

**The Regional Economic Strategy
Responding to the Current Economic Climate**

Second Annual RES Partners' Conference

**Thursday 29 January 2009
Mandolay Hotel, Guildford**

OPENING REMARKS by Jim Brathwaite CBE, SEEDA

- Welcome everybody to the second annual RES Partners' Conference – great to see so many of you here
- Trying times for our businesses and today is an opportunity to discuss how we can help our economy through the recession – both by managing the here and now and by investing for the future. The RES guides our response to current challenges, ensuring we achieve long term sustainable prosperity for everybody in the South East.
- A key element of managing the here and now is to provide practical help and advice to our companies. Uptake of the free “Health Check” for businesses in the South East has been great. Between October 2008 and now Business Link has undertaken more than 3,200 Health Checks – most of them in SMEs.

- Helping businesses to access finance is essential to support viable and growing companies; encouraging investment and helping businesses to trade overseas as well as attracting inward investment will help the South East to ride out the downturn and **maintain our global competitiveness** – one of the key objectives of the RES.

- But not everything is bleak. I wanted to take this opportunity to highlight a number of **initiatives investing in the future**, whilst also **helping companies in the short term**, for example by providing jobs in the construction industry:
 - Jonathan Shaw, our Regional Minister for the South East, started the diggers rolling for the £7.3m **Canterbury Innovation Centre**. Funded by SEEDA the centre will provide much needed high-tech incubation space and support for budding entrepreneurs, attracting local start-ups as well as those from further a field, including the USA, Israel and Singapore.
 - In Margate a local company, R Durnell and Son, has won the contract to build the prestigious new seafront **Turner Contemporary Gallery** – a really good news story for our local businesses, even at this difficult time.

- In addition to £4 million for the Turner Contemporary SEEDA is investing £6.5 million into a **mixed use scheme** based on the old Marks and Spencer building to revitalise **Margate town centre**. A revitalised town centre will bring real improvements in the quality of the retail and the attractiveness of the town to residents and visitors alike – **sustainable prosperity** for the future.
- In **Queenborough & Rushenden** we are on site with diggers carrying-out enabling works for a new road which will open-up new employment sites on the Isle of Sheppey.
- And we are still building and completing the latest phase of houses on **St Mary's Island in Chatham**, having already completed over a thousand homes on the island.
- Dozens of businesses in the creative industries will soon be making the **Historic Dockyard Chatham** their home, after the official re-opening of the 200 year-old Joiners Shop building earlier this month as a **specialist Centre for Creative Business**. Encouraging and supporting creative businesses in these uncertain economic times is important, and is yet another positive step in the regeneration of Chatham as a whole.

- With projects such as these we are putting the right infrastructure in place to allow businesses to take full advantage of the UK's inevitable economic recovery, stimulating sectors of the economy that will be vital to the region's future.

- And in delivering the RES we continue to invest in new products and innovative ideas, for example:
 - **ASTRAEA**, a public-private sector collaborative programme, to develop the technologies, systems, facilities together with the necessary regulatory environment so that unmanned aircraft can operate safely and routinely in UK civil airspace. A £2 million SEEDA investment is supporting R&D and knowledge transfer in the South East and a range of SMEs.

 - Another example of close public-private sector collaboration is the regeneration of the former West Medina Mills site on the Isle of Wight: **Vestas**, an important employer and market leader in the composites and renewable energy sector, is working with SEEDA to bring this area back into economic use and to allow a key business on the island to grow. A planning application was submitted for a £50m R&D centre which will allow the

company to test the world's largest wind turbines – this means the Isle of Wight will become a **major innovation hub** in Vestas' global R&D business, placing it among the company's top five technology centres, alongside Denmark, Singapore, India and the USA. And it will create another 150 new high-skilled engineering jobs, plus other ancillary jobs, on the island. A **world class business** in environmental technologies, a sector that is **offering significant growth opportunities for the future.**

- So, I believe this region has a strong business base and good ideas. By working together we will overcome the current challenges. It is important to manage the here and now but equally we need to build the future – and that's what today is about.
- The RES sets out a shared vision which is ambitious – we knew this even at the time our economy was doing much better than it does now. But I believe it is essential that we help our people and businesses through these difficult times whilst not giving up the overarching aim to achieve sustainable prosperity for everybody who lives and works in this region. Thank you.

[END]