country A the opportunity cost for production of good 1 instead of good 2, is 25% as it can only produce 25% more units of good 2 with the same hours. For country B the opportunity cost for production of good 1 instead of good 2, is 400% as it can produce four times as many units of good 2 with the same resources as is used in the production of good 1; the opportunity cost for country B on good 1 is higher than it is for country A. Thus, both countries use their resources on only one good.

But that is not all. Table 2.2 shows what happens if there is no trade between the countries and both use half of their time for the production of each good every day. Country A will produce 48 units (12 hours x 4 units) every day of good 1 and 60 units every day of good 2, a total of 108 units. Country B produces in total 60 units. Thus the
combined production for these 2 countries is 168 units which are then divided by the inhabitants for consuming.

Table 2-2. Combined total units with no trade.

<table>
<thead>
<tr>
<th>Country</th>
<th>Good 1</th>
<th>Good 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>48</td>
<td>60</td>
</tr>
<tr>
<td>B</td>
<td>12</td>
<td>48</td>
</tr>
<tr>
<td>Total units</td>
<td>168</td>
<td></td>
</tr>
</tbody>
</table>

If, then again, the countries have an agreement on production and trades, figure 2.3 shows what happens. Each country use their resources for production on only one good and each country is now producing 96 (24 hours x 4) units. Total units are now up to 192, resulting in more units per inhabitants.

Both countries have in fact achieved higher consumptions levels than each could produce by themselves; both countries are better off with improved welfare (Czinkota, et al., 2005).

Though it has been almost 200 years since Ricardo published this theory of competitive advantage, it is still the fundamental principle used to answer the question why countries should trade (Czinkota, et al., 2005).

2.2.1 Other theories

Since the beginning of the 20th century, there has been a flow of theories that try to explain why countries do and should trade. The first ones was to give a more detailed explanation of production and costs, and later how the international marketplace, with
its demands, is affecting the decision making of to whom one should trade and which firms will/could survive the fierce competition (Czinkota, et al., 2005).

Here are some milestones:

I. Heckscher and Ohlin came up with *Factor Proportions Trade Theory*: countries have competitive advantage for products if the country possesses relatively high proportion of the production factors which are needed for production. They should produce and export these goods.

II. Wassily Leontief made research which contradicted the Factor Proportions Trade Theory; the Leontief paradox was born.

III. Raymond Vernon introduced his *Product Cycle Theory*: Goods and comparative advantage in production of them goes through a cycle as technology is ever advancing; the possibility for others to produce that good gets greater and competition gets fiercer.

IV. Michael Porter. In his book *The Competitive Advantage of nations*, Porter came up with his famous National Diamond framework as he tried to explain that traditional theories on national competitiveness, including comparative advantage, are trying to answer the wrong question. Instead of asking “*why do some nations succeed and others fail in international competition*”, one should ask „*Why are firms based in a particular nation able to create and sustain competitive advantage against the world’s best competitors in a particular industry or segment?*” His answer was: “firms create competitive advantage by perceiving or discovering new and better ways to compete in an industry and bringing them to market, which is ultimately an act of innovation”(Porter, 1998). Due to pressures and challenges in the competitive market, firms must innovate and evolve to survive and through this they can gain competitive advantage (Czinkota, et al., 2005).

These are few examples of theories of trade, but still enough to give one a hindsight into why countries trade and, more importantly, why they should trade. Most countries have followed the path given by these theories, which has led to the globalisation phenomenon, which has only but continued to accelerate.
2.2.2 Globalization

Strongly related to the word *internationalisation*, is the other buzz word *globalization*. Many people consider, by mistake, that these two terms are parallel and have the same meaning, but in fact there is a great difference between these two concepts (Daly, 1999).

Since “*International business involves all commercial transactions—private and governmental—between parties of two or more countries*” (Daniels, et al., 2007), then *globalization* refers to global economic, social and political integration and interdependence among nations, which occurs through flows of capital, goods, information, ideas, people, forces, as well as environmental changes (Al-Rodhan & Stoudmann, 2006; Daly, 1999; Daniels, et al., 2007; Keohane & Nye, 2000).

There have been many attempts to define the concept and various opinions have been brought to the debate but despite different views, there is only one conclusion: the definition of this term is anything but easy as “*globalization is not a single concept that can be defined and encompassed within a set time frame, nor is it a process that can be defined clearly with a beginning and an end*” (Al-Rodhan & Stoudmann, 2006). According to Daniels, the term “Globalization refers to the on-going social, economic, and political process that deepens the relationships and broadens the interdependencies amongst nations—their people, their firms, their organizations, and their governments” (Daniels, et al., 2007). Daly defines globalization as “*global economic integration of many formerly national economies into one global economy, mainly by free trade and free capital mobility, but also by easy or uncontrolled migration. It is the effective erasure of national boundaries for economic purpose*” (Daly, 1999) and in Rodhans and Stoudmanns’ minds, “*Globalization is a process that encompasses the causes, course, and consequences of transnational and transcultural integration of human and non-human activities*” (Al-Rodhan & Stoudmann, 2006).

These factors are of course all interrelated, and combined, they are now changing the world in a way mankind never has seen before; we are seeing the birth of a world where distances are subjective and relative. To change the world in such a way requires strong forces. According to Daniels, there are seven factors fuelling globalization (Daniels, et al., 2007):
1. Vast improvements in transportation and communications technology

2. The removing of restrictions on international trade and foreign investments as well as General Agreements on Tariffs and Trade

3. The reduction of risks of doing business internationally by now available service provided by governments, banks, insurance companies etc.

4. Consumers have higher demands as there is much more variety of service and goods on local markets, as well as better access for the consumer to other foreign markets. That has led to higher quality and lower prices as the competitors have to respond to these higher demands

5. As the domestic market is now flooded with imported goods and services due to increased global competition, firms need to enter into international markets to find markets for their goods and to maintain their operational flexibility and competitiveness

6. The world political situations are changing. With the fall of the communist iron curtain, the rise of China as a political and economic giant, and the improvements in national infrastructure and the provision of trade-related services by governments, the world trade pattern is changing, resulting in increased trade and investment levels between those countries and the rest of the world

7. Cross-national cooperation is increasing with cross-national treaties and agreements, receiving a helping hand from international organizations such as the United Nations, the International Monetary Fund, the World Trade Organization, and the International Bank for Reconstruction and Development (Daniels, et al., 2007)

This has only led to one thing; the international business is on the rise:

Figure 2-1. Total World Merchandise Export (World_Trade_Organization, 2011a).
Billions of US dollar at current price
As seen in figure 2.1, there has been an explosive growth in export from one country to another, with an average annual growth of 4.3%. Though there was a drawback in 2009, the indication is for continuing growth of exports. In fact, after the drawback in 2009 and the global economic problems which the world is facing, 2010 saw a record high annual change on the world trade market so the loss in 2009 was gained back (see figure 2.2).

![Figure 2-2. Growth In Volume Of World Merchandise Trade (World_Trade_Organization, 2011b). Annual % change from 1950 - 2010](image)

Of course no one can state that without a doubt there will be the same or similar growth in the next years, but without a major world catastrophe, there seems to be no reason for the growth to stop.

Economic globalisation is particularly important for small countries like Iceland as they depend heavily on foreign trade. Opportunities for these small economies are in some way much better than others, and growth and development of the export sectors plays a key role for economic growth and higher living standards in those countries. As a result, it is vital that the economic and business environment is built in that way, that it supports and encourages local firm to take advantage of the opportunities offered by globalization (Þórður Friðjónsson et al., 1999).

But globalisation does not mean that every country, society or person in the world is affected on the same level. In Africa, 11.4 % of the population have access to the internet compared to 78.3 % in North America, and only 30.3% of the world population have the possibility to surf the internet every day (Stats, 2011). Furthermore, the majority of people in the world still do not own telephones, hundreds of millions live in
remote villages without internet or telephones, basically without any connection to the outside world, let alone to the global market or the global flow of ideas, goods, services, or information (Keohane & Nye, 2000). So, even if globalization is an ever growing phenomenon, it is not as widespread as many of us in western society think it is, and many markets and countries are still closed to us or at least the barriers to entry are impassably high.

2.3 Internationalization theories

Followed by globalization, the internationalization of firms has been in explosive growth as they seek new opportunities for further growth. This has also been in response to intensified competition in the domestic market. It seems like everyone can start up a company and start exporting to distant countries. In theory, that is true, - but of course it is not quite that simple. It’s a big step to go international and even though the firm has realised that they have to take the first step toward international expansion, that does not give any promises or indication of guaranteed success since there are many questions to ask before one starts exporting or goes international.

Does the firm or its management possess the characteristics which are vital for the slightest change in successful international expansion (Harveston, et al., 2000)? How to start? Which country to start in? What to export? In summary, why and how do firms export? (Cuervo-Cazurra, 2010; Ferreira, Santos, & Serra, 2010)

The firm’s international expansion is triggered by either proactive (internal) stimuli or reactive (external) responses to changing external environments (Kandasamai, 1998), and though there are different drivers behind the international expansion from firm to firm, it seems that the motivation can be put into one of three categories:

1. Responses to the internal/external environment: Firms try to adopt to the ever changing environment as well as try to maximize the use of their critical resources and cost efficiency to create value in organizations and to gain competitive advantage (Andersson & Wictor, 2003; Baronchelli & Cassia, 2010; Bell, et al., 2001; Glückler, 2006; McDougall & Oviatt, 2000).

2. Product expansion: Firms see opportunity to sell their products abroad when there is a „vacuum“ in that market for that product or to make changes in its product or the firms market strategy (Cuervo-Cazurra, 2010)
3. Market expansion: Due to saturated domestic market or weak/none access to that market, firms enter the international market to sell their products (Baronchelli & Cassia, 2010; S. Chetty & Campbell-Hunt, 2004; Glückler, 2006)

If the firm realizes that they have to look into other, foreign markets, due to one or more of the mentioned reasons, there is still one question to ask: How do we go international? As scholars have sought to answer this question, many theories and models of internationalization have come to light. Some theories explain that firms start export according to *Incremental Stage Approach*, which means that first companies start sale in their domestic markets, and later they palpate the foreign market - step by step they start to sell their product in other countries, first in “physically close” markets. Many other theories can be categorized as *the Global Approach*. According to this, many firms do not start their export according to the *Incremental Stage Approach* as they start their international activities from the very beginning (Baronchelli & Cassia, 2008; Harveston, et al., 2000).

But then again, there is nothing that says that the export behaviour of all firms should fall into one category or the other: “*It seems that we have a situation where old models of internationalization processes are still applied quite fruitfully at the same time as a number of studies have suggested that there is a need for new and network-based models of internationalization. We think it might be worthwhile to reconcile and even integrate the two approaches*” (Johanson & Vahlne, 2003).

2.3.1 The Uppsala Internationalization Model

One of the main traditional approaches to internationalization is the Uppsala model, published in 1997 by Johanson and Vahlne and built on their research. This is one *Incremental Stage* model and according to this theory, firms start their export in small steps because of lack of market knowledge and the risk involved in internationalization.

To minimize the risk and gain knowledge of other markets, the firm takes the following steps:

1. The firms establishes strong domestic market
2. Irregular/sporadic export of their product
3. Export via an agent (*export modes*)
4. Establishment of sales subsidiary in the new country

5. Finally some firms would begin production in the host country (Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975)

However, not all firms need to take all steps (Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975).

The main argument in the Uppsala model is that the firms have limited resources which they have to decide where to use. In the first step, the domestic market, all the firms resources are committed to that market and they are “not thrown away” in some risky export business. But if there is some surplus in the company’s resources, they can use them to palpate the “outside world”. The companies normally start the export to markets with close „psychic distance“ and with more knowledge of the new market, the greater the steps the company can take toward internationalization and then put more of its resources in that process. If everything goes well and more knowledge is gained with experience of the export, further steps will be taken with more commitments to the other markets (Johanson & Vahlne, 1977).

Another point in the Uppsala model is that though it is important to gain personal experience in the market where one has started foreign business, that does not mean that one needs personal experience in every market they are focusing on. It is very possible to use the firms experience in one market and transfer that experience to another similar market (Johanson & Vahlne, 1977).

The Uppsala theory has received some criticism. Some have stated that this model is too deterministic (Reid, 1983; Turnbull, 1987) and many scholars see this model as almost out-dated, as the world is changing and so is the behaviour of firm’s entrance to foreign markets. Studies have shown that the Incremental Stage approach does not apply to companies in the services sector (Sharma & Johanson, 1987) and others studies have shown that companies nowadays jump over the traditional steps, as they become internationalised and enter distant markets from the very beginning (Oviatt & McDougall, 2005; Nordström, 1990). According to Chetty’s and Hunt’s study, it seems that many companies that are characterised as “born global” actually began their internationalization according to the Uppsala Incremental model (Chetty & Campbell-Hunt, 2004).
2.3.2 Psychic distance

Johanson & Vahlne defined this term as “the sum of factors preventing the flow of information from and to the market. Examples are differences in language, education, business practices, culture, and industrial development” (Johanson & Vahlne, 1977) and Joliet & Hübner define Psychic distance as “the perceived distance between the home country and a foreign country, resulting from the differences in terms of cultural, business and political differences, i.e. differences in language, political and legal system, trade practice, industry structure, etc.” (Joliet & Hübner, 2003).

Choosing an export market with close or relatively close psychic distance is strongly connected to a trait in human nature, not wanting to be „lost in translation“ or be stuck in an unfamiliar zone with unfamiliar rules. But by choosing the security of the more familiar market, one may have to make some sacrifices. Other more distant market could offer higher prices or larger sales quantity for the exported products. That is a price that many are willing to pay to stay in the “secure zone”. In Arnar Bjarnason’s research (1996), one of the study findings was that though the export prices had heavy emphasis, the results gave moderate support that managers were willing to abandon the higher price for a market share in a country with lower psychic distance.

Many other studies and definitions have been brought out and though there is slight variation, most agree that by choosing psychically close countries which, are similar to the home country, the greater the chances are to have success in the foreign business. This is because it is easier for firms to manage in environments which are similar to what they know. There is no guarantee for success though, since a country that could seem close in psychic distance, might in reality be far, far away (Hosseini, 2008; O’Grady & Lane, 1996).

2.3.3 The Network Model

As mentioned before, going international is a big step and often, almost impossible or doomed to fail if one tries to do it alone; a helping hand is often required. This is often the case with the smaller and medium sized companies, as they are in lack of financial capital and other resources, information, knowledge to other markets, experience and management skills. It could also be difficult for small companies, with small domestic market share to achieve economies of scale in their operation or even to have the
power to start all the operation needed, i.e. research and development, marketing, adequate staffing, etc. To overcome these restraints, many firms have joined or established a network of other people and companies and with their combined tangible and in-tangible resources, the process of production and/or international expansion is liquidated as it enables those firms to link their activities and resources together and to help in decision making. With this network “of friends” the possibility to achieve success is far greater than if they would try to achieve internationalisation alone. This network can also, and is often, established by shear friendship or acquaintances, and besides the fact that it can liquidate the business, it is often the incentive that lies behind the start of the export or the internationalization (Sylvie Chetty & Campbell-Hunt, 2003; Ferreira, et al., 2010; Johanson & Vahlne, 2003; Mort & Weerawardena, 2006).

With connection to such a network, firms can better identify international opportunities and strategic alliances, and other cooperative use of all resources can help the firm in strategic planning and trigger international expansion (Johanson & Vahlne, 2003; Oviatt & McDougall, 2005).

2.3.4 Born Global

The traditional view that the internationalization of firms is an incremental process, which starts from a strong domestic base, has been challenged in recent years as research has shown that many companies start their export from the very beginning, often regardless of physical or physic distance. These are the so-called ‘born global’ companies (Baronchelli & Cassia, 2008, 2010; Gabriëlsson & Manek Kirpalani, 2004; Moen & Servais, 2002; Oviatt & McDougall, 1994). Born global are “business organizations that, from or near their founding, seek superior international business performance from the application of knowledge-based resources to the sale of outputs in multiple countries” (Knight & Cavusgil, 2004). These are usually small or medium sized high technology oriented companies, with 500 employees or less and the manager is usually described as an entrepreneur, with foreign experience, who sees the whole world as one market (Brennan & Garvey, 2009; Hollensen, 2007; Oviatt & McDougall, 1994). They have established their business activities in five or more countries and sell more than 40% of the companies production abroad (Kandasami, 1998).
Furthermore, as mentioned in previous chapters, though most new companies are in lack of financial capital and other resources like information, knowledge of other markets, experience and management skills, this does not seem to stop born globals to go international in relatively few years from the start of the companies as they have often taken their first steps into foreign markets within three years (Knight & Cavusgil, 2004; McDougall & Oviatt, 2000).

There are many that follow this path, and it seems born globals are rising up in escalating speed, especially in developing countries, thanks to the information age, as access to information has exploded and access to capital has become available as the financial markets have become more global (Hollensen, 2007).

2.4 Internationalization Strategies and Entry modes

Though there are many ways for companies to go international, there are many things that trigger the decision, both internal and external, and many reasons why companies should expand their activities into foreign markets that would probably not happen if the management was against or did not have the courage to explore the unfamiliar environment which lies ahead in new countries; thus, the role of management in decision making cannot be underestimated.

2.4.1 Characteristics of the Management

The entrepreneurialship of the manager, his character, attitude, knowledge, experience, motivations and expectations determine whether the company reaches the level of assimilation with the secure domestic market or takes the risk and go abroad and thereby gain experience, broader views and new opportunities in many aspects (Sylvie Chetty & Campbell-Hunt, 2003; McDougall & Oviatt, 2000).

The manager is the main force that forms the culture in the company and the company’s strategy (Schein, 1983), so the manager and the company’s culture have to support and encourage international activities. By seeing the world as one open marketplace, the manager sees opportunities in other markets and is not afraid to try entering into other countries’ markets (Andersson & Wictor, 2003; Johanson & Vahlne, 1977; Knight & Cavusgil, 2004; McDougall & Oviatt, 2000). The characteristics of the manager is built up over his whole life (George & Sims, 2007) but his life experience,
education, surrounding culture and other things, shapes his/her individual views and other characteristics and make that person to who he/she is (Bennis & Thomas, 2007; George & Sims, 2007; Hughes, Ginnett, & Curphy, 2009). So, a manager that has lived abroad and has gained positive international experience and/or established connections with people in other countries are therefore much more likely to see opportunities in other countries and to have the will and ability to go international. Arnar Bjarnason (1996) added that other manager’s characteristics, like his enterprise mind and the ability to spot a change of profitability, also played a part in the managers/owners incentives to export. Arnar Bjarnason’s conclusion was that in many cases, the managers or the owner could be described as a “self-made man”, where all the main decisions concerning the export were taken by him.

2.4.2 Export Incentives

If the manager and the culture of the firm support Internationalization they can take the first step toward distanced markets. As mentioned in chapter 2.4, it’s possible to put the motivation into three categories: Responses to the internal/external environment: (Andersson & Wictor, 2003; Baronchelli & Cassia, 2010; Bell, et al., 2001; Glückler, 2006; McDougall & Oviatt, 2000), product expansion: (Cuervo-Cazurra, 2010) and market expansion (Baronchelli & Cassia, 2010; S. Chetty & Campbell-Hunt, 2004; Glückler, 2006). In those categories are motivators, including: the possibility to increase the firm’s revenues and profitability, to achieve economies of scale, the possession of technology competence/unique product, to get more diversified markets, to get access to needed resources, saturate domestic market, tax benefits, overproduction or unused production capacity, growth potential foreign market, etc. (Buckley & Casson, 1998; Daniels, et al., 2007; Hollensen, 2007).
2.4.3 Iceland - Export Incentives

Though Icelandic economy has for centuries largely been driven by export - especially fish exports - there has not been any significant research completed by scholars on that area or internationalizing from Iceland besides Arnar Bjarnason. There was also a doctoral project completed in 2010 by Ásta Dís Óladóttir on internationalization.

One of the most comprehensive research on the export in the Icelandic fishing industry was completed by Arnar Bjarnason’s doctoral thesis in 1992 - 1994. He interviewed directors of 60 SMEs Icelandic companies which were involved in marine export, which means that every single Icelandic company involved in marine exports participated in this research. The interviews where followed by questionnaires which all of the 60 companies also participated in. In 1996, he published his book *Export or die - The Icelandic fishing industry: the nature and behaviour of its export sector*” which was largely based on his PhD thesis in which Arnar Bjarnason defended in 1994.

Arnar Bjarnason (1996) states that marine export from Iceland cannot be characterized according to the Uppsala theory, that is the stage approach, but it can be characterized as an „export or die“ situation as the domestic market can only consume 1% of the total fish catch. That is, „export or die“ is closer to „born global“ as the export is initiated in „one leap“ without systematic collection of information on the markets abroad, systematic export planning, or prior development in the domestic market. The export was usually direct export, based on contacts or connection to the respective clients and the choice of the first markets where largely based on the type of the exported marine product.

The main factors that initiate the Icelandic marine direct export, up to the year 1990, were, according to Arnar Bjarnason(1996), both internal factors, that is to say, factors that could be controlled to some degree by the company, and external factors which were outside direct control or the decision area of the manager of the company. One of the he main initiating factors for export could be connected to the personal characteristics of the managers but other factors had also great affect in the decision-making regarding the export. The main internal and external factors were according to Arnar Bjarnason as follow (see table 2.4 on next page):
Table 2-4. Icelandic marine export companies – Main Initiating factors for export (Arnar Bjarnason, 1996).

<table>
<thead>
<tr>
<th>Internal factors</th>
<th>External factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal characteristics</td>
<td>Technology innovations</td>
</tr>
<tr>
<td>Education</td>
<td>Transportation Communication</td>
</tr>
<tr>
<td>Foreign living experience</td>
<td>Supply shortage due to catch restrictions</td>
</tr>
<tr>
<td>Entrepreneurial ambitions</td>
<td></td>
</tr>
<tr>
<td><em>Experience in the fishing industry</em></td>
<td>Encouragement from potential buyers</td>
</tr>
<tr>
<td>Firm characteristics</td>
<td>Encouragement from domestic processing and harvesting firms</td>
</tr>
<tr>
<td><em>Type of product</em></td>
<td></td>
</tr>
<tr>
<td>Organisational objectives</td>
<td>Domestic government regulations and policy</td>
</tr>
<tr>
<td><em>Firm’s size</em></td>
<td>Foreign government regulations and policy</td>
</tr>
<tr>
<td></td>
<td>Favourable market conditions abroad</td>
</tr>
<tr>
<td></td>
<td>Organisational structure and policy</td>
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<tr>
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<td>of the Principals EMC’s</td>
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</tbody>
</table>

Though Arnar Bjarnason could pinpoint the main initiating factors for marine export from Iceland, he stated that though the factors were positively connected with the company, it could only indicate that the company was likely to succeed as an exporter; there was no guarantee for successful export performance since there is no perfect formula for export.

Another study was later conducted by Ásta Dís Óladóttir and in 2010 she published her PhD work: “Internationalization from a small domestic base: An empirical analysis of Economics and Management.” In her research, her focus, concerning internationalization, was mainly on Icelandic multinationals (MNEs), global expansion strategies for Icelandic companies, motives and the driving forces for internationalization and on direct foreign investment, for general Icelandic SME’s firm.

In Ásta Dís Óladóttir’s research, one of her conclusions was that the main motives for Icelandic firms to export were first market seeking motives and second, strategic asset seeking motives; that is, mainly to diversify risk (Ásta Dís Óladóttir, 2009).
2.4.4 Choice of Markets

The managers’ internationalization experience and knowledge and the applicability of their business and institutional knowledge to other countries, tends to decide which countries the firm starts export entry. Those who lack experience and knowledge usually choose similar countries to their own to start exporting to; they follow the incremental internationalization model. Those who, in contrary, possess international experience and whose applicability of their business and institutional knowledge are high, are usually in business with many countries in a relatively short time; they are born global (Buckley & Casson, 1998). Either way they must take the same aspects into consideration before entering new countries. First there are some questions regarding the internal environment of the firm (Buckley & Casson, 1998; Czinkota, et al., 2005; Daniels, et al., 2007; Hollensen, 2007; Luo, 1999):

- The capability of the firm: What resources are needed to enter? At what degree can they assign financial, human and other needed resources?
- What other internal resources are available that could help the market entry: personal-, technological- and marketing skills, existing network, the international experience of the firm etc.

Secondly, there are some questions regarding environment (Buckley & Casson, 1998; Czinkota, et al., 2005; Daniels, et al., 2007; Hollensen, 2007; Hosseini, 2008; Luo, 1999):

- What is the market demand or possible potential for the firm’s product?
- How is the competition? What is the sale price range for the product?
- How is the culture and other markets similar in the targeted country?
- Are there some barriers to entry? Customs? Quotas? Property rights? Other barriers or other political and economic risks?

These questions are just a few needed to be answered; there are many things one has to have in mind before going international. Analyses tools like SWOT, PESTLE, Porters five forces, TASK etc. could be good at hand but of course there are also good options to buy service from marketing companies, accountant firms, local law firms or others that could give detailed, accurate answers/analysis to both the internal and external environment. With more accurate information the manager can make
informed decisions whether the firm is ready to expand internationally and in which markets/countries to enter. Then, the risk of failure is reduced.

2.4.5 Choice of Entry Mode

Equally important as choosing the market, is the selection of entry mode; that is, how is the firm going to enter new market. All the questions that have to be answered depend on many internal- and external factors, thus the firm can choose the entry mode that is most likely to establish successful entry and marketing (Buckley & Casson, 1998; Kogut & Singh, 1988; Luo, 1999).

In general, there are two entry modes: Equity and Non-Equity Entry Modes. Non-Equity entries are export, subcontracting, countertrade, licensing, franchising, contract manufacturing and other contractual agreements. Equity entries, are joint ventures, strategic alliances, and foreign direct investment: wholly owned subsidiaries and mergers and acquisitions (Brouthers & Nakos, 2004; Daniels, et al., 2007; Das, 1996; Erramilli, Agarwal, & Dev, 2002; Kotler & Keller, 2009). Kotler then further divides the entry modes into incremental steps, which concern commitment, risk, control and profit potential as to when decisions are taken and in which entry mode the firm should follow (Kotler & Keller, 2009).

Hollensen also divided the entry modes into three incremental steps concerning the degree of control, risk and flexibility (see figure 2-3) (Hollensen, 2007):

1. Export mode where control and the risk are low but the flexibility is high
2. In Intermediate mode the three factors are allocated between two or more partners
3. Hierarchical mode. Here the firm has 100% control and ownership of the business abroad but the financial risk is very high and strictly their own
In the next chapter, Hollensen’s three steps will be used to give a better explanation of the different forms of entry modes.

2.4.5.1 **Export mode**

Direct-, indirect- and cooperative export falls under this category.

As indicated, direct export of goods and services is practiced directly from the firm to customers abroad without any intermediaries. With direct export, or direct selling, the firm has greater control over marketing function and of course, has greater potential for higher profit, as no intermediaries take commission from sales. With the connection and experience of intermediaries, independent representatives, sales representatives, or a distributor, the company can have much better access to the market abroad, but then they have to sacrifice shares of the profit. (Hollensen, 2007).

With indirect export, the goods or the services offered by the company are sold to or through domestic intermediaries, independent representatives, sales representatives, export management companies or a distributor, who in turn, sells them to a foreign customer. With cooperative export, the company makes an agreement on cooperation with others and together they export theirs and others manufacturer’s goods and/or services. The export of services are more likely to go directly while goods are exported via all three avenues (Hollensen, 2007).

Most companies start their internationalization with export (Buckley & Casson, 1998; Hollensen, 2007), but in general, most firms tend to move through three phases of export development. The first is **pre-engagement**, where the firm palpates or starts the export. The second phase is **initial exporting**, as the firm tries to establish their export, and finally is the phase of **advanced exporting**. If the firm gets to the final stage, they then try to export to more countries, some further away, and then they consider foreign direct investment as a possible alternative to exporting (Daniels, et al., 2007). That model is parallel with the Uppsala model’s four stages in the internationalization process (Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975).

2.4.5.2 **Intermediary entry modes**

When a company wants to take further steps than pure export and entering foreign markets, but is not prepared to take big risks or to have large financial investments,
intermediary entry modes, which include licensing, franchising, contract manufacturing and joint ventures, could be good options. This is often the case when the company has some competitive advantage which, for some reason, they are unable to take advantage of in the domestic market. The reason for this entry mode is two folded. First by letting other partners produce and/or sell the companies goods, the company gains commission for the sales made by others, in a market which they would not have entered anyway. Second, by starting the production or sale of the company’s goods/service, in co-operation with other partners in other countries, the company could gain access to an environment where production cost is lower, access to needed raw materials is better, cheaper labour, reduced transportation costs, circumventing governmental restrict or prohibition of importation of foreign products, and/or gain access to local customers who prefer products originating from a particular foreign country (Buckley & Casson, 1998; Czinkota, et al., 2005; Erramilli, et al., 2002; Hollensen, 2007; Kotler & Keller, 2009).

2.4.5.3 Hierarchical mode

The biggest step that a company can take in their internationalization of the firm is to make Foreign Direct Investment (FDI). FDI requires that the company enters foreign markets without cooperation with others, it involves large investment on the behalf of the company, and includes substantial risk, but here, as mentioned before, the firm does have full control and ownership of the business abroad. FDI is motivated by the same factors as those who trigger intermediary entry modes, that is to gain access to environments where production cost is lower, access to needed raw materials is better, cheaper labour, reduced transportation costs etc. Included in FDI is the establishment /buying of domestic-based representatives, resident sales representatives, foreign sales subsidiary, sales and production subsidiary and wholly owned subsidiaries (Buckley & Casson, 1998; Czinkota, et al., 2005; Daniels, et al., 2007; Hollensen, 2007; Kotler & Keller, 2009).

Depending on the nature of the service and core business strategy of the firm, FDI is either established, as start-ups (Greenfield), via Acquisition or with Brownfield. (Brownfield is a hybrid from Greenfield and acquisition) (Buckley & Casson, 1998; Czinkota, et al., 2005; Daniels, et al., 2007; Hollensen, 2007).
With Greenfield the company builds up its business in a desired market, from the ground, in a way which fits the nature and the needs of the firm. The company rents or buys land, builds suitable houses for the operation and hires management and employees.

If there is no shortage of companies that could fit the nature and the needs of the firm, acquisition could be a favourable way. Acquisition is not as time consuming as Greenfield and is usually much cheaper as one does not have to start from scratch. The drawback with this operation is that the company has to take over all commitments that the acquitted company had. Both financial and administrative and in fact, all other commitments, both positive as the negative. Furthermore, current employees could show disapproval of the takeover so the firm has to spend both time and money to tackle employment issues, including retraining, rehiring, or simple attitude adjustments.

2.5 Barriers to export: definition and characteristics

As mentioned above there are some questions to ask when firms consider entering foreign markets, and very important questions are the ones regarding barriers which have been defined as the obstacles, problems, or other impediments that firms encounter while exporting or preparing to export (Leonidou, 1995). Barriers can have their origin in both the internal and external environment of the firm, and these barriers can be subdivided into barriers to enter the foreign market and barriers to exports from the domestic base. In this chapter the focus is on small or medium-sized companies which are more or less in the first steps of internationalization.

2.5.1 Internal barriers

Internationalization is a process which involves the risk of failure due to the lack of management knowledge and experience, wrong decisions and/or the lack of organizational resources (Bell, et al., 2001; Brennan & Garvey, 2009; Johanson & Vahlne, 1977, 2009; Johanson & Wiedersheim-Paul, 1975; Knight & Cavusgil, 2004; McDougall & Oviatt, 2000; Benjamin M. Oviatt & McDougall, 2005; Schein, 1983) and other “attitudinal, structural, procedural, operational and other factors which inhibit many manufacturers from initiating, developing or sustaining export operations” (Leonidou, 1995).
The role of the management is particularly important in the first stages of exporting, as the lack of their international knowledge and experience could cause minimal interest in foreign operations, i.e. lack of identification of foreign opportunities and potential markets, preventing the firm from starting the export. These drawbacks which make management unfamiliar to the export procedure (like documentation, logistics and legal issues) could negatively affect the process, resulting in withdrawal from the foreign market (Leonidou, 1995; Suárez-Ortega, 2003). Figure 2.4 shows how the decision to start exporting is an interaction between the decision-maker, the environment of the firm, and the firm. Internal- and external factors evokes the firms and the managers attention to consider export, and lack of experience, interest or knowledge of foreign opportunities or the process of internationalization is thus a great barrier to export (Wiedersheim-Paul, Olson, & Welch, 1978).

Figure 2-4. Factors affecting the Pre-Export Activities of the Firm. (Wiedersheim, Olson & Welch, 1978)

Not less important in the first stages of exporting, are the resource constraint barriers. Lack of financial resources, qualified personal, production capacity, foreign market connections, export commitment, support from banks and other financial institutions and distribution channels for the firm’s goods, are all internal barriers which could hinder or demolish the export on all stages. In fact, these are some of the main reasons why small and medium sized companies stay solely in their domestic market (Daniels, et al., 2007; Leonidou, 1995; Suárez-Ortega, 2003; Wiedersheim-Paul, et al., 1978). Those barriers all originated from the internal environment of the domestic...
market, but other internal barriers are provoked in the foreign market (Leonidou, 1995). According to Leonidou (1995) the biggest obstacles with such origin is the “inability to offer competitive prices abroad”, followed by the „high risks/costs involved in selling abroad“. Other internal factors originate from abroad. Different product standards, insecure payments from foreign clients and the inability to offer technical/after-sales service in foreign countries could be a great barrier, in the decision making or the export process, for many companies. So for the very survival in external markets, it is essential for the company to beware of and recognize all internal barriers as they are often influenced or controlled by the management. With this awareness, they can remove or at least minimize the barriers potential effects before starting the export process (Leonidou, 1995).

2.5.2 External barriers

Though foreign trade has increased exponentially in the last 60 years, it does not mean that unregulated flow of goods and services is permitted between countries. Governments intervene in both export and import for economic, social, and/or political reasons in the way they feel will best protect their nations and citizens. The national fight against unemployment, protection of the countries Infant-Industry, support for the national industry, export ban or restrictions on natural resources to keep them for domestic use, other national security concerns and other trade restrictions as a means of improving their competitive economic positions against other countries is still in reality existent to some level in all countries, and that is inevitably leading to some kind of trade restrictions or Protectionism (Czinkota, et al., 2005; Daniels, et al., 2007; Hollensen, 2007; Richardson, 2006). Exports tariffs, transit tariffs (which is posed by a country which the goods pass through), and import tariffs, are all governmental interventions which affect the international trade process and alter the quantities of exported goods (Daniels, et al., 2007; Richardson, 2006). According to Smeets et al. the decision to export is not affected by tariffs “but the volume of exports increases by about 11 percent if tariffs are lowered by 3 percent”(Smeets, Creusen, Lejour, & Kox).

Other Non-tariff barriers (NTB) like Subsidies, (direct or indirect financial assistance from the government to their domestic firms or sector), quotas, embargoes, domestic standards, administrative delays, “buy-local” legislation and other regulations and
policies also directly affect the volume of exports, and indirectly with “Price Influences,” as the export is limited and the domestic price will be higher (Daniels, et al., 2007). Other political or governmental barriers, like general national export policy, lack of governmental assistance for export companies, relatively high value of the domestic currency or foreign exchange controls in the targeted country and complex foreign import regulations, procedures and trade documentation, contribute to building higher barriers and hinder the free flow of trade (Hollensen, 2007).

With international cooperation among the world nations and general agreement on trade, organizations like GATT, WTO, EU and other free trade unions have been established in an effort to lower the above barriers and to promote trade between countries (Czinkota, et al., 2005; Daniels, et al., 2007; Richardson, 2006). It seems though that the lower barrier nowadays does not create new trade to new countries, but rather has only intensified existing trade relations between countries. Most companies only trade to a few countries relatively close to the home market and the entry cost to markets with great physical distance, is simply too high for entry (Smeets, et al.).

But Government interventions are far from the only factor that hinders the export process:

- **Social and Cultural differences** like the language, consumer behaviour, taste, corruption, misconception in communication, values and beliefs (Ahmed, Julian, Baalbaki, & Hadidian, 2004; Buckley & Casson, 1998; Daniels, et al., 2007; Hornby, Goulding, & Poon, 2002; Smeets, et al.)

- **Market conditions and geographic**: Intensive competition, lack of access to distribution channels, geographic/market distance, transportation and shipping costs, product differentiation, transportation and shipping costs, specifications and brand identity in the new market (Hollensen, 2007; Kotler & Keller, 2009; Porter, 1998; Suírez-Ortega, 2003).

- **Commercial risks**. “Exchange rate fluctuations, Failure of export customers to pay due to contract disputes, bankruptcy, refusal to accept product or fraud, Delays and/or damage in the export shipment and distribution process, Difficulties in obtaining export financing” (Hollensen, 2007).
These are only some of the export barriers and there are many more. According to Suñez-Ortega, who did research on export behaviour of firms in the Spanish wine industry, these where the ten greatest barriers (Suñez-Ortega, 2003):

1. Lack of knowledge of best potential markets
2. Lack of finances for market research
3. Lack of staff for export planning
4. Strong foreign competition
5. General lack of knowledge of how to export
6. Differences in wine consumption habits
7. Lack of awareness of export assistance available
8. Export documentation requirements and red tape
9. Lack of private sector export marketing firms to serve wine industry
10. Lack of awareness of economic and non-economic benefits of export

In Leonidou’s research in 1992, where he contacted 1,100 manufacturing firms in Cyprus to „investigate their perceptions of a number of factors impeding the initiation of exports“, the ten greatest barriers to export where (Leonidou, 1995):

1. Keen competition in foreign markets
2. Inability to offer competitive prices abroad
3. Limited info to locate/analyse foreign markets
4. Lack of managerial personnel/time
5. High risks/costs involved in selling abroad
6. Lack of governmental assistance/incentives
7. Unfavourable/fluctuating foreign exchange rate
8. Shortage of working capital to finance exports
9. Problematic transport/high shipping cost
10. Difficult to locate/obtain adequate representation
2.5.3 Barriers of Export from Iceland

In Arnar Bjarnason’s survey (1992), the interviews with the IMPEC’s directors were followed by questionnaires which 57 companies answered. The managers gave certain elements a score of 1 to 5 by the importance of barriers. After the collecting and analysing of the survey data, he top 10 barriers were as follow (see table 2-5).

Table 2-5. Survey 1992 (Arnar Bjarnason, 1996)

<table>
<thead>
<tr>
<th>Listed barriers – Results from survey 1992</th>
<th>Mean</th>
<th>Median</th>
<th>Stdev.</th>
<th>Category group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Unstable business environment in Iceland</td>
<td>3,518</td>
<td>4,000</td>
<td>0,894</td>
<td>Business environment</td>
</tr>
<tr>
<td>2 Subsidies to foreign competitors granted by local government</td>
<td>3,286</td>
<td>3,000</td>
<td>1,091</td>
<td>Governmental</td>
</tr>
<tr>
<td>3 High transportation cost from Iceland to export markets</td>
<td>3,268</td>
<td>3,000</td>
<td>1,018</td>
<td>Transportation cost</td>
</tr>
<tr>
<td>4 High production costs in Iceland</td>
<td>3,214</td>
<td>3,000</td>
<td>0,967</td>
<td>Business environment</td>
</tr>
<tr>
<td>5 Fluctuations in demand at the export markets</td>
<td>3,161</td>
<td>3,000</td>
<td>0,826</td>
<td>Business environment</td>
</tr>
<tr>
<td>6 Price fluctuations at the export markets</td>
<td>3,036</td>
<td>3,000</td>
<td>0,852</td>
<td>Business environment</td>
</tr>
<tr>
<td>7 Fluctuations in foreign currency</td>
<td>3,036</td>
<td>3,000</td>
<td>0,894</td>
<td>Business environment</td>
</tr>
<tr>
<td>8 High real exchange rate of the Icelandic króna</td>
<td>3,018</td>
<td>3,000</td>
<td>1,087</td>
<td>Business environment</td>
</tr>
<tr>
<td>9 Seasonal fluctuations in fish supply</td>
<td>3,018</td>
<td>3,000</td>
<td>0,842</td>
<td>Raw material</td>
</tr>
<tr>
<td>10 Import tariffs on foreign markets</td>
<td>2,875</td>
<td>3,000</td>
<td>1,237</td>
<td>Governmental</td>
</tr>
</tbody>
</table>

Just as Arnar Bjarnason categorised the initiation factors for export, into internal- and external factors, he found out that the same could be done with barriers and problems associated with export of marine products from Iceland. Furthermore, he related those negative factors to 1) product category and 2) to the principal activity of the company (Arnar Bjarnason, 1996). After the comparison of the questionnaire’s results with the interviews, he concluded that the main factors of barriers or problems with export were as following (see table 2.6):
Table 2-6. Icelandic marine export companies - Barriers factors (Arnar Bjarnason, 1996)

<table>
<thead>
<tr>
<th>Internal factors</th>
<th>External factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Relationship with processors</td>
<td>1. Seasonal fluctuation of fish supply</td>
</tr>
<tr>
<td>2. Transportation and transport cost</td>
<td>2. Supply shortage due to catch restrictions</td>
</tr>
<tr>
<td>3. Paperwork</td>
<td>3. Foreign subsidies</td>
</tr>
<tr>
<td>4. Banking service in Iceland</td>
<td>4. Import tariffs and import quotas</td>
</tr>
<tr>
<td></td>
<td>5. Fluctuation in prices and demand at export markets</td>
</tr>
<tr>
<td></td>
<td>6. Unfavourable Icelandic business environment</td>
</tr>
<tr>
<td></td>
<td>7. Government export regulations in Iceland</td>
</tr>
<tr>
<td></td>
<td>8. Geographical distance from export markets</td>
</tr>
</tbody>
</table>

Arnar Bjarnason further categorized the first five external factors as “Industry specific” factors, and external factors 6 – 8 he categorized as “country specific” factors. The transportation costs and barriers of transportation, both domestic, are due to the large geographical distances to clients and are related to the limited number of transportation options from Iceland (Arnar Bjarnason, 1996). The conclusion was that the biggest external obstacle of barriers to export for marine goods from Iceland were (Arnar Bjarnason, 1996):

1. Seasonal fluctuation of fish supply
2. Fluctuation in prices and demand at export markets
3. Supply shortage of fish
4. the unfavourable business environment in Iceland.
It is interesting to compare Bjarnason’s results with a study conducted by the Organisation for Economic Co-operation and Development (OECD) Committee on Fisheries where the greatest trade barriers in the marine sector were (Rögnvaldur Hannesson, 2001):

- tariff measures
- non-tariff measures such as quantitative restrictions, anti-dumping duties, and price controls
- government financial transfers
- sanitary requirements that differ across countries
- access to ports
- regulations on foreign investment
- regulations on trade in fishing services.

As seen here, there is not one common element on those two lists. While the OECD’s top barrier list contains mainly factors like tariffs and regulation and other studies sees the main trade barriers on the European seafood trade are related to tariffs (Guillotreau, P., Péridy, N., & Bernard, P., 1998), only two elements in Bjarnason’s research regard tariffs or regulation; the main barriers are related to transport and lack of raw materials. Furthermore, when comparing the IMPEX’s main barriers with the results in Leonidou’s and Suírez-Ortega’s study, and in fact the theoretical approach, the same conclusions can be drawn; Iceland is in many ways different in the aspects of export barriers. Also, when comparing Iceland with other Nordic countries, the difference is obvious. In Norway, the marine export sector consider the tariff and non-tariff barriers as the main obstacles and the conclusion was that on average a one percent tariff would reduce the exports by around four percent (Melchior, Zheng, & Johnsen, 2009). Another concern was the unequal competition Norway was facing against Sweden and Denmark, as those two countries are EU members and therefore they have lower tariffs and regulation barriers into another EU countries (Klev, Bergersen, Storehaug, & Røtnes, 2011).
The Icelandic Fishing Industry and its Environment

Iceland is located in the North-Atlantic ocean, a 103,000 km² island, with 320,000 inhabitants. It is surrounded by the North-Atlantic’s richest fishing grounds and throughout its history, the Icelandic people and its culture has been connected to the sea by inseparable bounds. It is not an overestimation that the fisheries and later the fishing industry have been one of the most important industries for Iceland and even the most important factor for the economic- and cultural development in the country’s history. The location of most Icelandic town and villages are directly connected to the fisheries as most of them are built near the seaside, where the access to the valuable resources was good and relatively easy, so the people of Iceland have long depended on their fisheries for survival in this cold, uninhabitable island. Furthermore, the growth, employment, economy and development of these towns and villages depended heavily on the fish catches (Jón Þ. Þór, 2002; Ragnar Árnason & Sveinn Agnarsson, 2005; Sigfús Jónsson, 1984).

As Iceland has always been scarce in agricultural resources, fish is something that has been an endless resource for Icelandic people, especially the poor. If and when fisheries collapsed, there would be hard times ahead for many people and little they could do to put food on the table (Jón Þ. Þór, 2002).

Though the marine resources have been almost unlimited for as long as we can remember, it has not been easy to catch the fish, and for centuries the fishermen, often barehanded and dressed in clothes made from wool and skin, caught the fish on small open boats, vulnerable to the merciless Icelandic weather and rough waters. Throughout history, countless thousands of Iceland’s men of all ages never returned home from sea; in just one day, on March 8th, 1700, 165 men drowned in the Icelandic waters, when the weather changed from a relatively nice sunny day to windy inferno, in a short time (Jón Þ. Þór, 2002). At that time, the Icelandic population counted approximately 50,000 so that death toll was huge. It is just since the 20th century when death rates at sea fell dramatically, and in 2008, probably for the first time since settlement, there were no fatal accidents on Icelandic fishing vessels. The explanation
of this progress is due to better and safer ships, fewer fishermen at sea, awareness of the importance of education of mariners, and intensifying accident prevention (Siglingastofnun, 2009).

In the 14th and 15th century, there were some dramatic changes for Iceland. Advances in shipbuilding and navigation technologies had a huge impact on the shipping routes and travel over the Northern Atlantic. With the settlement of conflicts and economics agreements between nations there were few barriers for ships to cross the oceans. With foreign fishing ships entering Icelandic waters and foreign demand for Icelandic fish beginning, it became the first time in history when fishing was not only meant for the domestic „market,“ and fishery exports started. This had a huge influence on Iceland and an impact on national prosperity (Jón Þ. Þór, 2002; Ragnar Árnason & Sveinn Agnarsson, 2005; Sigfús Jónsson, 1984).

Still for centuries, fisheries were mainly a supplement to farming. The Icelanders watched helpless as the British and other nations fished in their large decked ships in the water next to Iceland, while they fished in small boats. In the 19th century, Icelanders got their own decked boats and the Icelandic fishing industry began. In 1902, the first motor driven ship came into Iceland´s possession, the first trawler came in 1905 and the fishing sector was booming. In the 20th century, on average, half of the Icelandic GDP was driven by this industry (Arnar Bjarnason, 1996; Jón Þ. Þór, 2002; Ragnar Árnason & Sveinn Agnarsson, 2005; Sigfús Jónsson, 1984). In 2010, the seafood industry´s share in the GDP was down to 5,3% (Hagstofan, 2011i) and 5,2% of the total workforce were directly employed in the sector (Hagstofan, 2011b). These are only core numbers, which are directly connected to the fisheries but as the sector is connected to other sectors in indirect ways (i.e. production, processing, packaging, and shipping), the importance of fish is much higher in Icelandic economy and society. It is especially important to many villages in the countryside where the biggest or only employer is fisheries. With indirect and derivative effects, the seafood industry´s share in the GDP could be somewhere at 25% to 28% and the employment, connected in one way or another to the industry could be between 25-30% (Sigurður Jóhannesson & Sveinn Agnarsson, 2007; Kristrún M. Frostadóttir, 2011 ).
3.1 Current Structure

Though Iceland is a small country with few inhabitants, it is ranked the 17th biggest fishing nation with approximately 2% of the total world catch. In 2010, Icelandic vessels put on board, 1.063.000 tons of various fish species, with a value of 133 billion ISK (Hagstofan, 2011a; Íslandsbanki, 2011). As seen in figure 3-1, this is just half of the 1997 catch, but just as it’s happening in most or all waters around the world, the fishing stocks are declining due to overfishing in the last decades and some species are at the brink of extinction. Followed by the escalating population growth, it is certain that a substantial gap between supply and demand will occur and that will result in higher fish prices (see figure 3-2). Therefore it is urgent that overfishing will be brought under control with sustainable fishing so the ocean fish stocks can recover (WRI, 1999)

![Figure 3-1. Total catch by Icelandic vessels (hagstofan 2011).](image1)

In 2010, 71,5% of the catch (see figure 3-3), was in Icelandic waters but as Iceland is a member of the North-West Atlantic Fisheries Organisation (NAFO) and the North East

![Figure 3-2. Average annual Price Index for fish products (1990=100)(Hagstofan, 2011g).](image2)
Atlantic Fisheries Commission (NEAFC), Icelandic fishing vessels may fish from straddling stocks in the jurisdictions of other members. Iceland is also in a special agreement with Russia and Norway for catching cod in the Barents Sea within their jurisdiction (Fiskistofa, 2011c). Table 3.1 shows that almost 97% of the catch, by Icelandic vessels, is brought to land in Iceland for further procession or packaging.

Table 3.1. Location for the procession of the catch (Hagstofan, 2011c).

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processed on land</td>
<td>81.81%</td>
<td>79.12%</td>
<td>75.13%</td>
<td>74.00%</td>
<td>75.34%</td>
<td>70.73%</td>
<td>69.60%</td>
<td>68.59%</td>
</tr>
<tr>
<td>Processed on board</td>
<td>13.13%</td>
<td>16.85%</td>
<td>20.68%</td>
<td>20.51%</td>
<td>20.14%</td>
<td>22.10%</td>
<td>23.98%</td>
<td>28.34%</td>
</tr>
<tr>
<td>Processed abroad</td>
<td>3.39%</td>
<td>0.97%</td>
<td>0.71%</td>
<td>1.06%</td>
<td>0.42%</td>
<td>1.78%</td>
<td>1.32%</td>
<td>0.24%</td>
</tr>
<tr>
<td>Shipped abroad in containers</td>
<td>1.66%</td>
<td>3.06%</td>
<td>3.48%</td>
<td>4.43%</td>
<td>4.10%</td>
<td>5.39%</td>
<td>5.10%</td>
<td>2.83%</td>
</tr>
</tbody>
</table>

3.1.1 The quota system

After the four Cod wars, from 1952 to 1975, Iceland managed gradually to increase its fisheries jurisdictions from 4 miles to the now existing 200 miles, but in this time period, foreign vessels caught an annual average of up to 360.000 tons. The Icelanders also caught well in the beginning of the 1950s, when the total catch was at a staggering 800.000 tons in one year, and it is apparent that if the fishing grounds were overexploited with no governmental actions, the fishing stocks would collapse. In 1984, the Icelandic Fishery Management enacted quota restrictions for cod and later, similar
quotas have been set for other species in the Icelandic waters (Arnar Bjarnason, 1996; Birgir Þór Runólfsson, 1999; Kristrún M. Frostadóttir, 2011).

The Icelandic parliament lays the fundamental laws in fisheries management of Icelandic waters, but the overall management of the fisheries is in the hand of The Ministry of Fisheries and Agriculture and as so, they are the ones that issue regulations and decide on long term planning. “The Main Objective of Fisheries Management in Iceland is to promote conservation and efficient utilisation of exploitable marine stocks and thus ensure stable employment and settlement throughout the country” (Fiskistofa, 2011b).

The fisheries management requires that all commercial fishing operations need a permit from the Directorate of Fisheries, which issues total annual catch quotas (kg) for 25 major fish species, and each vessel is allocated a share in the quota. It is then permitted, under certain circumstances, to transfer up to 50% of the allocated quota shares between vessels within a given fishing year, which is from the 1st of September to the 31st of August each year (Fiskistofa, 2011b). As seen in table 3-2, the issued annual catch quota in 2010/11 is at its lowest point and is only a mere 1/3 of the allocated quota from 2001/02.

Table 3-2. Total Allowable Catch (TAC) of species within the Icelandic EEZ (Fiskistofa, 2011d, Ministry of Fisheries and Agriculture, 2011a, 2011b).

<table>
<thead>
<tr>
<th>Year</th>
<th>97/98</th>
<th>98/99</th>
<th>99/00</th>
<th>00/01</th>
<th>01/02</th>
<th>02/03</th>
<th>03/04</th>
<th>04/05</th>
<th>05/06</th>
<th>06/07</th>
<th>07/08</th>
<th>08/09</th>
<th>09/10</th>
<th>10/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capelin</td>
<td>1,008</td>
<td>995</td>
<td>892</td>
<td>919</td>
<td>1,096</td>
<td>800</td>
<td>737</td>
<td>803</td>
<td>194</td>
<td>318</td>
<td>157</td>
<td>15</td>
<td>110</td>
<td>181</td>
</tr>
<tr>
<td>Atlantic cod</td>
<td>218</td>
<td>250</td>
<td>250</td>
<td>220</td>
<td>190</td>
<td>179</td>
<td>209</td>
<td>205</td>
<td>198</td>
<td>193</td>
<td>130</td>
<td>160</td>
<td>150</td>
<td>160</td>
</tr>
<tr>
<td>Icelandic herring</td>
<td>100</td>
<td>70</td>
<td>100</td>
<td>110</td>
<td>125</td>
<td>105</td>
<td>110</td>
<td>110</td>
<td>130</td>
<td>150</td>
<td>155</td>
<td>47</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>Redfish</td>
<td>65</td>
<td>65</td>
<td>60</td>
<td>57</td>
<td>65</td>
<td>60</td>
<td>57</td>
<td>57</td>
<td>57</td>
<td>57</td>
<td>57</td>
<td>50</td>
<td>50</td>
<td>40</td>
</tr>
<tr>
<td>Haddock</td>
<td>45</td>
<td>35</td>
<td>35</td>
<td>30</td>
<td>41</td>
<td>55</td>
<td>75</td>
<td>90</td>
<td>105</td>
<td>105</td>
<td>100</td>
<td>93</td>
<td>63</td>
<td>42</td>
</tr>
<tr>
<td>Other species</td>
<td>166</td>
<td>129</td>
<td>106</td>
<td>118</td>
<td>144</td>
<td>132</td>
<td>140</td>
<td>148</td>
<td>148</td>
<td>144</td>
<td>140</td>
<td>131</td>
<td>111</td>
<td>114</td>
</tr>
<tr>
<td>Total (1000 tons)</td>
<td><strong>1,602</strong></td>
<td><strong>1,544</strong></td>
<td><strong>1,442</strong></td>
<td><strong>1,454</strong></td>
<td><strong>1,661</strong></td>
<td><strong>1,331</strong></td>
<td><strong>1,328</strong></td>
<td><strong>1,413</strong></td>
<td><strong>812</strong></td>
<td><strong>947</strong></td>
<td><strong>734</strong></td>
<td><strong>604</strong></td>
<td><strong>531</strong></td>
<td><strong>582</strong></td>
</tr>
</tbody>
</table>

Due to declining fish stocks from previous overfishing and in an effort to recover the fishing stock, “Icelanders have structured a fisheries management system to ensure responsible fisheries, focusing on the sustainable utilization of the fish stocks and good treatment of the marine ecosystem” (IRF, 2011). Since the fishing industry is one of the cornerstones in Iceland’s economy, responsible fishing is therefore vital for the country.
“for the benefit of future generations” and also, sustainable fishing ensures “The seafood industry is meeting the demands of seafood buyers for sustainable use of marine resources with Iceland Responsible Fisheries programme, developed on the basis of commitments made through national law and international agreements” (IRF, 2011).

3.1.2 The holders of the quota.

The main objective with fisheries management, including the quota system, is to control the number of fishing vessels and the amount of the fish they catch, it is obvious that not all Icelandic’s ships have quota. Either they cannot gain access or they, in many cases, rent the quota from the holders who are in possession of the allocated share. As seen in table 3-3, approximately 84% of the allocated quota in 2010, was held by the 50 largest fish companies with HB Grandi by far the largest, followed by Samherji and Þorbjörn; the 11 largest fish companies combined had more than 50% of the quota (Fiskistofa, 2011e).

Table 3-3. The 50 Biggest holders of the quota (Fiskistofa, 2011a).

<table>
<thead>
<tr>
<th>Holders of 2%+</th>
<th>Holders of 1-2%</th>
<th>Holders of 1%-</th>
</tr>
</thead>
<tbody>
<tr>
<td>HB Grandi hf</td>
<td>10,40%</td>
<td>13 Ogurvik hf</td>
</tr>
<tr>
<td>Samherji hf</td>
<td>6,22%</td>
<td>14 Sildavinnslan hf</td>
</tr>
<tr>
<td>Þorbjörn hf</td>
<td>5,58%</td>
<td>15 Ísfélag Vestmannaeyi</td>
</tr>
<tr>
<td>FISK-Seafood hf</td>
<td>4,74%</td>
<td>16 Bergur-Huginn ehf</td>
</tr>
<tr>
<td>Víslir hf</td>
<td>4,30%</td>
<td>17 Jakob Valgeir ehf</td>
</tr>
<tr>
<td>Rammí hf</td>
<td>4,16%</td>
<td>18 Eksja hf</td>
</tr>
<tr>
<td>Brim hf</td>
<td>3,88%</td>
<td>19 Gjogur ehf</td>
</tr>
<tr>
<td>Hraðfrystíhúsið - Gunnuhfirði</td>
<td>3,12%</td>
<td>20 Stálskip ehf</td>
</tr>
<tr>
<td>Vinnuslóstöðin hf</td>
<td>3,08%</td>
<td>21 K G fiskerkur ehf</td>
</tr>
<tr>
<td>Útgardurfélag Akureyri</td>
<td>2,92%</td>
<td>22 Stókkavík ehf</td>
</tr>
<tr>
<td>Nesfiskur ehf</td>
<td>2,58%</td>
<td>23 Guðmundur Runólfs</td>
</tr>
<tr>
<td>Skinny-Pinganes hf</td>
<td>2,28%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>53,26%</strong></td>
<td><strong>15,66%</strong></td>
</tr>
</tbody>
</table>

Though the quota system has played a large role in the formation of Iceland’s ecological and sustainable fishing, it has been widely criticised and many are asking for a change of system. The criticism is mainly concerning the allocation of the quota as well the renting of it. Those who want to fish and are not allocated a quota (or enough quota) must rent it from the holders and as the supply is much lower than the demand, the prices are high. This has led to a distorted competition environment where a large
additional cost is incurred on those who need to rent, compared to those who own the quota and only need to pay a relatively low fishing fee (Icelandic. veiðigjald) to the state. The fee for the equivalent of 1 kg of cod, is now 9,46 ISK but at the same time the holders can rent or sell their cod quota for around 300 ISK/kg. The Icelandic parliament (Alþingi) is now considering a change of this system which could include a much higher fishing fee and fair distribution of the quota, the separation from fish catching and the land procession, and the obligation to bring the catch to land and sell it on Icelandic fish markets. That would mean that all fish processing plants would have the raw material, which is the fish, at an equal price as all other companies. With the system as it is today, the “quota companies” who both are in catching and processing, have much lower production cost and therefore can offer their products at a lower cost. In addition, it is in their hands whether or not they rent some of their quota and how much they put on the fish markets, where others can buy the needed raw material for their processing.

3.1.3 Fish markets

There are 30 fish markets in Iceland spread around the country. These markets are auction markets where there is only wholesale of unprocessed and unsorted fish, but no retail sale of fish or other seafood takes place on these markets. The auction itself takes place on the online auction system called Fisknet and a vast majority of the fish is sold before it is landed. After the fish has been landed, it is sorted, weighed, iced again, and finally processed to the buyer, usually by the end of the day (RSF, 2011a).

According to data based on figures from RFS – a computer services company for the Icelandic fish auctions (Icel. Reiknistofa fiskmarkaða), the share of demersal fish sold in fish markets has increased significantly over the past three fishing years. In 2007/2008, there were 25,618 tonnes of cod sold at Icelandic fish markets, which is equivalent to 17% of the total cod catch. In 2010, however, the cod sold on the markets rose to 21% of the total catch. The same can be said about the ratio of haddock, which went from 32% to 38%, catfish ratio went from 53% to 63%, and saithe from 9% to 14%. In 2003 the percentage of all landed catch sold at the fish markets was 18.29%, while in 2009 this share was 21.5%. (L.S., 2011; RSF, 2011b).
3.2 Iceland and export - the fisheries business environment

Export of goods and service has always been very important for Icelandic economies and from 1945 to 2007, it represented on average about 37% of the GDP. After the Icelandic economic collapse in 2008, the GDP growth came to stagnation but the export continued its growth until 2010, when the export represented a staggering 56.5% of the GDP (OECD, 2011). As seen in figure 3-4, there has been relatively steady growth in the export; since 1945, there has been on average an annual 5.2% growth in the merchandise export (Hagstofan, 2011h). The fish and other marine products have always played a huge role in export throughout Icelandic history; the share of marine products has usually been more than half of the export. As seen in figure 3-5, the share of fish in exports was at its highest level in 1949 where it was almost 100% of the Icelandic merchandise export. From that point there was in reality nowhere to go but down. And it did. Slowly but surely, the share of the fish in export went down, and
in 2008, it was at its lowest point with a 36.7% share. In 2010, it had climbed up to 39.3%. In figure 3-6 it can been seen that marine products had, for the first time in centuries, lost the leading role in exports in 2008. Export of manufacturing products, especially aluminium, is playing more and more of an important role for the Icelandic economy and while marine products had a 39.3% share of exports of 2010, manufacturing products were 55.4%. This reduction in the export shares of marine products does, however, not indicate that the export of fish is going down. It only means that the export of aluminium is in its growing phase. Though the fish catch has been decreasing rapidly in the last years, the global demand for fish is increasing every year and that has led to escalating in the fish price, as shown before in figure 3-2. That has led to an increasing value of exported marine products in the last decades, though the value has slightly decreased in the last years (see figure 3.7).

Figure 3-6. Relative merchandise exports value by commodities groups (Hagstofan, 2011d)

Figure 3-7. Total marine export from Iceland (FOB. Value unit Price index 2010=100) (Hagstofan, 2011d).
In 2010, the value of exported marine products was 220.5 billion ISK, made from the vast part of the 1.06 million ton catch that year. As always, frozen fish fillets had the biggest share in the exported value, with a value of 47 billion ISK, and whole frozen fish came in second with 43 billion ISK (see figure 3-8).

**figure 3-8. Share of commodities groups (Hagstofan, 2011d)**

What is interesting with figure 3.8 is that it shows the large fluctuations between the groups in the share of the export. While frozen fish fillets stood, on average, behind 41.2% of the share in 1976-1980, it has lost almost half of its share today, with only 21.2%, while whole frozen fish has almost doubled its share in the same time, from 2.8% in 1976-1980 to 19.5% in 2010.

### 3.2.1 Choice of Markets and transport

Most of the exports are bound for Europe (see table 3.4), with 80% of the marine products sold there in 2010. That comes as no surprise since Iceland has always had its closest international connections, throughout history and geographically, to Europe. Iceland is part of the EFTA, OECD, the Schengen Convention, and is now a candidate for the EU(OECD, 2011). In table 3-4 it can be seen that North-America has lost its previous importance and is now at the same level as Africa.
Table 3-4. Nominal exports marine products for markets 1994-2010 (Hagstofan, 2011f).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>64.0%</td>
<td>68.3%</td>
<td>73.3%</td>
<td>71.9%</td>
<td>74.8%</td>
<td>77.4%</td>
<td>78.4%</td>
<td>79.0%</td>
<td>72.9%</td>
</tr>
<tr>
<td>Europe outside EU</td>
<td>0.7%</td>
<td>1.2%</td>
<td>1.6%</td>
<td>0.8%</td>
<td>1.3%</td>
<td>2.7%</td>
<td>3.8%</td>
<td>5.1%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Asia</td>
<td>16.4%</td>
<td>15.3%</td>
<td>8.1%</td>
<td>9.9%</td>
<td>7.5%</td>
<td>6.5%</td>
<td>6.7%</td>
<td>6.3%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Africa</td>
<td>0.8%</td>
<td>0.6%</td>
<td>1.0%</td>
<td>1.3%</td>
<td>2.4%</td>
<td>2.9%</td>
<td>3.1%</td>
<td>3.2%</td>
<td>4.8%</td>
</tr>
<tr>
<td>N-America</td>
<td>17.9%</td>
<td>13.5%</td>
<td>14.9%</td>
<td>15.6%</td>
<td>13.6%</td>
<td>10.2%</td>
<td>7.6%</td>
<td>5.6%</td>
<td>5.3%</td>
</tr>
<tr>
<td>S-America</td>
<td>0.2%</td>
<td>1.0%</td>
<td>1.1%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.2%</td>
<td>0.3%</td>
<td>0.5%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Pacific</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

Further analysis shows that the UK is the most important country for Icelandic marine exports with 21.2% of the total export share, Spain second with 9.4% and Norway third with 6.9% share. Together the top ten countries, buy on average 75% of all exported marine products from Iceland, from 1993 to date. Seven of these countries are located in Europe, one in Africa, one in North-America and one in Asia (see fig. 3-9).
As Iceland is just an island in the middle of the North-Atlantic Ocean, hundreds of kilometres from the next shores, there are limited ways to export to other countries. In fact, there are only two ways; either by airplanes or ships. Figure 3-10 shows that in 2010 were 72% of fish fillets transported by airplane but in 1995 it was at 95%. In contrary, 98% of whole fish is carried by freighters.

Figure 3-10. Export of fresh fillets (tons) by mode of transport 2000-2010. Fish fillets, fresh, chilled or on ice (Hagstofan, 2011e)

Further limitations on export from Iceland is that all transport is basically made from only three departure points. The air-cargo leaves from Keflavík airport, and the freight harbours are located in Reykjavík and Reyðarfjörður on the east-coast. That means that the fish procession companies, which are located around Iceland, first have to transport their goods to one of these three places, and from there, to Europe or elsewhere.

3.2.2 The economic environment

Since independence in 1944, inflation, price indexation on loans, high financing rates and depreciated exchange rate (see figure 3-11) has been the reality for the general
public and private companies in Iceland. That has led to unstable and insecure business environments which has often led to financial problems or the breakdown of many companies. In October 2008, Iceland stood against a total crash in its financial sectors, which led to one of the biggest crises in recent Icelandic history. The króna lost more than half of its value against other currencies and Iceland was basically cut from the international market as the international trust, which Icelandic companies had built up for decades, went down the drain overnight. Currency restrictions were put on place and are still restricting currency exchange today. Both exporters and importers experienced serious difficulties in transferring money to and from Iceland, and the credit they had with clients abroad was put to zero; all payment had to be made in advance.

Slowly the Icelandic economic environment is recovering and the trust is being rebuilt, but then again, the world is facing an internationally wide recession, and the future for the EU and other great economic areas and business blocks looks uncertain. How and whether it will affect the export from Iceland is hard to tell but it is certainly something the exporter should consider and prepare for.
4 Research Methods

For conducting a business research there are two basic research methodologies; the qualitative method and the quantitative method.

The qualitative method, i.e. the methodology of phenomenology, is done according the naturalistic paradigm. The data is examined in a subjective manner and the results after the analysis of data are interpreted by words. This is an effective way to get a glimpse into the other person's experiences, views, and this method is done by interviewing the individual. With the qualitative method, statistical facts are not collected, which is done with the quantitative research method, but the experiences of the individuals, their visions and beliefs are expressed and put on paper (Copper & Schindler, 2008; Sigurlína Davíðsdóttir, 2003).

The data can be obtained in various way, such as with closed, semi-open and/or open interviews with individuals, but the data can also be collected with participant- or direct observation, focus-group interviews and analysis of documents and other material (Esterberg, 2001). This methodology is also suitable for the preparation of quantitative research or surveys and later review of the results in the quantitative research. The researcher is the research tool; he is a part of the observation. He cannot be independent from the phenomenon which is being observed, so he needs to try to exclude his objectivity and not to interpret the process or the results with their own attitudes, beliefs and values. (Bogdan & Biklen, 2003).

The quantitative method, i.e. the positive paradigm, which was originally developed by natural sciences to study natural phenomenon, is based on statistical data. The data can be gathered from databases, books, surveys etc. and, in contrary with the qualitative method, the quantitative research is made from the researcher’s viewpoint. It is all about quantity; numbers, central tendency, frequencies, percentages etc. After the collection of data, they are analysed, a conclusion is drawn from the result and generalizations are made about the hypothesis which was made in earlier stages of the research (Copper & Schindler, 2008).
4.1 Research Method

In this research, both the two basic research methodologies, the qualitative and quantitative methods, are used.

4.1.1 The qualitative method

The collecting of the qualitative data was made by semi-open interviews. As the participants had to have experience in exporting marine seafood, the researcher wanted to interview managing directors or the company owners so the individuals who participated in the interviews were chosen specifically. Thus, purposive sampling was used (Esterberg, 2001). As these interviews will be used in two studies, made by two researchers (the researcher of this thesis and another researcher who is completing another thesis at University of Iceland) the purposive sampling was made in co-operation of the two researchers and Arnar Bjarnason, but the interviews were made in co-operation of just the two researchers.

To find managers to participate was not an easy task as there is no published or complete/accurate list of IMPEC’s. Contact was made to several offices to find participants, like the Tax authorities, the Customs, The Association of Fish Producers and exporters (Samtök fiskframleiðenda og útflytjenda), Promote Iceland, The Confederation of Icelandic Employers (Samtök íðnaðarins), Credit-info, Iceland Trade Directory and the Ministry for Foreign Affairs, but the harvest was scarce. Many offices denied information by referring to personal privacy and other offices thought that there was no such a thing as a complete list of IMPEC’s. Some general and public information was gathered and a list of 119 companies was made. A list of 122 firms obtained from the Iceland Trade Directory was added and compared with a list of 215 companies, which were registered with NACE codes 46381, 46171, or other codes related to the marine export, in the company registration filing at the Tax authorities. As some companies appeared on both lists, the total list ended up with 312 possible marine export companies. Each of these 312 companies was investigated to see whether they were still in operation via searches through the yellow/white pages and on the web, and many companies were contacted by phone. These inquiries were to see if the companies had homepages to find news about mergers, takeovers, bankruptcy or other information that could be used to see if the companies were still operational. All
companies which were truly closed, who did not appear in the yellow/white pages, had no web page, no e-mails or had a history of merging, takeovers or bankruptcy, were taken off the list.

Remaining was a list of 119 companies, including information like phone numbers and e-mails. Still unsure that all 119 were operational, an e-mail was sent out to those companies asking them to participate in a survey if they were still exporting marine seafood.

With this list of 119 companies, it was possible to find some “interesting” companies, and with the purposive sampling, 15 companies of different sizes and operational function were selected. A letter was sent out to them (see appendix E) and they were asked to participate in a 1 hour interview concerning the Icelandic fish industry. As the participants were promised anonymity, their names will not be shared. Of these 15 companies, 9 were willing to participate.

The interviews were conducted between the 5th of August to the 12th of August 2011, and they lasted between one and two hours. The interviews were used to gather information about the Icelandic fish industry, the internal and external environment of the companies and the nature of the marine export from Iceland. As it was half-open interviews, the participants could talk about everything they considered relevant for this study, but researchers had specific questions, written on paper, that needed to be answered but not in any particular order (see appendix F).

The construction of the prepared questions was done by gathering information, about the fishing industry and its environment, from books, articles and news services, and also some questions which were used in the previous study by Arnar Bjarnason. All the interviews were recorded, with the permission of the participants, and then translated into text. When all the interviews had been put on paper, they were analysed and categorized by pre-selected themes according to the structure of Arnar Bjarnason’s study. The themes were:

- General information about the company
- General information about the manager/owners experience
- The main barriers to export
The main incentives to export
The main objectives of the company’s export activities
The company’s weakness
The company’s strength

With the analysed data from the interviews plus questions used in Bjarnason’s previous study, a questionnaire was made and put on the internet.

4.1.2 The quantitative method

The questionnaire ended up quite lengthy.

As the goal of this study was to compare the results with the questionnaire with Bjarnason’s study in 1992, it was necessary to have all the previous questions included in this questionnaire with a similar structure. In addition, this questionnaire was meant to add a statistical base for three MS theses:

1. for this one, in which the first 4 themes/parts (see chapter 4.1.1) will be used
2. for the current research of a fellow researcher who is studying the fish industry structure (she is using the first 2 themes/parts)
3. for future theses, where the last three themes/parts can be used

This questionnaire took between 10 – 15 minutes to answer. There were 31 questions, divided over 6 pages (see appendix G) but many questions had sub-questions. For example, question 19, which was concerning the barriers to export, had 45 sub-questions or elements, and the participants had to rate every one of these elements, on a scale of one to five, depending on the importance of the barrier.

With all these questions and the length of time needed to answer the questionnaire, the researchers were concerned that participation would be poor and great effort would be required to get sufficient participation or else the results of the survey would be insignificant.

An invitation (see appendix H) was sent from the webpage cs.createsurvey.com, where the questionnaire was created, to the e-mail of the 119 companies on the list. The recipient was asked if he was or had been in the business of marine product export, to participate in the survey, and asked to click on the link to the survey directly from the
mail client, not to copy it and paste in browser. That was done to monitor who was participating so follow-ups or reminders could be sent out to those who ignored the original invitation. A 100% anonymity was promised. If the participant had quit the export business or never started, he was diverted to one page questionnaire with the 45 elements concerning the barriers to export. In this case the participant had only to mark three of the following elements according to importance by giving them a score of 1 to 3. If the participant was in export, he was diverted to the main questionnaire.

The fear of poor participation was not without reason. The first invitation was sent out the 12th of September 2011 and 4 days later only 17 had participated; 4 of them were not in export. The researcher had not anticipated such terrible participation response, but one of the participants contacted the researcher and told him that something had gone wrong because the text in the invitation from the homepage had been all mixed up. That error was fixed, and the first reminder (see appendix I) was sent out the 16th of September from the homepage and the error in previous invitation was explained. In the next 4 days, 6 more took part in the survey. That was still far from the researcher’s expectation, so he thought that the invitation could have been considered to be spam by the e-mail clients, so many had maybe not received the invitation. The second reminder (see appendix J) was sent out the 22th of September, now from a normal, personal e-mail client (not from the homepage). This text was included: “it seems like certain recipient’s mail-servers are preventing the receipt of a previous invitation by blocking it as spam. Therefore, allow us to send this request again; now from local mail server, and as the "plain text", in the hope that everyone would receive this time. This time the e-mail of the participants did not follow the responses; it was an anonymous participation but it was explained that the participant were expected to write their e-mail in a special box in the survey. In the next 6 days, 6 more took part in the survey. The third reminder was sent out the 28th of September (see appendix K) and phone calls were made to the companies on the list. One week later, 8 participants had responded to the survey and the total number of participants was at 33. That was far from satisfactory and threatened the results to be considered insignificant. Three reminders had been sent out, many recipients were not been happy with the reiterated reminders, and as it is not recommended to send more than two reminders, the researcher decided to wait to act again. Finally, a fourth reminder and phone calls were
made on November 28th (see appendix L). The researcher had managed to obtain personal e-mails to most of the company managers of companies left on the list, and these personal e-mails were used for the fourth reminder. Only four responded.

One invitation and four reminders had been sent out and it’s perfectly clear for the researcher of this thesis, that many would consider that as far too much and most certain most, if not all of the recipient had put the researcher on the e-mail black list. But still there were inadequate participation numbers so the researcher had to send out jet another reminder (now to the recipient personal e-) and make phone calls. Thus, a fifth reminder was sent out (see appendix M). Participation was pleaded for, and the invitation explained that if participation was not greater, it would be hard for the researcher to finish his master thesis.

This tactic worked and 20 more managers answered the survey, adding to a total number of participating exporting companies of 57.

Of 119 e-mails sent out in September, 28 were rejected by the mail server with the message that those e-mail did not exist or were not possible to deliver. That means that only 91 companies should have been on the list, since those 28 were presumably not in active business. A few phone calls confirmed that. In addition, it is clear that many companies who were put on the final 119 list, were found in the registered with codes related to the marine export, in the company registration at the Tax authorities, but that provides no guarantee for active operation either. A few phone calls also confirmed that. Thus, it is possible to conclude that less than 90 Icelandic companies are operating in the regular export of marine products, and after a few conversations with people intimately connected in the fishing industry at large, the more accurate count is at maximum around 80 companies operating in marine exports. With 57 participants in the survey, it is possible to draw the conclusion that the results from the analysed survey-data can be considered significant and realistic conclusions can be made from this survey.

4.2 The analysing of the data

The analysing of the data was made in SPSS, and mainly done with independent-samples and group-samples T-test, with 95% confidence interval. Cross tabulation was done in SPSS and excel. All the graphs and tables are made in excel.
4.3 Limitations

There were 9 participants in the interviews but it would have been better to have more and of course, it would have been best to talk to all managers of the IMPEC’s. Furthermore, there are no interviews with managers from western Iceland, the Westfjords, north-east Iceland, north-west Iceland or eastern Iceland. For that reason, it is not possible to generalize the findings from the interviews across Iceland, though the research in this study suggests similar trends may exist country wide.
5 Research findings

As explained in chapter 4, there were 61 companies that participated in the survey and 57 of them were still exporting marine products from Iceland. As seen in figure 5-1, a total of 34 companies are located in Reykjavík area and in south-west-Iceland so they are close or relatively close to the loading sites of the export. Furthermore, there are 8 companies in West-Iceland and with the tunnel under Hvalfjörð, only a 1 hour drive separates them from Reykjavík, so a total of 42 companies can be categorized as close or relatively close to the loading sites.

Of the 57 companies, 80% had started the export the same year the company was founded, 93% had started the export within 5 years and 7% had started the export in a time period of 5 to 10 years from the foundation year.

On an international scale, most Icelandic companies are small or medium sized companies (SME) and the participating companies in this research were no exception. 46% of them had fewer than 20 employees, 70% had 100 employees or less and one company had 1000 employees (see figure 5-2).

Figure 5-1. Location of headquarter by post-code (n=57)

Figure 5-2. Size of company (n=57)
Other big fish companies are missing but despite many attempts by e-mail and phone calls, many of them did not want to participate in this research.

93% of the participating companies exported their production to North, East and/or South Europe (see figure 5-3), 47% to Asia and 46% to North-America. Of course there were many who exported to various markets but the ratios of exported products to each area were not observed in the survey.

**Figure 5-3. The exporting area of participants in the survey (n=57)**

These 57 companies were all in export but many of them had other side business operations. Figure 5-4 shows that 35 of them were also fish processors, of which 21 were also in fisheries. 19 of the 21 fishing companies had allocated quota, and 6 of them also rented quota, but 2 of those 19 companies had neither allocated nor rented quota but had other ships catch for them.

**Figure 5-4. Another business operations and status of quota (n=57)**
Further analysis of the participating companies by the survey data revealed that they had different ways to get their needed raw material (see figure 5-5). Again the ratio was not observed in the survey. Most of the companies had various ways to get access to materials and very few relied on one source. Nine companies got their material solely from the fish markets.

![Bar chart: The origin of raw materials (n=57)](https://via.placeholder.com/150)

Figure 5-5. The origin of raw materials (n=57)

The statistics in figures 5.1 to 5.5 are just basic information about the companies and their operation, and although the goal with this research is not to analyse the structure and the nature of those companies, it is important to have this information as it will be used to cross-reference against other parameters.

The main goal of this research is to analyse the barriers or obstacles hindering export, as well as to find the main incentives that lie behind the initiation of exports.

Table 5-1(on next page), lists the top ten barriers, by the response of the participants, from the data of this studies survey which can be compared with Table 2.5 which shows the top ten barriers in Arnar Bjarnason’s survey of 1992. In chapter 5.1, the results will be discussed and explained, in the light of these tables and the interviews with the managers of the IMPEC’s. In appendix A, B C and D, all 45 barriers used in the survey are listed, as well as cross tabulation with the barriers by activity and quota, location and access to raw material.
### Table 5-1 Survey 2011

<table>
<thead>
<tr>
<th>Listed barriers - Survey 2011</th>
<th>Mean</th>
<th>Median</th>
<th>Stdev.</th>
<th>Category group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 High transportation cost from Iceland</td>
<td>3,912</td>
<td>4,000</td>
<td>1,023</td>
<td>Transportation cost</td>
</tr>
<tr>
<td>2 Policy of ruling political parties</td>
<td>3,649</td>
<td>4,000</td>
<td>1,302</td>
<td>Governmental</td>
</tr>
<tr>
<td>3 High domestic transport cost</td>
<td>3,596</td>
<td>4,000</td>
<td>1,163</td>
<td>Transportation cost</td>
</tr>
<tr>
<td>4 Unstable business environment in Iceland</td>
<td>3,491</td>
<td>3,000</td>
<td>1,020</td>
<td>Business environment</td>
</tr>
<tr>
<td>5 Subsidies to foreign competitors granted by local government</td>
<td>3,070</td>
<td>3,000</td>
<td>1,083</td>
<td>Governmental</td>
</tr>
<tr>
<td>6 Difficulties in the global economy</td>
<td>3,035</td>
<td>3,000</td>
<td>1,295</td>
<td>Business environment</td>
</tr>
<tr>
<td>7 Little governmental support for foreign marketing, promotions, etc..</td>
<td>3,035</td>
<td>3,000</td>
<td>1,375</td>
<td>Governmental</td>
</tr>
<tr>
<td>8 Higher transport- and insurance costs due to the economic collapse</td>
<td>3,035</td>
<td>3,000</td>
<td>1,149</td>
<td>Transportation cost</td>
</tr>
<tr>
<td>9 Unequal competition in access to raw materials (rent of quotas versus holders of quota)</td>
<td>3,000</td>
<td>3,000</td>
<td>1,581</td>
<td>Governmental</td>
</tr>
<tr>
<td>10 Access to raw materials (fish)</td>
<td>3,000</td>
<td>3,000</td>
<td>1,464</td>
<td>Raw material</td>
</tr>
</tbody>
</table>

#### 5.1 Barriers to export – results

“... by far the biggest change... is that “in the old days” the fish where put into small boats, covered with ice and then landed in hundreds of “some small country place in middle of nowhere”[...] to be now transferred to fresh product, as soon as it comes from sea on board large trawlers and then sent back for processing. This change, this revolution, is like when Ford began to produce cars on conveyors in the United States. It’s industrialization. Now you just start each day, in which you planned last month how much you were going to produce that day. The staff starts 8 am and finishes 5 pm. No overtime, and everything is much better controlled. The same is of course, concerning the delivery. With this industrialization you have taken out the small boats and those “small country places in middle of nowhere”. You can provide fish all year round.[...] it is a big change; the biggest change that has happened in 20 years.”

(Owner of a small processing company)
“We sold lobster and we looked to it as a service to Icelanders to have access to the lobster domestically; but we gave up. In the last years there have been new regulatory and surveillance authorities nonstop. Everyone has an opinion on how it should be. Labelling and all that and endless reporting to the Competition Authority. The cost of being in the local market was just so great that we didn’t trust ourselves to lose more money by selling in Iceland”.

(Managing director of a big processing and fishing company)

In those 20 years since Arnar Bjarnason completed his research, there have been huge changes in the fishing industry and everything related to it; in fact the whole world has changed dramatically. Internet, exploding world population, collapse in fishing stocks, quota system, technical revolution, the economic crash etc. etc. Like the statement above indicates, the “industrialization” of the fisheries is playing a huge changing role and with other changed elements, there is no surprise that there are more barriers to export then there were in 1992. All managers who were interviewed agreed on a revolutionary changed environment, though, of course not all agreed in which “order by importance” one should put the barriers. They were ranked individually by the data collected from the survey. Each participant had to respond to each element which was thought of as a possible barrier to export on a scale of 1 -5. 1 was “Not problematic at all “ and 5 was “extremely problematic”. By collected date, the mean, median and standard deviation where calculated and by the value of the mean, the elements of barriers where put in order. In Appendix A, all barriers are shown, in ascending order by the value of mean. Let us take a closer look at the top ten barriers.

5.1.1 Nr. 1 - High transportation cost from Iceland

Table 5-2. Transport cost

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0,00%</td>
<td>10,53%</td>
<td>24,56%</td>
<td>28,07%</td>
<td>36,84%</td>
<td>3,912</td>
<td>4,000</td>
<td>1,023</td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not at all or not very problematic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

By no surprise, High transportation cost from Iceland was considered the biggest obstacle to exporting from Iceland with the mean of 3.9 and median of 4.0 of
respondents consider it as Very or Extremely problematic barrier (see table 5.2). Clearly this is considered an obstacle of great importance. In table Appendix C, it can be seen that depending on the location in Iceland, the mean goes from 3,438 to 4,600 and the median from 3,000 to 5,000. That also is of no surprise as high domestic transport cost are added to the international transport cost. In Arnar Bjarnason’s survey of 1992, this factor was the third biggest barrier with the mean at 3,268 and the median at 3.

In the interviews, the participants saw this barrier as common sense, that is, it was a reality that everyone was aware of, and so there was no special need to talk more about it. Short mentioning like “of course it’s like we’re located” and “transport cost is far too high” were common; and then they preferred to talk about something else. The transport also had another dimension:

“The drawback is the cost of transport. Then after the crash, the frequency of ship travel has decreased. Previously there was weekly shipping to America, but now it’s down every two weeks and if one trip is suspended for some reason, it’s a monthly shipment to the States. It is difficult to offer our customers such a service”.

(Managing director of a medium sized processing company)

5.1.2 Nr. 2 - Policy of ruling political parties

Table 5-3. Politics

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,02%</td>
<td>12,28%</td>
<td>28,07%</td>
<td>14,04%</td>
<td>38,60%</td>
<td>3,649</td>
<td>4,000</td>
<td>1,302</td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td>53%</td>
<td>Not at all or not very problematic</td>
<td>19%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the interviews, this factor was one that every participants had lots to talk about and by the high mean and median score (see table 5.3), this can be considered an obstacle of great importance. In some cases it was almost a personal matter and it was like they had been waiting for an opportunity to talk “public” about those “no good politicians” who were destroying everything:

“I think this is unique in the world that the governments are acting against the business environment. [...] It’s totally unacceptable to see the destruction that is going
on. Watching the exports sector, seafood industry [...] This is just sad, it is not even possible to laugh over; this just makes one start crying[...] just this crazy government. But you have to stop thinking about it if you want to hold this out.”

(Managing director of a medium sized processing company)

“It is also what is happening here with coastal fishing. When the weather is good then there is this massive amount of fish coming into the market which go all the way through to the supermarket and the prices collapse. The structure of fishing is very important when it comes to it, which revenue comes into Iceland from fishery. This is what is been breaking down right now.”

(Managing director of big processing and fishing company)

“But because of this is stance in some regulations, there are people willing to close all the fish fabrics and give fines to all, but they do not look at the wishes of the customers. By this you’re serving interests of others but not the customer.”

(Managing director of a big processing and fishing company)

“The quota system is naturally just what led to the collapse of Iceland.”

(Owner of a small processing company)

“This is the question. There was a matter of quota. People were thinking only to collect fishing experience because if the mackerel would be set on quota they would get a share of it. But they destroyed 20-30 years of value creation with this nonsense. Of course it’s the Minister of Fisheries to blame in all of this. It’s such a scandal. Billions and tens of billions are lost”.

(Owner of a medium sized processing and commission company)

“When the vagary of one Minister determines everything, as is what´s happening here, where does that happen in civilized society? It is best to have as few words possible about this because it’s really no freedom of speech in Iceland when you’re in such a business as mine; if you don’t watch your tongue, you can get into trouble”

(Owner of a small processing company)
“...but this is just that Old Icelandic group- friend’s politics which we know exists in Iceland.”

(Owner of a small processing company)

“Then something triggered the inertia-law here at home. Everything went idling[...] and the politics put the factory up West in Suðureyri. It should have been in the bay of Faxaflóa because as it is a relatively cheap product so it must have the minimum additional cost.”

(Owner of a medium sized processing and commission company)

Above are just a few example of what the managers had to say about Icelandic politics; it went on and on and as can be seen in Appendix B, C and D, there was no difference in whether the company was big or not, had quota or not, the location or other parameters; no-one was happy with the politics and it usually scored the highest mean. A median of 5 was common.

5.1.3 Nr. 3 - High domestic transport cost

Table 5.4. Domestic transport cost

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,75%</td>
<td>19,30%</td>
<td>26,32%</td>
<td>22,81%</td>
<td>29,82%</td>
<td>3,596</td>
<td>4,000</td>
<td>1,163</td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td>Not at all or not very problematic</td>
<td>53%</td>
<td>21%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3,596 and the median at 4(see table 5.4) this barrier can also be categorized as a factor of great importance. It can be seen in appendix C, that the scores were very different according to the location of the company. In South-West, West and South-Iceland, the mean was 3,188 and the median 3,000 but on the West fjords scores was at staggering 5.000 for mean and the median also at 5,000,. For some this factor can therefore be categorized as a barrier of medium importance, but for the companies in the Westfjords, it is of the greatest importance.

“Domestic transport is now all truck-transport and in my opinion we’ll never go back to transport by ships. People have become accustomed to get the product right
away. [...] it’s more expensive but much better service. [...] it is equally expensive to move a container across the country as to transport it to Reykjavik from Europe. [...] I’m not surprised that it is not possible to keep the procession companies on many of these smaller places”

(Managing director of a medium sized processing and fishing company)

“it’s more expensive to transport fish from the Westfjord to Reykjavik, than from China to Europe”

(Owner of a medium sized processing and fishing company)

5.1.4 Nr. 4 - Unstable business environment in Iceland

Table 5-5. Business environment

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,75%</td>
<td>14,04%</td>
<td>36,84%</td>
<td>28,07%</td>
<td>19,30%</td>
<td>3,491</td>
<td>3,000</td>
<td>1,02</td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td>47%</td>
<td>Not at all or not very problematic</td>
<td>18%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3,491 and the median at 3 (see table 5.5) this barrier can be categorized as a factor of medium importance but for 47%, it is a very or extremely problematic factor.

In the interviews, the unstable business environment in Iceland, the economic crash in 2008 and the unstable Icelandic króna were, just like the transport costs in Iceland, considered well-known factors, but at the time everyone spent more time talking about “this terrible business environment” - the fishing industry, processors and exporters – we’re dealing with. Many mentioned this factor as the reason why many exporters had quit the business and other mention this as a barrier to start as a fish-exporter. In Bjarnason’s survey in 1992, this factor had the highest mean at 3,518 and as the only one, a median of 4.

“it would have been easy to go bankrupt [after the crash] when you didn’t get paid for weeks. The customer wanted to pay, but he couldn’t transfer money to Iceland.”

(Managing director of a medium sized processing company)
“No, [The Icelandic króna] is not stable and it doesn’t just make it difficult for us but for everyone. Especially for exporting companies and most of all for those who need to keep inventory of fish before they sell it. You cannot know if the value in the warehouse is going to increase or decrease in terms of the Icelandic króna.”

(Managing director of a medium sized processing and fishing company)

The interviewee: …I would rather apply for a residence in mental hospital.

The researcher: I understand. Has this really become such difficult environment?

The interviewee: Yes, I would not want to start now. […]

…. The researcher: how would it be for a rookie to start export now?

The interviewee: I think he would be better off just to get in the mental hospital. I think there is no basis for this.”

(Managing director of a small sized processing company)

“We’re not running the fishing industry in Icelandic króna but we run it in foreign currency […] I ended up losing 120 million. At that time we stopped. This was going nowhere. Later we found out that we would have been back to square one as the value of the króna went in opposite direction. How the markets have developed here, is really negative so I started to move the operations more to other countries and also to get the raw materials and this has been good for me.”

(Managing director of a medium sized commission company)

5.1.5 Nr. 5 - Subsidies to foreign competitors by local governments

Table 5-6. Subsidies to competitors

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8,77%</td>
<td>19,30%</td>
<td>36,84%</td>
<td>26,32%</td>
<td>8,77%</td>
<td>3,070</td>
<td>3,000</td>
<td>1,083</td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td>37%</td>
<td>Not at all or not very problematic</td>
<td>33%</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
With the mean at 3,070 and the median at 3, this barrier can be categorized as a factor of medium importance, but for 37% it is a very or extremely problematic factor. For one third this is no obstacle at all (see table 5.6). In Arnar Bjarnason’s 1992 survey, this factor was the second biggest barrier with the highest mean at 3,286 and a median of 3.

“.. in Denmark there are no direct payments to fish there. I am unfamiliar with it. But in the European Union then you can get regional support if you have a fish processing factory, somewhere far away in middle of nowhere, you can apply for support to fix the floor or a new truck or something.”

(Managing director of a medium sized commission company)

5.1.6 Nr. 6 - Difficulties in the global economy

Table 5-7. Global economy

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,79%</td>
<td>17,54%</td>
<td>29,82%</td>
<td>21,05%</td>
<td>15,79%</td>
<td>3,035</td>
<td>3,000</td>
<td>1,295</td>
<td></td>
</tr>
<tr>
<td>Very or Extremely problematic</td>
<td>Not at all or not very problematic</td>
<td>35%</td>
<td>28%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3,035 and the median at 3 (see table 5.7) this barrier can be categorized as a factor of medium importance.

“It is often simple to just sell the product, but it is harder to get paid. So I would say that our business in the last 2-3 years, has very much been about to secure us for guaranteed payments. Because, as you know, then the environment is very hard now. We sell a lot to southern Europe where the situation is really bad so we need to be extra careful. We need also to sell to eastern Europe and there too we have to be very careful. Most of those countries there are categorized in the junk category just as Iceland. So there are few who are willing to take the risks by doing business there.”

(Director of a big commission and processing company)
All the managers had the common view, that the business and payments, was more difficult now than before the economic crash in Iceland, which everyone also agreed was partly due to the global economic problems.

5.1.7 Nr. 7 - Little governmental support for foreign marketing, promotions, etc.

Table 5-8. Governmental support

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not</td>
<td>15,79%</td>
<td>26,32%</td>
<td>14,04%</td>
</tr>
<tr>
<td>Very or Extremely</td>
<td>44%</td>
<td>42%</td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3,035 and the median at 3 this barrier can been categorized as a factor of medium importance, but for 44% it is a very or extremely problematic factor. For 42%, this is no obstacle at all or not very problematic (see table 5.8).

“No, I don’t think we have received any assistance from them. Not in that way but of course, they are present at the Fisheries Exhibition. We’ve been here for 30 years and it has not been a single customer that has come through governmental offices. We have found them all by ourselves.”

(Owner of a medium sized processing and fishing company)

“...you can see in other countries that the governments there support the exports in much better ways than it’s done here in Iceland. One of the best ways to see it is when you go to foreign Fisheries Exhibition. [The foreign companies] are getting all the material and other things needed for the Exhibition for free from their government. Here it costs us substantial money. This is what we need to consider.”

(Managing director of a medium sized processing and fishing company)

“I have noticed this especially with the salt fish. [The Norwegians] have been in many campaigns in Spain and intended to pave the way for Icelanders but so far it has always failed. But if we had just a small fraction of the money they have to promote their...
products we wouldn’t care. However, many of these companies in Norway have been merging, expanding and take a much more responsible view on marketing. I think if we do not react then it will be very difficult to compete with Norway in the future. They have much more access to fish, they have a lot more money to promote their products and then they are realizing that it is much better to stick together while I think that developments in Iceland has been much more toward disintegration”.

(Director of a big commission and processing company)

5.1.8  Nr. 8 - Higher transport- and insurance costs due to the economic collapse

Table 5-9. Transport- and insurance costs

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Very or Extremely problematic</th>
<th>Not at all or not very problematic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not</td>
<td>Not very</td>
<td>Sommerwhat</td>
</tr>
<tr>
<td>8,77%</td>
<td>28,07%</td>
<td>22,81%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3,035 and the median at 3 this barrier can be categorized as a factor of medium importance, but for 40% it is a very or extremely problematic factor and for 37% this is a small obstacle (see table 5.9).

“Yes, I just explained the situation and said that unfortunately I didn´t have any extra 2000 dollars to pay for the goods immediately. The banks today, if you want to get any loans, ask you for 100 to 200% [Guaranty. Insertion by author]. This has greatly damaged the business.”

(Managing director of medium sized processing and fishing company)

“I’ve never noticed that someone had put Iceland on some black list after the crash. In UK they just say “Icesave, what’s that?” This has not been affecting anything in any way...”

(Owner of medium sized processing and fishing company)
All managers agreed that due to the loss the insurance companies suffered in the economic crash, they had raised the premiums for transport insurance, to counterbalance their budget.

5.1.9 Nr. 9 - Unequal competition in access to raw materials (rent of quotas versus holders of quota)

Table 5.10. Unequal competition

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not</td>
<td>26.32%</td>
<td>15.79%</td>
<td>17.54%</td>
</tr>
<tr>
<td>Not very</td>
<td>12.28%</td>
<td>28.07%</td>
<td></td>
</tr>
<tr>
<td>Somewhat</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

With the mean at 3, 0 and the median at 3 this barrier can be categorized as a factor of medium importance. For 40% it is a very or extremely problematic factor. For the majority this is a small or just somewhat of an obstacle (see table 5.10).

For the researcher, it was of no surprise that the access to material was considered an obstacle of great importance, or at least greater importance, for 40% of the participants. “…it was now in the beginning of August. Of course, there is a small supply of fish in these months but we really needed some red-fish. There was 26 tons in the market but Samherji bought everything for 350ISK/kg. This was a price we, the manufacturers had never heard of; this was just ridiculous because the normal price is 200ISK/kg. So there was no redfish on Friday and on the auction on Saturday there were some 10-12 tons that was sold for 220 crowns. […] This is what irritates those who are buying fish on the market. For the big quota companies, the fish price is irrelevant. They have paid the fishermen, who fish for them, 80 ISK for the kilo but they sell it for 200 ISK. [When buying for 350 ISK, they are in fact only paying 200 - 230 as they are buying “their own fish” in which they have a surplus of 120 - 150 ISK after the payments to the fisherman. Insertion by author] There have been complaints to the Icelandic Competition Authority. This cannot go on like this that the big ones, like Grandi or Samherji, just enter the markets and drain all available fish.

(Managing director of a medium sized commission company)
All the companies which had no quota had similar stories to tell and they were really unhappy with the situation. The system was unjust and a major barrier for healthy operation, competition and export; “this just has to be fixed”. This barrier can easily be connected to the politician’s barrier.

5.1.10 Nr. 10 - Access to raw materials (fish)

Table 5-11. Access to raw materials

<table>
<thead>
<tr>
<th>Degree of problematic</th>
<th>Not</th>
<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
<th>Mean</th>
<th>Median</th>
<th>St.dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,79%</td>
<td>31,58%</td>
<td>14,04%</td>
<td>10,53%</td>
<td>26,32%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Very or Extremely problematic</th>
<th>Not at all or not very problematic</th>
</tr>
</thead>
<tbody>
<tr>
<td>37%</td>
<td>47%</td>
</tr>
</tbody>
</table>

With the mean at 3,0 and the median at 3 this barrier can also be categorized as a factor of medium importance but for 37% it is a very or extremely problematic factor. For the majority this is a small or just somewhat of an obstacle (see table 5.11).

“With this industrialization you have taken out the small boats and those “small country places in the middle of nowhere”. You can provide fish all year round [...] it is a big change; the biggest change that has happened in 20 years.”

(Owner of small procession company)

Most, but not all, managers interviewed, had no special problems in accessing the material needed and said that the situation had become better in the last years, that is, the access was more even all year around. They usually could fulfil their orders but they could not have more customers as there was not enough material for expanding the operation. All managers agreed though that access to material was without a doubt, a huge problem for many.

5.1.11 Other barriers

Three barriers in the top ten list is concerning transport but if they are consider as one factor, two other barriers could be listed in the top ten. Hard to compete with the cheap
“China” fish would come in as number nine and Prize dumping of competitors [to gain market share] would be seen as the tenth greatest barrier for IMPEC’s. In the interviews the managers/owners talked about others barriers and other things that the Icelandic government and the companies were dealing with and the need to solve those problems or at least acknowledge them:

- the tariffs on fully-processed fish into other countries
- the entry of Norwegian companies into the Spanish market which could probably lead to direct competition with existing Icelandic companies
- the cost to get the products certified as sustainable
- that the consumer is not ready to pay higher prices for more expensive sustainable fish
- etc.

Some managers thought of some of the issues and obstacles as barriers of great importance while other consider them as “no problem at all”. Some of these issues mentioned in the interviews were not to be measured in the survey as it was considered not to affect all marine exporting companies (though it could block some out from entering a new market).

In appendix B to D the results of the survey are listed with the barriers cross-referenced by different internal elements of the companies.

Table 5.12 shows the results with Independent-Samples T-test on the top 8 barriers. The test was done with a 95% confidence interval. Only the groups, and all the groups, which had significant different means, that is p-value<0,05 are shown in the tables.

The results are interesting. The policy of ruling political parties is a factor that stands out and shows the greatest difference of opinion between managers of the IMPEC by the company’s different internal environment. While, for example, the companies who practice fisheries, have the mean of 4,52, which can be considered a barrier of very great importance, the others are down to 3,14, which is hardly a relevant barrier.

In table 5.13 are the T-test results by location. Reykjavík was compared with the rest of Iceland (which was put in one group); and by surprise, there was no significant difference in means of any barrier, whether the company was in Reykjavík or in “the
country side”. The lowest p-value was at the policy of ruling political parties with the value of 0.082.

Further Independent-Samples t-test were made on other barriers, and the top 8 were compared with other factors (though not all), as the size of the company, export destination, owners experience etc. In short there were no other p-value<0.05 found. In addition, a paired sample T-test made on those other factors with the top 8 barriers and no correlation was found. The results in all tables could be a source of information to do further investigation.
Table 5-12. Independent-Samples T-Test

<table>
<thead>
<tr>
<th></th>
<th>Fishery</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Std. Err. Mean</th>
<th>Levene's Test for Equality of Variances</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy of ruling political parties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.028</td>
<td>.000</td>
</tr>
<tr>
<td>Yes</td>
<td>21</td>
<td>4.52</td>
<td>8.14</td>
<td>.178</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>No</td>
<td>36</td>
<td>3.14</td>
<td>1.268</td>
<td>.211</td>
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<tr>
<td>Unstable business environment in Iceland</td>
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<td></td>
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<td>.008</td>
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<td>.921</td>
<td>.201</td>
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<td>.039</td>
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<tr>
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<td>21</td>
<td>4.52</td>
<td>8.14</td>
<td>.178</td>
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<td>We are in commission</td>
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<td>1.233</td>
<td>.203</td>
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<td>Subsidies to foreign competitors granted by local government</td>
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<td>.005</td>
</tr>
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<td>2.40</td>
<td>1.095</td>
<td>.245</td>
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### 5.2 Initiatives to Export – results

Another part of this research was to find the initiative that triggered or supported the decision making for the manager or owner to start exporting. The scope of this part of the research is completed at a smaller scale than Arnar Bjarnason’s research. Firstly because the incentives found in this study are only measured from the interviews and 7 parameters in the survey. Secondly because the incentives are not connected to the different export markets and different export products and thirdly, the incentives are
not compared with the company’s internal weaknesses or strengths. Still the result should give a realistic overlook for export incentives at IMPEC’s.

In the interviews with the managers, it became clear that not one of them started the export according to the stage approach, or the Uppsala theory, but all had started direct export in a relatively short time period. That is entirely consistent with the results of Arnar Bjarnason’s research.

“I had been working in this field since I finished college so I knew the business before I came to Iceland. I worked here for 2 years, and then I founded, with my college, an exports company. It was 1988, but we stopped our cooperation in 1992 as we went in different directions. He went fishing but I went into export”

(Owner of a medium sized commission company)

“I did come to know many people as I had worked in the fishing industry in the United States. First as an employee but later as a sales-person”

(Owner of a small processing company)

“My dad [the company’s founder. Insertion by author] was working out there [in the UK. Insertion by author] as a salesman for shrimp. One thing led to another and he began to produce caviar. Soon he moved his operation back home to Iceland”

(Managing director of a medium sized processing and fishing company)

“.... and the client just came to visit us and today he’s still in business with us; this was 1987.”

(Managing director of a medium sized processing and fishing company)

In addition to the interviews, the participants in the survey were also asked about their incentives to export. The results were parallel with the interviews. In figure 5-6 it can be seen that the vast majority had connections, experience and knowledge of the foreign market and that triggered the export. Only 9 of the managers/owners or 16%
had neither connection, experience nor knowledge of the foreign market. Also by comparing the foundation years of the companies with the year they started its export,

![Figure 5-6. Incentive to export.](image)

it is clear that most of them started the export in a relatively short time. As mentioned before, 80% of the 57 companies had started the export the same year the company was founded, 93% had started the export within 5 years, and 7% had started the export in a time period of 5 to 10 years from the foundation year.

Only 3 mentioned the small size of the domestic market as a factor of initiative but 2 of those 3 participants also said they had connections, experience and/or knowledge of the foreign market. That leaves only one left, who mentioned the small Icelandic market (in addition with the difficulties in the market environment) as the main initiating factor to start the companies export. These are not the same results conclusive from Ásta Dís Óladóttir’s studies (2009), where the results showed the main motives for Icelandic firms to export were market seeking motives and strategic asset seeking motives. As her research was focused on internationalization by Icelandic multinationals, especially banks and high tech companies, it is not possible to state that this research or the one made by Ásta Dís Óladóttir, is wrong or inconsistent. It just means that there are different motives and incentives that lie behind the internationalization of banks and marine export companies. For the banks, it is market seeking and/or strategic asset seeking motives but for the marine export companies, it is still Export or die.
5.3 Theoretical connections to IMPEC’s

In chapter two, the theoretical approaches to international trade and internationalization was summarized by comparing the theory with the research findings, in which a conclusion can be made on which way the theory connects to the reality of IMPEC’s. A short summary of these connections is now made.

✓ **International trade and globalisation.** By comparing Icelandic export history with the development of world trade and globalisation, it can be seen that the Icelandic export and trade has followed the globalisation trend, and in fact, been a little bit ahead. While there has been on average an annual 4,3% growth in the world merchandise trade, there has been on average an annual growth of 5,2% in the merchandise export from Iceland. That indicates that the international co-operations and international organization participation that Iceland has taken part in, in broad perspective, has been very fruitful.

✓ **Internationalization theories.** Four theories were presented in chapter 2.3 and they were compared with the results of this study. The result is that all of the theories can be, just at some degree, connected to the nature of the IMPEC’s

  • **The Uppsala theory** cannot be well fitted as 80% of the companies started their export in the company’s first year, and 93% of the companies within 5 years. Only 7-10% possibly followed the incremental stage approach, as they started the export in the time period of 5 to 10 years from the company’s foundation year. However, from the available information it’s not possible to confirm that the export started gradually over some years. The Uppsala theory states, firms that have a strong stock of knowledge gained in other markets and especially when the foreign market is as stable as the domestic market, and that part of Uppsala does fit many of the companies.

  • **Psychic distance.** By choosing psychically close countries which are similar to the home country, the greater the chance to have success in the foreign business, as it’s easier for firms to manage in an environment which is similar to what they know. 95% of the companies export to Europe, which can be considered as
psychically close or at least relatively close, so this theory fits well with the nature of
the export companies

- **The Network Model.** This model also fits well with the results as
84% of the companies’ managing directors or the owners had connections, experience
or knowledge of the foreign market, and that was the main incentive that triggered export

- **Born Global.** The summary from the theoretical definitions could
describe Born Globals companies as, “small or medium sized companies, with 500
employees or less and the manager is usually described as an entrepreneur, with
foreign experience, which sees the whole world as on market and have established
their business activities in 5 or more countries and sell more than 40% of the
companies production abroad, within the first five years“. At first glance that seems to
be a perfect match to many of the participating companies in this study, but then
again, more detailed information is needed. Forty three companies export their
products to more than one area of the continent but by the data analysis of the
survey, it’s not possible to see to how many countries each company is exporting to.
Only eighteen companies have direct export to two or more areas, so one could
conclude that the minority could be categorized as born global though they have
reached “advanced exporting”. Further research is needed to confirm that.

✓ **Choice of Entry Mode**

- **Export mode.** 22 companies (38%) are only in direct exporting, 25
companies (44%) are in both direct- and indirect exporting and 10 companies have only
indirect exporting/cooperative export

- **Intermediary entry modes.** Few companies who participated in
this study, showed to use this entry mode. Licensing and franchising is hardly a real
option for IMPEC’s but, according to the interviews, contract manufacturing was used
by one company (fish procession in China)

- **Hierarchical mode.** Only four companies have FDI´s overseas
operations like investments in offices, distribution channels and/or procession factory.
That leaves 93% of the participating companies, which have not left the comfortable
and secure zone of direct exporting. That also indicates that those companies do not possess competitive advantage which they could take advantage of in foreign markets.
6 Conclusion

Since 1992, when Arnar Bjarnason conducted his research on the nature and behaviour of IMPEC’s, the world has undergone a revolutionary change in so many ways. The internet, removal of restrictions and other tariffs barriers, closer cooperation between nations, collapse in many world fish stocks, incredible advances in technology, the economic crash in 2008, are just some of the incredible changes we have lived to witness. But then again, some things have not changed and some things will never change. Iceland is and always will be, an island in the middle of North Atlantic, far away from the closest markets, and politics will remain as they have been for centuries.

It is therefore understandable, that there have also been changes in what managers consider barriers to export.

This study has made a theoretical overview of globalization and international trade and compared it with the history of Icelandic trade. The conclusion is that Iceland has gained from international co-operations and recommendations arising from the results suggest Iceland should continue to grow with other nations and strengthen its international collaboration.

This study has also examined the incentives and strategies for internationalization, and considered the barriers that could hinder the successful operation of IMPEC’s.

A number of interesting findings have emerged from this research:

6.1 Barriers to export – Findings.
The first research questions was:

*What are the main barriers for Icelandic marine companies to export their products?*

Here the research question will be answered by summarize the main findings of the study as well as to compare the results with other studies.

Today the high transportation cost is seen as the biggest obstacle and the third biggest for IMPEC’s, the policy of ruling political parties is second, and fourth is the unstable business environment in Iceland. The top three can easily be considered as
obstacles of great importance and the fourth one as an obstacle of relatively great importance. Other barriers could not reach that level. As the barrier high transportation cost from Iceland was not considered an obstacle of great importance by many IMPEC’s (depending on the location of the company’s headquarters), one can assume that the greatest overall barrier is the politicians and their decision making. The location of Iceland and the small villages in the country side, cannot been manipulated or changed in any way, so the high transportation cost has been, is, and always will be a great obstacle; furthermore, it is not foreseeable that anyone can change that. The politics are, however, possible to change. The decisions made can be altered to correct the errors that are hindering export and operations of IMPEC’s.

In the 1992 survey, six barriers in the top ten list were related to the business environment, one to transportation cost, one to raw material and two to government. In this survey, only two can be connected to the business environment, three to transportation cost, one to raw material and four to government. The list is totally different from the 2001 survey (see table 6.1):

Table 6-1. Surveys 1992 and 2011

<table>
<thead>
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<th>Results from survey 1992</th>
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<tbody>
<tr>
<td>1 Unstable business environment in Iceland</td>
<td>1 High transportation cost from Iceland</td>
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<tr>
<td>2 Subsidies to foreign competitors granted by local government</td>
<td>2 Policy of ruling political parties</td>
</tr>
<tr>
<td>3 High transportation cost from Iceland to export markets</td>
<td>3 High domestic transport cost</td>
</tr>
<tr>
<td>4 High production costs in Iceland</td>
<td>4 Unstable business environment in Iceland</td>
</tr>
<tr>
<td>5 Fluctuations in demand at the export markets</td>
<td>5 Subsidies to foreign competitors granted by local government</td>
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<td>6 Price fluctuations at the export markets</td>
<td>6 Difficulties in the global economy</td>
</tr>
<tr>
<td>7 Fluctuations in foreign currency</td>
<td>7 Little governmental support for foreign marketing, promotions, etc..</td>
</tr>
<tr>
<td>8 High real exchange rate of the Icelandic króna</td>
<td>8 Higher transport- and insurance costs due to the economic collapse</td>
</tr>
<tr>
<td>9 Seasonal fluctuations in fish supply</td>
<td>9 Unequal competition in access to raw materials (rent of quotas versus holders of quota)</td>
</tr>
<tr>
<td>10 Import tariffs on foreign markets</td>
<td>10 Access to raw materials (fish)</td>
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Another interesting finding is that the listed barriers from this research are, just like Arnar Bjarnason’s study of 1992, still totally different from the results of others’ research and from the theoretical findings summarized in chapter 2. Whether that difference is solely due to the nature of IMPEC’s environment is hard to tell, but one could easily assume that all Icelandic export companies are facing the great barrier of transport and its cost. But to what level tariffs and politics are standing in the way for other companies, could be material for another research project.

While the OECD’s top barrier list included (Rögnvaldur Hannesson, 2001):

- tariff measures
- non-tariff measures such as quantitative restrictions, anti-dumping duties, and price controls
- government financial transfers
- sanitary requirements that differ across countries
- access to ports
- regulations of foreign investment
- regulations of trade in fishing services

only two elements in Arnar Bjarnason’s top ten list is regarding tariffs or regulation; the main barriers in his research are related to transport and lack of raw materials. In this research, the barrier *Import tariffs on foreign markets* scored low with mean at 2,482 and the median at 2; it ended as number 26 on the list (see Appendix A).

Furthermore, when comparing the IMPEC’s main barriers with the results in Leonidou’s and Suñez-Ortega’s study, and the theoretical discourse, the same conclusion can be drawn; IMPEC’s are in many ways, different in the aspects of export barriers.

According to Suñez-Ortega(2003), who studied the export behaviour of firms in the Spanish wine industry, these where the ten greatest barriers:

1. Lack of knowledge of best potential markets
2. Lack of finances for market research
3. Lack of staff for export planning
4. Strong foreign competition
5. General lack of knowledge of how to export
6. Differences in wine consumption habits
7. Lack of awareness of export assistance available
8. Export documentation requirements and red tape
9. Lack of private sector export marketing firms to serve wine industry
10. Lack of awareness of economic and non-economic benefits of export

In Leonidou’s research in 1992, where he contacted 1,100 manufacturing firms in Cyprus to “investigate their perceptions of a number of factors impeding the initiation of exports” the ten greatest barriers to export were:

1. Keen competition in foreign markets
2. Inability to offer competitive prices abroad
3. Limited info to locate/analyse foreign markets
4. Lack of managerial personnel/time
5. High risks/costs involved in selling abroad
6. Lack of governmental assistance/incentives
7. Unfavourable/fluctuating foreign exchange rate
8. Shortage of working capital to finance exports
9. Problematic transport/high shipping cost
10. Difficult to locate/obtain adequate representation

As seen in Suárez-Ortega’s and Leonidou’s research, there are few common factors considered as barriers when compared with IMPEC’s barriers. Of course the different natures of the companies in that research could explain the difference, up to some
degree, but the fact that the difference is so great, could be grounds for future research investigation.

Also when comparing Iceland with other Nordic countries, the results are the same; the difference is obvious. In Norway the marine export sector consider the tariff and non-tariff barriers as the main obstacles and the conclusion was that on average a one percent tariff would reduce the exports by around four percent. Another concern was the unequal competition Norway was facing against Sweden and Denmark, as those two countries are EU members and therefore they have lower tariffs and regulation barriers into other EU countries.

Whether this difference is solely due to the nature of IMPEC´s environments is hard to tell but there are some things that can be used to distinguish IMPEC´s with other companies, studied in the foreign research:

1. one could easily assume that all Icelandic export companies are facing the barrier of transport and its cost
2. The tariffs are also not an big obstacle for those who are exporting fresh whole fish or fillets and as most of the participants in this research are using that material, the tariffs did not get high scores in the survey
3. The Icelandic fisheries management and the involvement of stakeholders and politicians is an endless source for discussion and debates, with very different opinions between parties. Many consider this system to involve great injustice that has to change

For those reasons, the difference in the results of Arnar Bjarnason´s study and this one, compared with the others, are maybe not a big surprise.

6.2 Incentive to export – Findings.

The second research questions was:

What are the main incentives for the managers or owners of Icelandic marine companies to start exporting their products?

Here the research question will be answered by summarize the main findings of the study as well as to compare the results with other studies.
In chapter 2.3 and 2.4.2 were drawn up the main incentive factors according to other scholars. The incentive was triggered as a response to the internal/external environment, for product expansion and/or market expansion. In those categories are motivators as: the possibility to increase the firm’s revenues and profitability, to achieve economies of scale, the possession of technology competence/unique product, to get more diversified markets, to get access to needed resources, saturate domestic market, tax benefits, overproduction or unused production capacity and growth potential in foreign market.

Though one could easily connect most of these factors to the incentives to export for IMPEC’s, for most of the companies, they’re not the key causes for the export. Of course all companies want to increase the firm’s revenues and profitability, to get more diversified markets if the domestic market is saturate, to not to have to stock their overproduction and to fully utilize the production capacity. The bigger companies have also the other factors like to achieve economies of scale, to get access to needed resources and the growth potential in foreign market. But without the characteristics of IMPEC’s managers and owners, the export would not have taken place. The incentive was usually not triggered as a response to the internal/external environment, for product expansion and/or market expansion. According to the result of this research, the main motivations or the incentive for internationalization, for most IMPEC’s, has not changed since Arnar Bjarnason´s research, 20 years ago. Still it is the personal characteristics, like foreign experience and experience in the fishing industry, of the managers/owners of IPMEC’s that really matter as well as their personal network or connections they have acquired abroad.

The combination of personal characteristics and “export or die” is the main initiation factors for IMPEC’s and has made those companies as such.

6.3 Theoretical approach – Findings.

By comparing the Icelandic environment of the IMPEC’s it can be concluded that no single theory can explain internationalization or export from Iceland. Neither can the strategies and choices of entry modes used for the internationalization, nor the process the companies go through when internationalizing, be explained the same way for all companies. The companies adopt different strategies, choose different countries,
choose different numbers of countries and select different choices of entry modes to export their products. From this, one can conclude that the IMPEC’s adopt different overall strategies depending on their competitive advantages, the internal environment and the type of product exported. However, there is strong evidence that there could be the two common factors for the vast majority of IMPEC’s; namely, the characteristics of management and the incentives, explained by the network model.

6.4 Limitation of the research

It is the researcher’s opinion that this study gives a realistic and comprehensive overlook of the incentives to export and the barriers that are compromising the operation of the IMPEC’s. The response to the survey could have been a little higher, and the survey good have been formulated in a manner that took into consideration more detailed information, like:

- the exact number of countries the companies export to
- the name of all countries the companies export to
- the percentage of exports to each country
- to which country is direct export used and to which an indirect export is practiced, etc.

This additional information would not have changed the research results in this study, but it would have given the researcher a better tool to compare the results with more factors and explain better why the IMPEC’s uses different strategies and choice of entry modes. That will wait for future study.
7 References


Arnar Bjarnason. (1996). Export or die : The Icelandic fishing industry, the nature and behaviour of its export sector. Reykjavik: Fisheries Research Institute, University of Iceland.


Rögnvaldur Hannesson. (2001). EFFECTS OF LIBERALIZING TRADE IN FISH, FISHING SERVICES AND INVESTMENT IN FISHING VESSELS. Bergen: OECD.


### Appendix A - Result of the survey

<table>
<thead>
<tr>
<th>Listed barriers – ordered by the size of barriers (n=57)</th>
<th>Degree of problematic</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Not at all</td>
</tr>
<tr>
<td>High transportation cost from Iceland</td>
<td>0,00%</td>
</tr>
<tr>
<td>Policy of ruling political parties</td>
<td>7,02%</td>
</tr>
<tr>
<td>High domestic transport cost</td>
<td>1,75%</td>
</tr>
<tr>
<td>Unstable business environment in Iceland</td>
<td>1,75%</td>
</tr>
<tr>
<td>Subsidies to foreign competitors by local government</td>
<td>8,77%</td>
</tr>
<tr>
<td>Difficulties in the global economy</td>
<td>15,79%</td>
</tr>
<tr>
<td>Little governmental support for foreign marketing, promotions, etc.</td>
<td>15,79%</td>
</tr>
<tr>
<td>Higher transport- and insurance costs due to the economic collapse</td>
<td>8,77%</td>
</tr>
<tr>
<td>Unequal competition in access to raw materials (rent of quotas versus holders of quota )</td>
<td>26,32%</td>
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<tr>
<td>Access to raw materials (fish)</td>
<td>15,79%</td>
</tr>
<tr>
<td>Hard to compete with the cheap „China“ fish</td>
<td>21,05%</td>
</tr>
<tr>
<td>Prize dumping of competitors</td>
<td>10,53%</td>
</tr>
<tr>
<td>Fluctuations in foreign currency</td>
<td>14,04%</td>
</tr>
<tr>
<td>High production costs in Iceland</td>
<td>19,30%</td>
</tr>
<tr>
<td>Shortage of fish due to catch restrictions</td>
<td>7,02%</td>
</tr>
<tr>
<td>Seasonal fluctuations in fish supply</td>
<td>12,28%</td>
</tr>
<tr>
<td>Geographical distance from export markets</td>
<td>22,81%</td>
</tr>
<tr>
<td>Customers will not pay higher prices for higher quality or sustainable fishing</td>
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</tr>
<tr>
<td>Difficult and/or expensive go into marketing abroad. The end consumer does not know where the fish comes from.</td>
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<td>Fluctuations in demand at the export markets</td>
<td>14,04%</td>
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<th>Listed barriers - Overview (n=57)</th>
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<th>Not very</th>
<th>Somewhat</th>
<th>Very</th>
<th>Extremely</th>
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<th>Median</th>
<th>St.dev.</th>
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<tr>
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<td>29,82%</td>
<td>22,81%</td>
<td>24,56%</td>
<td>10,53%</td>
<td>12,28%</td>
<td>2,526</td>
<td>2,000</td>
<td>1,351</td>
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<td>42,11%</td>
<td>31,58%</td>
<td>10,53%</td>
<td>3,51%</td>
<td>2,509</td>
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<td>28,07%</td>
<td>26,32%</td>
<td>21,05%</td>
<td>17,54%</td>
<td>3,51%</td>
<td>2,400</td>
<td>2,000</td>
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<td>24 Exports of whole fish on ice (unprocessed)</td>
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<td>31,58%</td>
<td>28,07%</td>
<td>8,77%</td>
<td>7,02%</td>
<td>2,421</td>
<td>2,000</td>
<td>1,164</td>
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<tr>
<td>25 Less confidence by foreign customers, insurance companies and banks, after crash</td>
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<td>19,30%</td>
<td>12,28%</td>
<td>21,05%</td>
<td>10,53%</td>
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<td>26 Import tariffs on foreign markets</td>
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<td>22,81%</td>
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<td>12,28%</td>
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<td>27 Some technical barriers in foreign markets</td>
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<td>33,33%</td>
<td>19,30%</td>
<td>19,30%</td>
<td>3,51%</td>
<td>2,439</td>
<td>2,000</td>
<td>1,165</td>
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<td>28 Limited transport (few/no freighters or no flights to dest.)</td>
<td>19,30%</td>
<td>43,86%</td>
<td>21,05%</td>
<td>7,02%</td>
<td>8,77%</td>
<td>2,421</td>
<td>2,000</td>
<td>1,149</td>
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<td>29 Obtaining information about financial position of buyers</td>
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<td>29,82%</td>
<td>12,28%</td>
<td>3,51%</td>
<td>2,386</td>
<td>2,000</td>
<td>1,114</td>
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<td>30 Collection of market information</td>
<td>29,82%</td>
<td>35,09%</td>
<td>22,81%</td>
<td>8,77%</td>
<td>1,75%</td>
<td>2,161</td>
<td>2,000</td>
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<td>31 Find a reliable buyers abroad</td>
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<td>38,60%</td>
<td>31,58%</td>
<td>5,26%</td>
<td>0,00%</td>
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<td>32 High real exchange rate of the Icelandic króna</td>
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<td>38,60%</td>
<td>21,05%</td>
<td>3,51%</td>
<td>5,26%</td>
<td>2,123</td>
<td>2,000</td>
<td>1,070</td>
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<tr>
<td>33 Limited transport (no available space in cargo planes)</td>
<td>38,60%</td>
<td>36,84%</td>
<td>12,28%</td>
<td>8,77%</td>
<td>3,51%</td>
<td>2,018</td>
<td>2,000</td>
<td>1,094</td>
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<td>34 Foreign exchange restrictions at export markets</td>
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<td>31,58%</td>
<td>24,56%</td>
<td>0,00%</td>
<td>3,51%</td>
<td>1,947</td>
<td>2,000</td>
<td>0,990</td>
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<td>35 Language and cultural differences</td>
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<td>36,84%</td>
<td>19,30%</td>
<td>5,26%</td>
<td>0,00%</td>
<td>1,929</td>
<td>2,000</td>
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<td>36 Small size of the company</td>
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<td>31,58%</td>
<td>21,05%</td>
<td>3,51%</td>
<td>0,00%</td>
<td>1,842</td>
<td>2,000</td>
<td>0,882</td>
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<tr>
<td>37 Attitude and policy of labour unions in Iceland</td>
<td>35,09%</td>
<td>47,37%</td>
<td>15,79%</td>
<td>1,75%</td>
<td>0,00%</td>
<td>1,842</td>
<td>2,000</td>
<td>0,751</td>
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<td>38 Pressure from animal rights groups</td>
<td>45,61%</td>
<td>29,82%</td>
<td>22,81%</td>
<td>1,75%</td>
<td>0,00%</td>
<td>1,807</td>
<td>2,000</td>
<td>0,854</td>
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<td>39 Small home market</td>
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<td>26,32%</td>
<td>5,26%</td>
<td>3,51%</td>
<td>5,26%</td>
<td>1,684</td>
<td>1,000</td>
<td>1,088</td>
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<tr>
<td>40 Geographical location of the company in Iceland</td>
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<td>29,82%</td>
<td>3,51%</td>
<td>0,00%</td>
<td>8,77%</td>
<td>1,732</td>
<td>1,000</td>
<td>1,168</td>
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<tr>
<td>41 Export monopoly licences in Iceland</td>
<td>61,40%</td>
<td>22,81%</td>
<td>8,77%</td>
<td>3,51%</td>
<td>1,75%</td>
<td>1,589</td>
<td>1,000</td>
<td>0,930</td>
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<tr>
<td>42 Informal ties with producers (processors)</td>
<td>61,40%</td>
<td>22,81%</td>
<td>12,28%</td>
<td>1,75%</td>
<td>0,00%</td>
<td>1,536</td>
<td>1,000</td>
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<tr>
<td>43 Restrictions in the exporting of whole fresh fish</td>
<td>54,39%</td>
<td>38,60%</td>
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<td>1,75%</td>
<td>0,00%</td>
<td>1,544</td>
<td>1,000</td>
<td>0,683</td>
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<tr>
<td>44 Quality requirements in foreign markets</td>
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<td>1,75%</td>
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<td>1,518</td>
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<td>0,00%</td>
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</table>
## Appendix B - Barriers by activity and quota

<table>
<thead>
<tr>
<th>Cross tabulation</th>
<th>Procession (n=35)</th>
<th>Both fishery and procession (n=21)</th>
<th>With allocated quota (n=19)</th>
<th>With rented quota (n=6)</th>
<th>Non quota (n=16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>Median</td>
<td>Stdev.</td>
<td>Mean</td>
<td>Median</td>
<td>Stdev.</td>
</tr>
<tr>
<td>1 High transportation cost from Iceland</td>
<td>3,943</td>
<td>4,000</td>
<td>3,810</td>
<td>4,000</td>
<td>1,093</td>
</tr>
<tr>
<td>2 Policy of ruling political parties</td>
<td>3,800</td>
<td>4,000</td>
<td>4,524</td>
<td>5,000</td>
<td>0,814</td>
</tr>
<tr>
<td>3 High domestic transport cost</td>
<td>3,400</td>
<td>3,000</td>
<td>3,476</td>
<td>3,000</td>
<td>1,327</td>
</tr>
<tr>
<td>4 Unstable business environment in Iceland</td>
<td>3,571</td>
<td>4,000</td>
<td>3,952</td>
<td>4,000</td>
<td>0,921</td>
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<td>5 Difficulties in the global economy</td>
<td>3,086</td>
<td>3,000</td>
<td>3,263</td>
<td>3,000</td>
<td>1,144</td>
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<td>6 Subsidies to foreign competitors granted by local government</td>
<td>3,314</td>
<td>3,000</td>
<td>3,429</td>
<td>4,000</td>
<td>1,326</td>
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<tr>
<td>7 Little governmental support for foreign marketing, promotions, etc.</td>
<td>3,229</td>
<td>4,000</td>
<td>3,238</td>
<td>4,000</td>
<td>1,338</td>
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<tr>
<td>8 Higher transport- and insurance costs due to the economic collapse</td>
<td>2,971</td>
<td>3,000</td>
<td>2,952</td>
<td>3,000</td>
<td>1,024</td>
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<tr>
<td>9 Unequal competition in access to raw materials (rent of quotas versus holders of quota)</td>
<td>2,743</td>
<td>2,000</td>
<td>2,476</td>
<td>2,000</td>
<td>1,601</td>
</tr>
<tr>
<td>10 Access to raw materials (fish)</td>
<td>2,771</td>
<td>2,000</td>
<td>2,571</td>
<td>2,000</td>
<td>1,434</td>
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<tr>
<td>11 Hard to compete with the cheap „China“ fish</td>
<td>3,200</td>
<td>4,000</td>
<td>3,333</td>
<td>4,000</td>
<td>1,354</td>
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<tr>
<td>12 Prize dumping of competitors</td>
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<td>3,000</td>
<td>2,857</td>
<td>3,000</td>
<td>1,062</td>
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<tr>
<td>13 Fluctuations in foreign currency</td>
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<td>3,000</td>
<td>2,619</td>
<td>3,000</td>
<td>0,973</td>
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<tr>
<td>14 High production costs in Iceland</td>
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<td>3,000</td>
<td>2,810</td>
<td>3,000</td>
<td>0,981</td>
</tr>
<tr>
<td>15 Shortage of fish due to catch restrictions</td>
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<td>3,000</td>
<td>2,429</td>
<td>2,000</td>
<td>1,207</td>
</tr>
<tr>
<td>16 Seasonal fluctuations in fish supply</td>
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<td>3,000</td>
<td>2,810</td>
<td>3,000</td>
<td>1,250</td>
</tr>
<tr>
<td>17 Geographical distance from export markets</td>
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<td>2,000</td>
<td>2,714</td>
<td>3,000</td>
<td>1,488</td>
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<td>18 Customers will not pay higher prices for higher quality or sustainable fishing</td>
<td>2,629</td>
<td>3,000</td>
<td>2,762</td>
<td>3,000</td>
<td>0,944</td>
</tr>
<tr>
<td>19 Difficult and/or expensive go into marketing abroad. The end consumer does not know where the fish comes from.</td>
<td>2,714</td>
<td>3,000</td>
<td>2,714</td>
<td>3,000</td>
<td>1,056</td>
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<tr>
<td>20 Fluctuations in demand at the export markets</td>
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<td>2,000</td>
<td>2,619</td>
<td>3,000</td>
<td>1,117</td>
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<td>21 Services of Icelandic banks for foreign trade</td>
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<td>1,905</td>
<td>2,000</td>
<td>1,044</td>
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<td>2,000</td>
<td>2,524</td>
<td>2,000</td>
<td>0,928</td>
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Cont. next page...
## Barriers by activity and quota

### Cross tabulation

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Procession (n=35)</th>
<th>Both fishery and procession (n=21)</th>
<th>With allocated quota (n=19)</th>
<th>With rented quota (n=6)</th>
<th>Non quota (n=16)</th>
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<tr>
<td></td>
<td>Mean</td>
<td>Median</td>
<td>Mean</td>
<td>Median</td>
<td>Mean</td>
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<tr>
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<td>Std. dev.</td>
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<td>Std. dev.</td>
<td>Std. dev.</td>
<td>Std. dev.</td>
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<td>2,190</td>
<td>1,470</td>
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<tr>
<td>24 Exports of whole fish on ice (unprocessed)</td>
<td>2,514</td>
<td>2,000</td>
<td>1,337</td>
<td>2,143</td>
<td>1,236</td>
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<tr>
<td>25 Less confidence by foreign customers, insurance companies and banks,</td>
<td>2,200</td>
<td>2,000</td>
<td>1,052</td>
<td>2,333</td>
<td>1,065</td>
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<tr>
<td>after crash</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>26 Import tariffs on foreign markets</td>
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<td>2,000</td>
<td>1,221</td>
<td>2,476</td>
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<tr>
<td>27 Some technical barriers in foreign markets</td>
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<td>1,241</td>
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<td>1,248</td>
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<td>28 Limitations on transport routes from Iceland (few/no cargo ships or</td>
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<td>2,000</td>
<td>1,296</td>
<td>2,238</td>
<td>1,411</td>
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<td>no flights to destinations)</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>29 Obtaining information about financial position of buyers</td>
<td>2,371</td>
<td>2,000</td>
<td>1,165</td>
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<td>cargo planes)</td>
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<tr>
<td>34 Foreign exchange restrictions at export markets</td>
<td>1,829</td>
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<td>1,007</td>
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<td>35 Language and cultural differences</td>
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<td>36 Small size of the company</td>
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<td>1,004</td>
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<td>37 Attitude and policy of labour unions in Iceland</td>
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<td>38 Pressure from animal rights groups</td>
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<td>0,731</td>
<td>1,571</td>
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<td>39 Small home market</td>
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<td>1,952</td>
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<td>40 Geographical location of the company in Iceland</td>
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<td>1,308</td>
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<td>1,578</td>
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<td>41 Export monopoly licences in Iceland</td>
<td>1,429</td>
<td>1,000</td>
<td>0,850</td>
<td>1,238</td>
<td>0,539</td>
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<td>42 Informal ties with producers (processors)</td>
<td>1,371</td>
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<td>43 Restrictions in the exporting of whole fresh fish</td>
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<td>1,000</td>
<td>0,741</td>
<td>1,667</td>
<td>0,856</td>
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<td>44 Quality requirements made of the product in foreign markets</td>
<td>1,400</td>
<td>1,000</td>
<td>0,775</td>
<td>1,524</td>
<td>0,873</td>
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<td>45 Paper Work</td>
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<td>1,000</td>
<td>0,558</td>
<td>1,524</td>
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### Appendix C - Barriers by location

<table>
<thead>
<tr>
<th>Cross tabulation</th>
<th>Reykjavik area (n=27)</th>
<th>SW - W - S Iceland (n=16)</th>
<th>The West fjords (n=5)</th>
<th>NV - NE - East Iceland (n=9)</th>
<th>Iceland excl. Rvk. (n=30)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. High transportation cost from Iceland</td>
<td>3,852</td>
<td>4,000</td>
<td>1,134</td>
<td>3,556</td>
<td>3,967</td>
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<tr>
<td>2. Policy of ruling political parties</td>
<td>3,333</td>
<td>3,000</td>
<td>1,359</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>3. High domestic transport cost</td>
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<td>4,000</td>
<td>1,182</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>4. Unstable business environment in Iceland</td>
<td>3,333</td>
<td>3,000</td>
<td>0,920</td>
<td>3,556</td>
<td>4,000</td>
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<td>5. Difficulties in the global economy</td>
<td>3,222</td>
<td>3,000</td>
<td>1,013</td>
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<td>6. Subsidies to foreign competitors granted by local government</td>
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<td>3,000</td>
<td>1,177</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>7. Little governmental support for foreign marketing, promotions, etc.</td>
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<td>3,000</td>
<td>1,269</td>
<td>3,556</td>
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<tr>
<td>8. Higher transport- and insurance costs due to the economic collapse</td>
<td>3,296</td>
<td>4,000</td>
<td>1,203</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>9. Unequal competition in access to raw materials (rent of quotas versus holders of quota)</td>
<td>3,630</td>
<td>4,000</td>
<td>1,418</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>10. Access to raw materials (fish)</td>
<td>3,385</td>
<td>3,500</td>
<td>1,472</td>
<td>3,556</td>
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<tr>
<td>11. Hard to compete with the cheap „China“ fish</td>
<td>2,692</td>
<td>2,500</td>
<td>1,350</td>
<td>3,556</td>
<td>4,000</td>
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<td>12. Prize dumping of competitors</td>
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<td>3,000</td>
<td>1,302</td>
<td>3,556</td>
<td>4,000</td>
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<td>13. Fluctuations in foreign currency</td>
<td>2,815</td>
<td>3,000</td>
<td>1,039</td>
<td>3,556</td>
<td>4,000</td>
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<td>14. High production costs in Iceland</td>
<td>2,963</td>
<td>3,000</td>
<td>0,980</td>
<td>3,556</td>
<td>4,000</td>
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<td>15. Shortage of fish due to catch restrictions</td>
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<td>3,000</td>
<td>1,287</td>
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<td>16. Seasonal fluctuations in fish supply</td>
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<td>0,859</td>
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<td>17. Geographical distance from export markets</td>
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<td>3,000</td>
<td>1,149</td>
<td>3,556</td>
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<td>18. Customers will not pay higher prices for higher quality or sustainable fishing</td>
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<td>3,000</td>
<td>1,086</td>
<td>3,556</td>
<td>4,000</td>
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<tr>
<td>19. Difficult and/or expensive go into marketing abroad. The end consumer does not know where the fish comes from.</td>
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<td>3,000</td>
<td>1,281</td>
<td>3,556</td>
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<td>20. Fluctuations in demand at the export markets</td>
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<td>0,849</td>
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<td>21. Services of Icelandic banks for foreign trade</td>
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<td>3,000</td>
<td>1,262</td>
<td>3,556</td>
<td>4,000</td>
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<td>22. Price fluctuations at the export markets</td>
<td>2,556</td>
<td>3,000</td>
<td>0,892</td>
<td>3,556</td>
<td>4,000</td>
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<th>Cross tabulation</th>
<th>Reykjavik area (n=27)</th>
<th>SW - W - S Iceland (n=16)</th>
<th>The West fjords (n=5)</th>
<th>NV - NE - East Iceland (n=9)</th>
<th>Iceland excl. Rvk. (n=30)</th>
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<td>Mean</td>
<td>Median</td>
<td>Stdev.</td>
<td>Mean</td>
<td>Median</td>
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<td>24 Exports of whole fish on ice (unprocessed)</td>
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<td>3,000</td>
<td>1,511</td>
<td>2,375</td>
<td>2,000</td>
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<td>25 Less confidence by foreign customers, insurance companies and banks, after economic crash</td>
<td>2,778</td>
<td>3,000</td>
<td>1,155</td>
<td>2,188</td>
<td>2,000</td>
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<td>26 Import tariffs on foreign markets</td>
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<td>1,163</td>
<td>1,938</td>
<td>1,500</td>
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<td>27 Some technical barriers in foreign markets</td>
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<td>2,000</td>
<td>1,083</td>
<td>2,250</td>
<td>2,000</td>
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<td>28 Limitations on transport routes from Iceland (few/no cargo ships or no flights to destinations)</td>
<td>2,538</td>
<td>3,000</td>
<td>1,104</td>
<td>2,250</td>
<td>2,000</td>
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<td>29 Obtaining information about financial position of buyers</td>
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<td>2,063</td>
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<td>0,751</td>
<td>1,938</td>
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<td>33 Limitations on transport routes from Iceland (no available space in cargo planes)</td>
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<td>2,000</td>
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<td>34 Foreign exchange restrictions at export markets</td>
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<td>1,750</td>
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<td>2,000</td>
<td>0,829</td>
<td>1,600</td>
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<td>36 Small size of the company</td>
<td>1,704</td>
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<td>0,669</td>
<td>1,875</td>
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<td>37 Attitude and policy of labour unions in Iceland</td>
<td>1,852</td>
<td>2,000</td>
<td>0,718</td>
<td>1,875</td>
<td>2,000</td>
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<td>38 Pressure from animal rights groups</td>
<td>1,926</td>
<td>2,000</td>
<td>0,958</td>
<td>2,063</td>
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<td>39 Small home market</td>
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<td>1,000</td>
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<td>1,938</td>
<td>2,000</td>
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<td>40 Geographical location of the company in Iceland</td>
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<td>0,936</td>
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<td>42 Informal ties with producers (processors)</td>
<td>1,741</td>
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<td>0,813</td>
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<td>43 Restrictions in the exporting of whole fresh fish</td>
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<td>1,000</td>
<td>0,812</td>
<td>1,688</td>
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<td>44 Quality requirements made of the product in foreign markets</td>
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<td>2,000</td>
<td>0,689</td>
<td>1,375</td>
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## Appendix D - Barriers by access to raw material

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<th>Cross tabulation</th>
<th>We catch ourselves (n=21)</th>
<th>We get others to catch for us (n=12)</th>
<th>Domestic fish markets (n=22)</th>
<th>From abroad (n=7)</th>
<th>We are in commission (n=20)</th>
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<td>Mean Median Stdev.</td>
<td>Mean Median Stdev.</td>
<td>Mean Median Stdev.</td>
<td>Mean Median Stdev.</td>
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<td>1 High transportation cost from Iceland to export markets</td>
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<td>3,917 4,000 1,165</td>
<td>3,636 4,000 1,002</td>
<td>3,714 4,000 1,113</td>
<td>3,800 4,000 1,152</td>
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<tr>
<td>2 Policy of ruling political parties</td>
<td><strong>4,524 5,000 0,814</strong></td>
<td><strong>4,250 5,000 1,215</strong></td>
<td><strong>3,864 4,000 1,156</strong></td>
<td><strong>4,143 5,000 1,069</strong></td>
<td><strong>3,150 3,000 1,109</strong></td>
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<td>3 High domestic transport cost</td>
<td>3,476 3,000 1,327</td>
<td>3,833 <strong>5,000</strong> 1,528</td>
<td>3,409 3,000 1,141</td>
<td>3,286 3,000 1,496</td>
<td>3,750 4,000 1,070</td>
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<td>4 Unstable business environment in Iceland</td>
<td>3,952 4,000 0,921</td>
<td>3,750 4,000 0,866</td>
<td>3,409 3,000 1,141</td>
<td>4,143 4,000 0,900</td>
<td>3,350 3,000 0,933</td>
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<td>5 Difficulties in the global economy</td>
<td>3,286 3,000 1,102</td>
<td>3,500 4,000 1,168</td>
<td>3,136 3,000 1,283</td>
<td>3,286 3,000 1,254</td>
<td>2,950 3,000 0,945</td>
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<td>6 Subsidies to foreign competitors granted by local government</td>
<td>3,429 4,000 1,326</td>
<td>3,667 4,000 1,231</td>
<td>3,091 3,000 1,377</td>
<td>3,571 3,000 0,787</td>
<td>2,400 2,000 1,095</td>
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<td>7 Little governmental support for foreign marketing, promotions, etc.</td>
<td>3,238 4,000 1,338</td>
<td>3,250 3,500 1,485</td>
<td>3,091 3,000 1,509</td>
<td>3,429 4,000 1,134</td>
<td>2,700 3,000 1,218</td>
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<td>8 Higher transport- and insurance costs due to the economic collapse</td>
<td>2,952 3,000 1,024</td>
<td>3,083 3,000 1,311</td>
<td>2,864 2,500 1,246</td>
<td>3,000 4,000 1,291</td>
<td>3,100 3,000 1,210</td>
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<td>9 Unequal competition in access to raw materials (rent of quotas versus holders of quota)</td>
<td>2,476 2,000 1,601</td>
<td>3,417 4,000 1,782</td>
<td>3,091 3,000 1,601</td>
<td>3,429 3,000 1,618</td>
<td>3,550 4,000 1,356</td>
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<td>10 Access to raw materials (fish)</td>
<td>2,571 2,000 1,434</td>
<td>3,250 2,500 1,603</td>
<td>3,136 3,000 1,457</td>
<td>3,286 3,000 1,380</td>
<td>3,421 4,000 1,502</td>
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<td>11 Hard to compete with the cheap fish from China</td>
<td>3,333 4,000 1,354</td>
<td>3,417 3,500 1,379</td>
<td>3,095 3,000 1,411</td>
<td>4,000 4,500 1,549</td>
<td>2,500 2,000 1,433</td>
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<tr>
<td>12 Prize dumping of competitors to gain market share</td>
<td>2,857 3,000 1,062</td>
<td>3,083 3,000 1,165</td>
<td>2,773 3,000 1,232</td>
<td>3,000 3,000 1,291</td>
<td>2,900 2,500 1,334</td>
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<tr>
<td>13 Fluctuations in foreign currency</td>
<td>2,619 3,000 0,973</td>
<td>3,083 3,000 0,996</td>
<td>2,682 2,500 1,359</td>
<td>3,571 3,000 1,134</td>
<td>2,900 3,000 0,968</td>
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<td>14 High production costs in Iceland</td>
<td>2,810 3,000 0,981</td>
<td>3,000 3,000 0,853</td>
<td>2,636 3,000 0,920</td>
<td>2,857 3,000 0,900</td>
<td>2,800 3,000 0,951</td>
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<tr>
<td>15 Shortage of fish due to catch restrictions</td>
<td>2,429 2,000 1,207</td>
<td>2,667 2,500 1,497</td>
<td>2,905 2,000 1,375</td>
<td>2,500 2,500 1,378</td>
<td>3,150 3,500 1,268</td>
</tr>
<tr>
<td>16 Seasonal fluctuations in fish supply</td>
<td>2,810 3,000 1,250</td>
<td>3,333 3,000 1,155</td>
<td>2,909 3,000 1,109</td>
<td>2,571 3,000 1,272</td>
<td>2,900 3,000 0,553</td>
</tr>
<tr>
<td>17 Geographical distance from export markets</td>
<td>2,714 3,000 1,488</td>
<td>2,667 2,500 1,614</td>
<td>2,591 3,000 1,403</td>
<td>2,429 3,000 1,285</td>
<td>2,850 3,000 1,137</td>
</tr>
<tr>
<td>18 Customers will not pay higher prices for higher quality or sustainable fishing (sales are only more likely). The market determines the price.</td>
<td>2,762 3,000 0,944</td>
<td>3,000 3,000 1,128</td>
<td>2,727 3,000 1,032</td>
<td>2,857 3,000 1,069</td>
<td>2,600 2,500 0,940</td>
</tr>
<tr>
<td>19 Difficult and/or expensive go into marketing abroad. The end consumer does not know where the fish comes from.</td>
<td>2,714 3,000 1,056</td>
<td>2,917 3,500 1,240</td>
<td>2,500 2,500 1,300</td>
<td>3,000 3,000 1,155</td>
<td>2,400 2,000 1,188</td>
</tr>
<tr>
<td>20 Fluctuations in demand at the export markets</td>
<td>2,619 3,000 1,117</td>
<td>2,750 3,000 1,422</td>
<td>2,091 2,000 0,811</td>
<td>2,429 3,000 1,134</td>
<td>2,750 3,000 0,910</td>
</tr>
<tr>
<td>21 Services of Icelandic banks for foreign trade</td>
<td>1,905 2,000 1,044</td>
<td>2,417 2,000 1,564</td>
<td>2,136 2,000 1,390</td>
<td>2,286 2,000 1,380</td>
<td>2,650 3,000 1,226</td>
</tr>
<tr>
<td>22 Price fluctuations at the export markets</td>
<td>2,524 2,000 0,928</td>
<td>2,750 3,000 1,215</td>
<td>2,273 2,000 0,985</td>
<td>2,429 3,000 1,134</td>
<td>2,550 2,000 0,945</td>
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</tbody>
</table>

Cont. next page....
## Barriers by access to raw material

### Cross tabulation

<table>
<thead>
<tr>
<th>Barriers by access to raw material</th>
<th>We catch ourselves (n=21)</th>
<th>We get others to catch for us (n=12)</th>
<th>Domestic fish markets (n=22)</th>
<th>From abroad (n=7)</th>
<th>We are in commission (n=20)</th>
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<td></td>
<td>Mean</td>
<td>Median</td>
<td>Stdev</td>
<td>Mean</td>
<td>Median</td>
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<td>23 Financing of exports</td>
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<td>2,000</td>
<td>1,470</td>
<td>2,583</td>
<td>2,500</td>
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<td>24 Exports of whole fish on ice (unprocessed)</td>
<td>2,143</td>
<td>2,000</td>
<td>1,236</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>25 Less confidence by foreign customers, insurance companies and banks, after the Icelandic economic collapse</td>
<td>2,333</td>
<td>2,000</td>
<td>1,065</td>
<td>2,667</td>
<td>3,000</td>
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<tr>
<td>26 Import tariffs on foreign markets</td>
<td>2,476</td>
<td>2,000</td>
<td>1,078</td>
<td>2,167</td>
<td>2,000</td>
</tr>
<tr>
<td>27 Some technical barriers in foreign markets</td>
<td>2,429</td>
<td>2,000</td>
<td>1,248</td>
<td>2,417</td>
<td>2,000</td>
</tr>
<tr>
<td>28 Limitations on transport routes from Iceland (few/no cargo ships or no flights to destinations)</td>
<td>2,238</td>
<td>2,000</td>
<td>1,411</td>
<td>2,417</td>
<td>2,000</td>
</tr>
<tr>
<td>29 Obtaining information about financial position of buyers</td>
<td>2,381</td>
<td>3,000</td>
<td>1,203</td>
<td>2,417</td>
<td>3,000</td>
</tr>
<tr>
<td>30 Collection of market information</td>
<td>2,095</td>
<td>2,000</td>
<td>0,768</td>
<td>2,250</td>
<td>2,000</td>
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<tr>
<td>31 Find a reliable buyers abroad</td>
<td>2,000</td>
<td>2,000</td>
<td>0,949</td>
<td>2,333</td>
<td>2,500</td>
</tr>
<tr>
<td>32 High real exchange rate of the Icelandic króna</td>
<td>2,286</td>
<td>2,000</td>
<td>1,146</td>
<td>2,417</td>
<td>2,000</td>
</tr>
<tr>
<td>33 Limitations on transport routes from Iceland (no available space in cargo planes)</td>
<td>1,857</td>
<td>2,000</td>
<td>1,153</td>
<td>1,833</td>
<td>1,500</td>
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<tr>
<td>34 Foreign exchange restrictions at export markets</td>
<td>1,714</td>
<td>1,000</td>
<td>1,007</td>
<td>1,417</td>
<td>1,000</td>
</tr>
<tr>
<td>35 Language and cultural differences</td>
<td>1,952</td>
<td>2,000</td>
<td>1,024</td>
<td>2,167</td>
<td>2,000</td>
</tr>
<tr>
<td>36 Small size of the company</td>
<td>1,714</td>
<td>1,000</td>
<td>1,007</td>
<td>1,917</td>
<td>1,500</td>
</tr>
<tr>
<td>37 Attitude and policy of labour unions in Iceland</td>
<td>2,048</td>
<td>2,000</td>
<td>0,921</td>
<td>2,250</td>
<td>2,000</td>
</tr>
<tr>
<td>38 Pressure from animal rights groups due to Iceland's whaling</td>
<td>1,571</td>
<td>2,000</td>
<td>0,598</td>
<td>1,500</td>
<td>1,000</td>
</tr>
<tr>
<td>39 Small home market</td>
<td>1,952</td>
<td>1,000</td>
<td>1,396</td>
<td>1,750</td>
<td>1,000</td>
</tr>
<tr>
<td>40 Geographical location of the company in Iceland</td>
<td>2,095</td>
<td>1,000</td>
<td>1,578</td>
<td>2,417</td>
<td>1,500</td>
</tr>
<tr>
<td>41 Export monopoly licences in Iceland</td>
<td>1,238</td>
<td>1,000</td>
<td>0,539</td>
<td>1,167</td>
<td>1,000</td>
</tr>
<tr>
<td>42 Informal ties with producers (processors)</td>
<td>1,286</td>
<td>1,000</td>
<td>0,463</td>
<td>1,417</td>
<td>1,000</td>
</tr>
<tr>
<td>43 Restrictions in the exporting of whole fresh fish</td>
<td>1,667</td>
<td>1,000</td>
<td>0,856</td>
<td>1,500</td>
<td>1,000</td>
</tr>
<tr>
<td>44 Quality requirements made of the product in foreign markets</td>
<td>1,524</td>
<td>1,000</td>
<td>0,873</td>
<td>1,583</td>
<td>1,000</td>
</tr>
<tr>
<td>45 Paper Work</td>
<td>1,524</td>
<td>1,000</td>
<td>0,602</td>
<td>1,500</td>
<td>1,000</td>
</tr>
</tbody>
</table>

100
Appendix E – Þáttökubeiðni fyrir viðtal

Til: Nafn Fyrirtækis
Framkvæmdarstjóra
Frá: Nina Björg Sæmundsdóttir og Eyjólfur B. Eyjólfsson
Efni: Viðtalsbeiðni vegna rannsóknarverkefnis
Ágæti ...... nafn framkvæmdarstjórans

Undirrituð hafa í samstarfi við Matís, undir leiðsögn Dr. Arnars Bjarnasonar og Dr. Ingjalds Hannibalssonar, hafið umfangsmikið rannsóknarverkefni á markaðsetningu og allbjóðavæðingu Íslandska sjávarútvegsfyrirtækja, og er ætlunin að vinnu þessarri, ljúki í mai 2012. Markmið verkefnisins er að greina íslenska útflýtjendur á sjávarafurðum, markaðsetningu þeirra á vörum sínum og hvað einkenni hegðun þeirra íslensku fyrirtækja sem flytja út sjávarafurðir. Sérstaklega verður skoðað þróun síðastliðna tveggja áratuga en verkefni en er ætlað að fylgja eftir rannsóknarvinnu Dr. Arnars Bjarnasonar, sem hann vann í byrjun tíunda áratagarins og var grunnur að doktorsritgerð hans við Edinborgarháskóla árið 1994.

Sjávarútvegur og útflútningur sjávarafurða skiptir íslensku þjóðina gríðarlega miklu hvað efnahagslega afkomu varðar. Mikil þróun og breyting hefur átt sér stað á undanförunum áratugum í umhverfi fyrirtækja sem flytja út sjávarafurðir Verkefni þessu er ætlað að varpa skýru ljósi á þessa þróun og breytingar, sérstaklega s.l. tvo áratugi. Til að við getum með góðu móti unnið þetta verkefni þörfnumst við þinnar hjálpar.

Hér með öskum við eftir því að fá að taka persónulegt viðtal við þig eða annan samstarfsmann þinn sem þú tilnefnir, í því skyni að varpa ljósi á mikilvæg atriði í útflútningshegðun íslenskra fyrirtækja sem flytja út sjávarafurðir.

Með fyrirfram þökkum og bestu kveðju,
Nína Björg Sæmundsdóttir, meistaranemi, sími: 847-6740, netfang nbs4@hi.is
Eyjólfur B. Eyjólfsson, meistaranemi, sími: 770-4030, netfang ebe5@hi.is
Appendix F – Spurningar fyrir viðtöl

Fyrirtæki: _______________________________

Viðtal tekið þann:_______________

ALMENNAR UPPLÝSINGAR

1. Hvað heitir viðkomandi, starfstitill, aldur og kyn
2. Hvað heitir fyrirtækið, hvar er það staðsett, hvenær var fyrirtækið stofnað
   _____og hve margir starfmenn starfa hjá fyrirtækinu_____
3. Er fyrirtækið nátengt einhverju öðru fyrirtæki
4. Hvernig varð fyrirtækið til (ástæður)
5. Stundar fyrirtækið veiðar (og þá hvaða, selur fyrirtækið einhvern gámafisk) eða
   vinnslu (og þá hvar og hvernig)
6. Hvaðan fær ft. hráefnið
7. Gerir fyrirtækið formlega samninga um kaup á aðföngum
8. Hvernig skilgreinir viðkomandi rekstur fyrirtækisins, er það einungis á erlendum
   mörkuðum eða selur það einnig innanlands (hættir útflutningi ?)
9. Stefnumótun: hefur slik vinna farið fram eða stendur til að hún fari fram (og
   hvernig)
10. Hvort er lögð áhersla á vöruna eða viðskiptavininn (nema hvort tveggja sé)
11. Hver er framtíðarsýn fyrirtækisins

ÚTFLUTNINGUR

12. Hversu lengi hefur fyrirtækið verið í útflutningi og hvernig hóf það útfluttning
   (hver var hvatinn á bak við það) Hefur fyrirtækið stóra markaðshlutdeild í
   útfluttningi.
13. Hvað flytur fyrirtækið út (þar með talið hversu unna vöru og hver er uppruni hennar t.d. íslenskur, er fyrirtækið einungis að flytja út eigin vöru)

14. Er (eða hefur verið) vöruþróun innan fyrirtækisins

15. Hvernig er verðmyndun vörunnar

16. Hvernig er gæðamáulum hátttað (eftirlit og framkvæmd)

17. Hvernig er markaðsmáulum hátttað innan fyrirtækisins (rannsóknir, stefna, auglýsingar) eru gerðar kröfur til starfmanna sem koma að útfluttningi (tungumál og menntun)


20. Flytur fyrirtækið eingöngu sjálft út eða notast það við einhverjar aðrar leiðir svo sem sölusamtök, umboðsaðila osrfv.
   a. af hverju núverandi form útfluttnings (hefur núverandi fyrirkomulag alltaf gillt eða voru hlutirnir öðruvísi og þá hvers vegna)
   b. hafa komið upp einhver sérstök vandamál

21. Hvernig er birgðarhald og aðgangur að hráefni (árstíðir og fjármögnun, framboð og eftirspurn)

22. Flytur fyrirtækið út undir eigin vörumerkum, í eigin pakkningum (skiptir það máli)

23. Hvert flytur fyrirtækið út og hvaða flutningsleiðir notar það (skip/ flug etc.)

24. Hafa komið upp vandamál með að uppfylla óskir kaupenda, t.a.m. vegna magns, gæða eða tímasetningar ?

UMHVERFI, HVATI OG HINDRANIR

25. Hvaðan kemur hráefnið ykkar


27. Er munur á mörkuðum (gæðakrófur, vinnslan á fsknum osr.), - eru einhverjar markaðir auðveldari/erfiðari en aðrir.
28. Er áhersla á að halda og þjóna mörkuðum eða er bara leitað að hæsta verði á heildarmarkaðnum

29. Komu upp einhver vandamál á ákveðnum mörkuðum?

30. Hefur fyrirtækið notast við stúdning opinberra aðila s.s. útflutningsráðs (sölusýningar etc.)

31. Hvernig er erlend samkeppni og hafa erlendir aðilar forskot á einhvern hátt (s.s. styrki eða landfræðileg staðsetning)

32. Eru tollar og kvótar að hafa áhrif og þá hvernig, er munur á þeim eftir vinnslustigi vörunnar

33. Hvernig er ytra umhverfi rekstursins hér á landi (reglugerðir, skriðfinska etc.)
   a. Helstu hindranir í útflutningi (Pólitík, kvótaálagið, osfrv. osfrv.)

34. Hver eru helstu vandamál íslenskra fiskútflytjenda

35. Hvernig er helsti hvatinn til útflutnings á sjávarafurðum.
   a. Geta allir farið í útflutning (hvað þarf til)

36. Hvað einkennir farsæl útflutningsfyrirtæki

37. Hverjar eru stærstu breytingarnar, siðustu 20-25 árin

38. Hefur opnun markaða (EES ofl.) haft neikvæð eða jákvæð áhrif

39. Hefur kvótkerfið haft neikvæð eða jákvæð áhrif

40. Hefur isl. krónan haft neikvæð eða jákvæð áhrif

41. Hafði Hrunið neikvæð eða jákvæð áhrif

42. Er erfiðara/auðveldara að standa í útflutningi nú siðustu ár:
   a. samkeppni,
      i. Hvað með gámaútflutning (yfir sumarmánuðina)
   b. aðgangur að hráefni,
   c. efnahagsumhverfi,
   d. gjaldeyrishöft,
   e. flutningsleiðir
   f. annað:

__________________________________________________________
43. Hverjir eru helstu styrkleikar fyrirtækisins í útfluttningi
44. Hverjir eru helstu veikleikar fyrirtækisins í útfluttningi
45. Ef fyrirtækið væri að hefja útfluttning nú, með þá vitnesku sem þið búið nú yfir er eitthvað sem þið mynduð gera öðruvísi
46. Eitthvað að lokum?
Appendix G - Netkönnunin

(please notice that only the survey questions, used in this study, are shown in this appendix. Other questions used for one other current and one future studies, are excluded)

-----------------------------------------------------------------------------------------------------

Könnun á útflutningi og alþjóðavæðingu íslenskra sjávarútvegsfyrirtækja

Könnun þessi er hluti af umfangsmiklu rannsóknarverkefni á útflutningi og alþjóðavæðingu íslenskra sjávarútvegsfyrirtækja sem 2 meistaraneamarin í HÍ eru að vinna í samstarfi við Matís, undir leiðsögn Dr. Arnars Bjarnasonar og Dr. Ingjalds Hannibalssonar.

Stendi fyrirtækið í útflutningi, tekur við ca. 8-12 mínútna könnun sem skiptist á 7 blaðsiður en sé fyrirtækið hætt eða byrjaði ekki að fullu, þá tekur við 1 - 2 mínútna könnun, á einni blaðsiðu.

Verða þáttakenda á engan hátt tengd við svörin í úrvinslu könnunarinnar og munum við fara hvívetna að ákvæðum laga um persónuvernd og meðferð persónuupplýsinga nr. 77/2000. Farið verður með allar niðurstöður sem algjört trúnaðarmál og algerrar nafnleyndar verður gætt.

Vinsamlegast svarið eftir bestu getu þ.e. því sem best á við, í hverri spurningu.

Við þökkum fyrirfram kærlega fyrir þátttöku þína.
### Picture 1. Example from the web survey


<table>
<thead>
<tr>
<th>Í hverju felst starfsemin fyrrtæksins?</th>
<th>Í eigu hvers er starfsemin?</th>
<th>Hvar er starfsemin staðsett?</th>
<th>Athugasemdir</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fyrrtæksins</td>
<td>Dótturfélags</td>
<td>Möðurfélags</td>
</tr>
<tr>
<td>Útflutningur sjávarafurðu</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>Útgerð</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>Fiskvinnsla</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>Annað. Hvað?</td>
<td>□</td>
<td>□</td>
<td>□</td>
</tr>
</tbody>
</table>

Hér er dæmum hvernig hægt er að svara ofangreindir spurningu:
2. Einneting: Fyrrtækja eru sjálfar með útflutning, innflutning og vinnsla en dótturfyrrtækja er eftir í vinnslu.
3. Staðsetning: Út- og innflutning er stjórnad í innanlands en vinnslan er bæði innanlands og í útilöndum.
- Inndýptur sýnavurða
- Heildsalar sjávarafurða
- Véslanir
- Hótel
- Veitingahús
- Aðrir. Hverir? ________________________

13. Íversu mörg ár hafa þær vöskiptavinir, sem lengst hafa verið í vöskiptum vöð fyrirtækjum, haldið öslinu samstarfi? Vinsælimast að hólf eingangu fólustefi. ________________________

- Á sólussýningum
- Í gegnum sólussamtök
- Með kunningskapitengsdaneti
- Með internetinu
- Þeir koma til okkar
- Með öðrum leiðum (Hverjum?) ________________________

- Já
- Nei, við höfum ekki aðgang að négu hráðni
- Nei, við fullnýttum úttutningssetu fyrirtækjins
- Nei, fullningsleiðir eru fullnyttar
- Nei, vegna annarra þetta. Hverja? ________________________

Gera hlé á könnun. Held áfram seinna!  Fyrri síða  Næsta síða
1. * Stendur fyrirtæki þitt í útflutningi á sjávarafurðum?

( ) Já

( ) Nei, ekki lengur.

( ) Nei, fyrirtækið hóf aldrei útflutning

2. Bls. 1/1. Hvað þættir urðu þess valandi að fyrirtækið hætti eða hóf aldrei að fullu, útflutning á sjávarafurðum? Vinsamlega einungis við þrjá af eftirfarandi þáttum eftir mikilvægi þeirra með því að gefa þeim einkunnina frá 1 til 3. Þú merkir við 1, þ.e fyrsta dálk, við þann þátt sem þú telur að sé helsta ástæða þess að fyrirtækið hætti eða hóf aldrei útflutning, 2 (annar dálkur) við þann sem er önnur helsta ástæða þess og 3 (þriðja dálk) við þann sem þú telur þriðju helsta ástæðuna. Ath að einungis skal haka einu sinni í hvern dálk en hægt er að gefa athugasemdir við fleiri þætti í dálkunum til hliðar hverjum og einum! (Sjá sýnidæmi að neðan)

<table>
<thead>
<tr>
<th>Helstu ástæður</th>
<th>Athugasemdir:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

Pappírsvinna (Útflutningsleyfi, skoðunarvottorð ofl.) [ ] [ ] [ ]

Árstíðarsveiflur í fiskveiðum á Íslandi og þar með fiskframboð [ ] [ ] [ ]

Hátt raungengi ísl. Krónunnar [ ] [ ] [ ]

Óstöðugt rekstrarumhverfi á Íslandi [ ] [ ] [ ]

Óformleg tengsl við framleiðendur [ ] [ ] [ ]

Innflutningstollar á erlendu mörkuðum [ ] [ ] [ ]

Flutningskostnaður frá Íslandi til erlendra markaða [ ] [ ] [ ]

Opinber einkaleyfi til útflutnings á sjávarafurðum (t.d. Síldarútvegsnefnd) [ ] [ ] [ ]

Útflutningsstyrkir til erlendra samkeppnisfyrirtækja sem veittir eru af stjórnvöldum í viðkomandi landi [ ] [ ] [ ]
Útflutningur á heilum fiski; kældum eða ís-vörðum (óverkuðum)

Takmarkað fiskframboð á Íslandi vegna opinberra aflatakmarkanna

Opinberar takmarkanir á útflutningi á heilum fiski; kældum eða ís-vörðum (óverkuðum)

Landfræðileg fjarlægð frá útflutningsmörkuðum

Lítilt heimamarkaður

Smæð fyrirtækisins

Sveiflur í eftirspurn á útflutningsmörkuðum

Takmarkanir á gjaldeyrisyfirfærslum í innflutningslandi

Mismunur í tungumáli og menningu

Finna áreiðanlega kaupendur erlendis

Sveiflur í gengi erlendra gjaldmiðla

Öflun fjárhagsupplýsinga um fjárhagsstöðu hugsanlegra erlendra kaupenda

Þjónusta ísl. banka vegna erlendra víðskipta

Ýmsar tæknilegar hindranir á erlendum mörkuðum

Fjármögnun útflutningsins

Landfræðileg staðsetning fyrirtækisins á Íslandi

Gæðakröfur sem gerðar eru til vörunnar á erlendum mörkuðum

Verðsveiflur á erlendum mörkuðum

Hár framleiðsluskostnaður á Íslandi

Viðhorf og stefna verkalýðsfélaga á Íslandi

Öflun markaðsupplýsinga
Stefna stjórnmálaflokka sem eru við völd hverju sinni (pólitík)  

Aðgangur að hráefni  

Ójöfn samkeppni í aðgangi að hráefni (Leiguverð á aflaheimildum versus kvótaeign)  

Þrýstingur frá dýraverndunarsinnum vegna hvalveiða Íslinga  

Undirboð samkeppnisaðila til að ná markaðshlutdeild (t.d. í krafti hárri gengisskráningu ísl. krónunnar)  

Takmörkun á flutningsleiðum frá Íslandi (fáar/engar skipaferðir eða ekki flogið til áfangastaða)  

Takmörkun á flutningsleiðum frá Íslandi (ekki pláss í flugvélum)  

Hærri flutnings- og tryggingarkostnaður í kjölfar ísl. efnahagshrunins  

Minna traust erlenda viðskiptavina, tryggingarfélag og banka, í kjölfar ísl. efnahagshrunins (viðskiptasambönd glötuðust osfrv.)  

Hærri fjármagnskostnaður í kjölfar ísl. efnahagshrunins  

Aðrir erfiðleikar í kjölfar ísl. efnahagshrunins  

Hár innanland flutningskostnaður  

Erfiðleikar í allþjóðlegu efnahagsumhverfi  

Lítill stuðningur opinberra aðila vegna markaðsetningar, kynningar osfrv.  

Erfitt að keppa við verð á ódýrum fiski, sem fluttur er inn frá Kína  

Aðrir þættir. (vinsamlega gerið grein fyrir þeim í athugasemduðum hér til hliðar)  

2. Bls. 1/6. Hver er starfsemi fyrirtækisins og í eigu hvers er hún (fyrirtækisins sjálfs, dótturfélags, móðurfélags, systurfélags)
Í hverju felst starfssemi fyrirtækisins? Í eigu hvers er starfssemin? Hvar er starfssemin staðsett? Athugasemdir

Fyrirtækisins Dótturfélags Móðurfélags Systurfélags Innanlands Erlendis

Útflutningur sjávarafurða. [] [] [] [] [] [] []

Útgerð [] [] [] [] [] [] []

Fiskvinnsla [] [] [] [] [] [] []

Annað. Hvað? [] [] [] [] [] [] []


[] Ekki hluti kjarnastarfseminnar

[] Fjárhagsáhætta

[] Of mikil fyrirhöfn

[] Smæð fyrirtækisins

[] Óöruggur aðgangur að hráefni

[] Annað. Hvað?


[] Við veiðum sjálf

[] Við fáum aðra til að veiða fyrir okkur

[] Við fáum hráefni á fiskmörkuðum innanlands

[] Við fáum hráefni erlendis frá

[] Erum í umboðssölu

[] Annað. Hvað?

[ ]Við erum sjálf framleiðendur

[ ]Við höfum verktaka

[ ]Við erum með samvinnuaðila (joint venture)

[ ]Við höfum ekki neinn ákveðinn framleiðanda.

[ ]Á ekki við

[ ]Annað. Hvað?

6. * Hvernig er kvótamálum fyrirtækisins háttad?

[ ]Við erum með úthlutaðann kvóta

[ ]Við leigjum kvóta

[ ]Erum hvorki með úthlutaðann kvóta né leigjum hann

[ ]Á ekki við (t.d. erum einungis með umboðssölu)


[ ]Vinnum innanlands í eigin vinnslu

[ ]Vinnum utanlands í eigin vinnslu

[ ]Kaupum fullunnið utanlands

[ ]Kaupum fullunnið innanlands

[ ]Erum með verktaka innanlands

[ ]Erum með verktaka utanlands

[ ]Annað. Hvað?

8. * Hvernig flytur fyrirtækja vörur út?

[ ]Flytjum sjálf út allar vörur

[ ]Flytjum út sjálf að hluta til og hluta til í gegnum aðra

[ ] Nei
[ ] Já ekki við

[ ] Já, fyrirtækið var áður í sölusamþökum,
[ ] Já, fyrirtækið var áður að selja sjálft en er núna að selja í gegnum aðra
[ ] Já, fyrirtækið var áður að selja í gegnum aðra en er núna selja sjálft
[ ] Já, annað. Hvað?


[ ] N/V-Evrópu
[ ] S-Evrópu
[ ] A-Evrópu
[ ] N-Ameríku
[ ] Mið-Ameríku
[ ] S-Ameríku
[ ] Ásíu
[ ] Afríku
[ ] Ástralíu

[ ] Hvert er helsta útflutnings landið? (vinsamlegast hakið við þennan möguleika)


[ ] Nei
[ ] Já, gegn þóknun
[ ] Já, fyrirtækið kaupir af óðrum og flytur svo út
[ ] Já, annað. Hvað?

[ ] Já

[ ] Nei, við höfum ekki aðgang að nægu hráefni
[ ] Nei, við fullnýtum útflutningsgetu fyrirtækisins
[ ] Nei, flutningsleiðir eru fullnýttar

[ ] Nei, vegna annarra þátta. Hverja?

19. Bls. 5/6. Útflutningshindranir: Hverjir eru helstu útflutningshindranirnar hjá fyrirtæksinu og starfssemi þess?

Í þessarri spurningu er að finna yfirlit yfir nokkra þá þætti sem oft á tíðum kunna að skapa erfiðleika eða jafnvel virka sem hindrun í útflutningi sjávarafurða frá Íslandi. Til þess að gefa til kynna mikilvægi hvers og eins þeirra fyrir þitt fyrirtæki, þá vinsamlega hakið við þann tölustaf, sem kemst næst því að endurspeglfa afstöðu þína til eftirfarandi þætti þar sem 1 er alls ekki vandamál og 5 er sérstaklega mikið vandamál.

Alvarleiki vandamáls Athugasemdir

Árstíðarsveiflur í fiskveiðum á Íslandi og þar með fiskframboð * ( ) ( ) ( ) ( )
Pappírsvinna (Útflutningsleyfi, skoðunarvottorð ofl.) * ( ) ( ) ( ) ( )
Óstöðugt rekstrarumhverfi á Íslandi * ( ) ( ) ( ) ( )
Óformleg tengsl við framleiðendur * ( ) ( ) ( ) ( )
Innflutningstollar á erlendu mörkuðum * ( ) ( ) ( ) ( )
Flutningskostnaður frá Íslandi til erlendra markaða  *

Útflutningsstyrkir til erlendra samkeppnisfyrirtækja sem veittir eru af stjórnvöldum í viðkomandi landi  *

Útflutningar á heilum fiski; kældum eða ísvörðum (óverkuðum)  *

Takmarkað fiskframboð á Íslandi vegna opinberra aflakmarkanna  *

Opinberar takmarkanir á útflutningi á heilum fiski; kældum eða ísvörðum (óverkuðum)  *

Landfræðileg fjáræði frá útflutningsmörkuðum  *

Lítil heimamarkaður  *

Smæð fyrirtækisins  *

Sveiflur í eftirspurn á útflutningsmörkuðum  *

Finna áreiðanlega kaupendur erlendis  *

Öflun fjárhagsupplýsinga um fjárhagsstöðu hugsanlegra erlendra kaupenda  *

Þjónusta ísl. banka vegna erlendra viðskipta  *

Ýmsar tæknilegar hindranir á erlendum mörkuðum  *

Fjármögnum útflutningsins  *

Landfræðileg staðsetning fyrirtækisins á Íslandi  *

Gæðakröfur sem gerðar eru til vörunnar á erlendum mörkuðum  *

Verðsveiflur á erlendum mörkuðum  *

Hár framleiðslukostnaður á Íslandi  *

Stefna stjórmálaflokka sem eru við völd hverju sinni (pólítík)  *
Aðgangur að hráefni * () () () ()

Ójöfn samkeppni í aðgangi að hráefni (Leiguverð á aflaheimildum versus kvótaeign) * () () () ()

Þrýstingur frá dýraverndunarsinnunum vegna hvalveiða Íslandinga * () () () ()

Undirboð samkeppnisaðila til að ná markaðshlutdeild (t.d. í krafti hárri gengisskráningu ísl. krónunnar) * () () () ()

Minna traust erlendra viðskiptavina, tryggingarfélaga og banka, í kjölfar ísl. efnahagshrunins * () () () ()

Takmörkun á flutningsleiðum frá Íslandi (fáar/engar skipaferðir eða ekki flogið til áfangastaða) * () () () ()

Takmörkun á flutningsleiðum frá Íslandi (ekki pláss í flugvélag) * () () () ()

Erfitt og/eða kostnaðarsamt að fara í markaðssetningu erlendis. Hinn endanlegi neytandi veit ekki hvaðan fiskurinn kemur. * () () () ()

Viðskiptavinir vilja ekki borga hærri verð fyrir aukin gæði eða sjálfbærni (sala einungis líklegri); markaðsverð ræður. * () () () ()

Hærri flutnings- og tryggingarkostnaður í kjölfar ísl. efnahagshrunins * () () () ()

Hár innanland flutningskostnaður * () () () ()

Erfiðleikar í alþjóðlegu efnahagsumhverfi * () () () ()

Lítill stuðningur opinberra aðila vegna markaðsetningar, kynningar osfrv. * () () () ()

Erfitt að keppa við verð á ódýrum fiski, sem fluttur er inn frá Kína * () () () ()

Hátt raungengi ísl. Krónunnar * () () () ()

Opinber einkaleyfi til útflutnings á sjávarafurðum (t.d. Sildarútvegsnefnd) * () () () ()
Takmarkanir á gjaldeyrisfyrfæslum í innflutningslandi

Mismunur í tungumáli og menningu

Sveiflur í gengi erlendra gjaldmiðla

Viðhorf og stefna verkalýðsfélaga á Íslandi

Öflun markaðsupplýsinga

Annað? Vinsamlega gerið grein fyrir þeim í athugasemðunum hér til hliðar:

Bls. 6/6. Hér fyrir neðan koma nokkrar spurningar sem snúa að stærð, aldri, staðsetningu ofl.


[]Eigandi/stjórnendur hafa búið erlendis

[]Eigandi/stjórnendur þekktu markaðinn.

[]Eigandi/stjórnendur hafa tengslanet erlendis.

[]Eigandi/stjórnendur höfðu aðra reynslu að útflutningi

[]Kaupendur höfðu samband við fyrirtækið, að fyrra bragði

[]Smæð íslenska markaðarins

[]Erfiðleikar í íslensku markaðsumhverfi

[]Annað. Hvað?


26. * Hefur fyrirtækið eignarhald í erlendu fyrirtæki?

[ ] Já, með beinu eignarhaldi

[ ] Já, með óbeinu eignarhaldi

[ ] Nei

27. * Rekur fyrirtækið verksmiðjur erlendis?

[ ] Nei

[ ] Já. Hvar?


29. * Hvert var hlutfall útflutnings af heildarsölu fyrirtækisins árið 2010?

30. * Hvar eru höfuðstöðvar fyrirtækisins staðsettar (í hvaða þöfnúmeri)?

Þá er þessarri könnun og ef þú telur að þú þurftir ekki að lagfæra neitt í þínum svörum, þarf þú bara að þyta á "senda inn".

Við þökkum þér kærlega fyrir þátttöku þína.
Appendix H – Þáttökubeiðni fyrir könnun

Efni: Þáttökubeiðni fyrir netkönnun vegna rannsóknarverkefnis á útflutningi og alþjóðavæðingu íslenskra sjávarútvegsfyrirtækja

Ágæti viðtakandi

Undirrituð hafa í samstarfi við Matís, undir leiðsögn Dr. Arnars Bjarnasonar og Dr. Ingjalds Hannibalssonar, hafið umfangsmikið rannsóknarverkefni á útflutningi og alþjóðavæðingu íslenskra sjávarútvegsfyrirtækja. Markmið verkefnisins er að greina íslenska útflutjendur á sjávarafurðum, hvað einkenni hegðun þeirra íslensku fyrirtækja sem flytja út sjávarafurðir og þá einnig að greina þær hindranir sem útflutningsfyrirtæki hafa við að gíma. Sérstaklega verður skoðuð próün síðastliðinna tveggja áratuga en verkefninu er ætlað að fylgja eftir rannsóknarvinnu Dr. Arnars Bjarnasonar, sem hann vann í byrjun tíunda áratugarins og var grunnur að doktorsritgerð hans við Edinborgarháskóla árið 1994, og bera niðurstöður þessarra tveggja rannsókna saman.

Sjávarútvegur og útflutningur sjávarafurða skiptir íslensku þjóðina gríðarlega miklu hvað efnahagslega afkomu varðar. Mikil próún og breyting hefur átt sér stað á undanförnum áratugum í umhverfi fyrirtækja sem flytja út sjávarafurðir Verkefni þessu er ætlað að varpa skýru ljósi á þessa próún og breytingar, sérstaklega s.l. tvo áratugi. Til að við getum með góðu móti unnið þetta verkefni þörðumust við þinnar hjálpar. Þátttaka þín í rannsókninni yrði ómetanlegt framlag í því að kanna hvernig fyrirtæki sem flytja út íslenskar sjávarafurðir, haga málum sínun á ýmsum sviðum útflutningsstarfseminnar og hvert viðhorf stjórnenda sé til ýmissa mikilvægra þátta henni tengdri.

Hér með óskum við eftir því að þú (eða annar samstarfsmaður þinn sem þú tilnefnir) gefir þér ca. 8 – 12 mínútur til að taka þátt í öflugri netkönnun, í því skyni að varpa ljósi á mikilvæg atriði íútflutningshegðun íslenskra fyrirtækja sem flytja út sjávarafurðir.

Við efumst ekki um að niðurstöður rannsóknar þessarar, sem er sú fyrsta sinnar tegundar hér á landi í áratugi, muni nýtast vel öllum íslenskum fyrirtækjum sem standa í útflutningi á sjávarafurðum og því vonum við að sem flestir taki þátt til að byggja upp öfluga rannsókn.
Beiðni þessi er send út á nöfn fyrirtækja, sem fengin eru úr skrá Íslandsstofu: „Iceland Trade Directory“ og fyrirtækja sem hafa ISAT númer 46381, 46171 eða önnur númer sem tengjast útflutningi á fiskafurðum, skv. skráningu í fyrirtækjaskrá Ríkisskattstjóra. Við gerum okkur grein fyrir því að einhver þessarra fyrirtækja eru hætt útflutningi eða hófu hann aldrei að fullu, en þar sem það er okkur gríðarlega mikilvægt að fá sjónarmið þeirra einnig fram þ.e. hverjar voru ástæður þess að útflutningurinn gekk ekki upp, þá biðjum við þau fyrirtæki sem þetta á við, einnig að taka þátt í könnuninni; ætti það ekki að taka lengri tíma en 1 ½ minútu.

Til að taka þátt í könnuninni, vinsamlega smellið á tengilinn:

http://cs.createsurvey.com/publish/survey?a=j9p2wL

Vinsamlegast athugið að smella á tengilinn héðan úr póstforritinu; ekki afrita hann og líma í netvæfra!

Við viljum taka skýrt fram að með því að tengilinn sé opnaður í póstforriti þínu, sjáum við hverjir taka þátt í könnuninn, þ.e. úr hvaða póstfangi var ýtt á tengilinn en er það nauðsynlegt til að ganga úr skugga um að einungis þeir sem eru skráðir á lista okkar, svari könnuninni. Munum við fara með allar niðurstöður sem algjört trúnaðarmál og algerrar nafnleyndar verða gætt.

Með von um góð viðbrögð, fyrirfram þökk og bestu kveðju,

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Appendix I – Ítrekun 1

Efni: Þáttökubeiðni fyrir netkönnun vegna rannsóknarverkefnis á útflutningi og alþjóðavæðingu íslenska sjávarútvegsfyrirtækja

Kærut stjórnandi/fyrirtækjaeigandi.

Ðann 12.september síðastliðinn var sendur út veftpóstur til eiganda og stjórnenda íslenska útflutningsfyrirtækja á sjávarafurðum, og þeir beðnir um að taka þátt í könnun, sem er hluti rannsóknar okkar, í því skyni að varpa ljósi á mikilväg atriði í útflutningshegðun fyrirtækjanna. Því miður virðist sem ákveðnir pósthjónar móttakanda hafi brenglað texta beðninnar eða hún alls ekki komist til skila og því leyfum við okkur að fékk að senda þessa beðni aftur út. Þessi tæknilegum mistök skýra kannski að einhverju leyti nokkuð dræma þátttöku í þessari könnun en til þess að hún verði þetta þurfum við að fékk að lágmarki 50 % svörun. Því fórum við nú aftur fram á aðstoð þína og vonum að þú sjáir þér nú fært að taka þátt í könnuninni.

Niðurstöður könnunarinnar verða notaðar í 2 meistararitgerðum okkar en áætluð skil þeirra er nú í október næstkomandi. Einnig er stefnt ákveðið að því að niðurstöður úr meistararitgerðunum tveimur, svo og niðurstöður úr fyrri rannsóknnum dr. Arnars Bjarnasonar, verði grunnur að þremur greinum hans sem birtar verði í alþjóðolegum, ritryndum, tímaritum. Efumst við því ekki um að rannsókn þessi geti nýst vel flutningsfyrirtækjum sjávarafurða, til að fékk yfirsýn yfir íslenska útflutningsumhverfið, þær hindranir sem eru til staðar, hvernig markaðsetningu á sjávarafurðum sé hátt og hvað það sé sem einkennir hegðun fyrirtækja sem flytja út sjávarafurðir.

Til að fékk sem marktækastar niðurstöður, þurfa sem flestir að taka þátt í þessarri könnun og er það von okkar að við náum yfir 90 % svörun. Því biðjum við þig eða annan samstarfsmann þinn sem þú tilnefmir, vinsamlegast að eyda 8 – 10 mínútm un til að svara nokkrum spurningum og aðstoða okkur þannig að byggja upp öfliga könnun; þá fyrstu sinnar tegundar í 20 ár.

Til að taka þátt í könnuninni, vinsamlega smellið á tengilinn:

http://cs.createsurvey.com/publish/survey?a=j9p2wL
Munum við fara hvívetna að ákvæðum laga um persónuvernd og meðferð persónuupplýsinga nr. 77/2000 og munum við fara allar með niðurstöður sem algjört trúnaðarmál og algerrar nafnleyndar verður gætt.

Með von um góð viðbrögð, fyrirfram þökk og bestu kveðju,

Nína Björg Sæmundsdóttir, meistaraneimi, sími: 847-6740, netfang nbs4@hi.is
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Appendix J – Ítrekun 2

Kæru stjórnandi/fyrirtækjaeigandi.

Við viljum byrja á að þakka þeim kærlega sem nú þegar hafa tekið þátt í könnuninni og jafnframt hvetum við þá sem ekki hafa lokið könnuninni, að halda áfram með hana og senda inn. Um leið afsökum við fyrir það ónæði sem svona ítrekanir hafa.

Þann 12. og 16. september síðastliðin var sendur út vefpóstur til eiganda og stjórnenda íslenskra útflutningsfyrirtækja á sjávarafurðum, og þeir beðnir um að taka þátt í könnun, sem er hluti rannsóknar okkar, í því skyni að varpa ljósi á mikilvæg atriði í útflutningshegðun fyrirtækjanna. Því miður virðist sem ákveðnir póstþjónar móttakanda hafi hindrað móttoku þessara pósta, flokki hann sem ruslpóst og því kemst hann ekki til skila. Því leyfum við okkur að fá að senda þessa beiðni aftur út; nú frá íslenskum póstþjóni, sem "hreinan texta", í þeirri von að póstur þessi komist til skila til allra.

Hér er tengillinn á könnunina: http://www.createsurvey.com/s/j9p2wL/

Í sumum póstforritum er hægt að smella beint á tengillinn en í öðrum, þarf að afrita hann, líma í netvæfra (t.d. Internet Explorer) og ýta svo á "Enter". Ef seinni leiðin er farin, sést ekki póstfang þess sem tekur þátt og nafnleyndin er alger. Þáttakandi getur þó valið að skrifa það í lok könnunarinnar.

Ath. að hægt er að gera hlé á könnuninni og halda áfram síðar, þegar betri tími gefst til.

Þar sem það skiptir okkur gríðarlegu máli í meistaraverkefni okkar að þú, móttakandi góður, takir þátt í þessari könnun, biðjum við þig eða annan samstarfsmann þinn sem þú tilnefnir, vinsamlegast að eyða 8 – 10 mínútum til að svara nokkrum spurningum og aðstoða okkur þannig að byggja upp öfluga marktæka könnun; þá fyrstu sinnar tegundar hér á landi í 20 ár. Er það von okkar að niðurstöður rannsóknarverkefnisins geti nýst vel til að bæta rekstrarumhverfi íslenskra útflutningsfyrirtækja á sjávarafurðum og koma auga á nýja möguleika fyrir starfsemi þeirra.

Verða póstföng þáttakenda á engan hátt tengd við svörin í úrvinnslu könnunarinnar og munum við fara hvívetna að ákvæðum laga um persónuvernd og meðferð

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Með von um góð viðbrögð, fyrirfram þókk og bestu kveðju,

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Fyrir þá sem ekki hafa séð fyrri pósta um þessa könnun, kemur smá lýsing á henni hér fyrir neðan:

Undirrituð hafa í samstarfi við Matís, undir leiðsögn Dr. Arnars Bjarnasonar og Dr. Ingjalds Hannibalssonar, hafið umfangsmikið rannsóknarverkefni á útflutningi og alþjóðavæðingu íslenskra sjávarútvegsfyrirtækja. Markmið verkefnisins er að greina íslenska útflytjendur á sjávaraflurðum, hvað einkenni hegðun þeirra íslensku fyrirtækja sem flytja út sjávaraflurðir og þá einnig að greina þær hindranir sem útflutningsfyrirtæki hafa við að glíma. Sérstaklega verður skoðuð þróun síðastliðinna tveggja áratuga en verkefninu er ætlað að fylgja eftir

rannsóknarvinnu Dr. Arnars Bjarnasonar, sem hann vann í byrjun tiunda áratugarins og var grunnur að doktoryritgerð hans við Edinborgarháskóla árið 1994, og bera niðurstöður þessarra tveggja rannsókna saman.

Niðurstöður könnunarinnar verða notaðar í 2 masters riterðum okkar en áætlum skil þeirra er nú í október næstkomandi. Einnig er stefnt ákveðið að því að niðurstöður úr meistararritgerðum unum tveimur, svo og niðurstöður úr

fyrri rannsóknum dr. Arnars Bjarnasonar, verði grunnur að þremur greinum hans sem birtar verði í alþjóðlegum, rítrýndum, tímaritum. Efumst við því ekki um að rannsókn þessi geti nýst vel flutningsfyrirtækjum sjávaraflurða,

til að fá yfirsýn yfir íslenska útflutningsumhverfið, þær hindranir sem eru til staðar, hvernig markaðsetningu á sjávaraflurðum sé háttaná og hvað það sé sem einkennir hegðun fyrirtækja sem flytja út sjávaraflurðir.Við efumst ekki um að niðurstöður rannsóknar
Þessarrar, sem er sú fyrsta sinnar tegundar hér á landi í áratugi, muni nýtast vel öllum íslenskum fyrirtækjum sem standa í útflutningi á sjávarafurðum og því vonum við að sem flestir taki þátt til að byggja upp öfluga rannsókn.

Beiðni þessi er send út á nöfn fyrirtækja, sem fengin eru úr skrá Íslandsstofu: „Iceland Trade Directory“ og fyrirtækja sem hafa ISAT númer 46381, 46171 eða önnur númer sem tengjast útflutningi á fiskafurðum, skv. skráningu í fyrirtækjaskrá Ríkisskattstjóra. Við gerum okkur grein fyrir því að einhver þessarra fyrirtækja eru hætt útflutningi eða hófu hann aldrei að fullu, en þar sem það er okkur gríðarlega mikilvægt að fá sjónarmið þeirra einnig fram þ.e. hverjar voru ástæður þess að útflutningurinn gekk ekki upp, þá biðjum við þau fyrirtæki sem þetta á við, einnig að taka þátt í könnuninni; ætti það ekki að taka lengri tíma en 1 ½ mínútu.

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Appendix K – Ítrekun 3

Kæru stjórnandi/fyrirtækjaeigandi.

Við viljum aftur byrja á því að þakka þeim kærlega sem nú þegar hafa tekið þátt í könnuninni og jafnframt hvetum við þá sem hafa byrjað á henni, að alda áfram með hana og senda inn. Um leið afsökum við fyrir það hugsanlega ónæði sem þessar ítrekanir geta haft.

Ágætis þáttaka hefur verið í þessarri könnun en betur má ef duga skal og því vonumst við að fá virkilega góð viðbrögð við þessari seinni ítrekun og sem flestir taki þátt og aðstoði okkur þannig við ritgerðarsmiði okkar; enn vantar all mörg svör uppá svo við getum unnið greiningarvinnuna úr könnuninni : ( 

Hér er tengillinn á könnunina: http://www.createsurvey.com/s/j9p2wL/

Með innilegri von um jákvæð viðbrögð, fyrirfram þökk fyrir veitta aðstoð og bestu kveðjur,

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Appendix L – Ítrekun 4

Góðan dag.

Eyjólfur heiti ég. Ég er að vinna, með öðrum samnemanda mínunum, að Meistaraverkefni okkar við HÍ, í samstarfi við Dr. Arnar Bjarnarson og Matís. Liður í verkefninu er netkönnun sem sett var út á neti í september, í því skyni að varpa ljós á mikilvæg atriði í útflutningshegðun íslenskra fyrirtækja sem flytja út sjávarafurðir.

Ég er nú að vinna úr niðurstöðum könnunarinnar en þó að viðtökur hafi verið með ágætum, sakna ég nokkurra fyrirtækja sem ekki enn hafa tekið þátt og eruð þið þar á meðal. Sökin er þó kannski öll mín þar sem ég sé nú, að ég hef bara sent þetta á pólstang fyrirtækisins svo líklegast hefur þetta ekki komist til skila. Því prófa ég nú aftur en sendi í þetta skiptið á persónulega pólstangið þitt.

Það væri ofboðslega vel þegið ef þú gætir séð þér færð að taka þátt í könnuninni, þar sem að við teljum náðusynlegt, til að geta klárað verkefni okkar, að hafa fyrirtæki ykkar og sjónarmið, með.

Hér er linkurinn á könnunina:
http://cs.createsurvey.com/publish/survey?a=j9p2wL
Hafir þú einhverjar spurningar er þér meira en velkomið að hafa samband.

Fyrirfram þakkir og bestu kveðjur,

Eyjólfur B. Eyjólfsson
Meistaranemi við HÍ
Fornhagi 22
107 Rvk.
Gsm: 770 4030
Appendix M – Ítrekun 5

Kæri stjórnandi/fyrirtækjaeigandi.

Ég vil byrja á því að þakka þeim kærlega sem nú þegar hafa tekið þátt í könnuninni og jafnframt hvetjum við þá sem hafa byrjað á henni, að halda áfram með hana og senda inn. Um leið afsaka ég innilega fyrir það ónæði sem þessar ítrekanir hafa. Fín þátttaka hefur verið í þessarri könnun en betur má ef duga skal og því vonast ég að fá virkilega góð viðbrögð við þessari seinustu ítrekun minni og sem flestir taki þátt og aðstoði mig þannig við ritgerðarsmiðið miða; ennvantar nokkur svör uppá svo ég geti unnið greiningarvinnuna úr könnuninni : ( 

Hér er tengillinn á könnunina: http://www.createsurvey.com/s/j9p2wL/ 

Ég geri mér fullkomlega grein fyrir ónæðinu sem svona kannanir og ítrekanir hafa og sjálft væri ég persónulega alls ekkert sáttur við að fá endalausar ítrekanir frá "einhverjum vitleysing út í bæ" um að taka þátt í einhverri bóluðri könnun. það er því einungis nauðsyn sem rekur mig út í að senda þetta mail, þar sem enn vantar nokkur svör, svo ég geti skilað af mér marktækum niðurstöðum og klárað þessa ritgerð miða. því sendi ég af illri nauðsyn aftur þessa ítrekun (þetta er nú einn sá erfiðasti og leiðinlegasti hlutur sem ég hef gert í langan tíma) og um leið bëi ég aftur innilegrar afsökunar á þessu leiðinda ónæði.

Með innilegri von um jákvæð viðbrögð, fyrirfram þökk fyrir veitta aðstoð og bestu kveðjur,

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