

Business

1999-2001

Introduction

Over the last two years, SEEDA has been working with partners across a wide range of activities to deliver the strategic priorities laid out in the Regional Economic Strategy (RES):

- developing a world class competitiveness and enterprise infrastructure
- increasing technology transfer and innovation
- developing strategies for growth of key sectors and business clusters
- fostering and sustaining national and international links and networks with leading edge businesses and institutions

Key Facts

- There are over 370,000 businesses in the South East
- The South East is the largest manufacturing economy in the UK
- 30% of the nation's employment in research and development activity is undertaken in the South East
- While the South East lies in the top five regions in the European 'innovation' league table, the challenge is to transfer this to productivity where the region is in 34th position
- The South East is the UK's largest region in terms of population and GDP, and contributes £17 billion to the Exchequer – the highest amount from any UK region



SEEDA is tackling the lack of suitable premises, identified as a key limiting factor for some 300 biotechnology companies in the South East. The main biotechnology clusters are based at Milton Park and Oxford Science Park.

Outputs

Since SEEDA was created we have:

- Enabled the doubling of the amount of business incubator space in the region
- Incubated 290 new companies
- Established sector groups covering 9 industries
- Attracted more than 80 inward investors
- Established a programme to create 30 Enterprise Hubs



SEEDA is establishing a Regional Centre of Manufacturing Excellence (RCME) creating a knowledge pool of university research departments and World Class companies.



SEEDA's Southampton Enterprise Hub, Chilworth Science Park, offering 270m² (9,000 sq ft) of incubator space.

Some of SEEDA's specific initiatives to support Business are:

◆ Early Stage Finance

By working with UK Government and European Union sources, SEEDA is establishing regional funds that will help 'bridge the equity gap', so often a stumbling block for companies wishing to grow. A £30 million Regional Venture Capital Fund will make investment of up to £500,000 available to Small and Medium Sized Enterprises (SMEs) based in the South East of England. A corporate delivery mechanism for the Fund, Finance South East, is being established to channel investment proposals to the Fund and develop the availability of early stage finance for companies in the region.



ATA Manufacturing, Newhaven. SEEDA led a collaborative inward investment project with Invest in East Sussex and Sussex Enterprise, which has resulted in a government grant for this new export company.

◆ Enterprise Hubs

SEEDA has drawn from the experience of the leading 'business incubators' around the world to develop a new model for local business networks, specifically suited to the UK and European markets. The Enterprise Hub initiative has received great support from the business community and our partners, and is being seen as a model of best practice across the Regional Development Agencies in how to link business with universities and other centres of research excellence.

The first wave of Hubs has been launched already doubling the amount of flexible workspace for high-tech companies under development in the South East. Over the next three years, a total of 30 Hubs will be developed to provide a complete network across the region. Through the Enterprise Hubs, SEEDA and its partners are providing effective support services for entrepreneurs in their own local communities. The Hubs act as catalysts to encourage innovation and enterprise, stimulating the growth of small businesses. Already 290 companies are incubating in the Hub network, with a target of 2,000 by 2005.

The Enterprise Hubs at Newbury, North Oxfordshire, Southampton, East Malling and the Isle of Wight are operational. Up to a dozen more will come on stream by the end of 2002.

◆ Innovation and Technology Transfer

Twenty five percent of the UK's research and development expenditure takes place in the South East's universities, research institutes and businesses. Exploiting the results of this research for wealth creating enterprise is key to sustaining local world class businesses. SEEDA is establishing a Regional Centre of Manufacturing Excellence creating a knowledge pool within the South East of university research departments and world class companies, that can provide customers with direct access to expert advice for technology related problems.

◆ Investment by Overseas Companies

SEEDA has been working closely with partners around the South East actively to market the region internationally to high tech / high value added companies. With international contacts and region wide resources, SEEDA and its partners offer a free and confidential consultancy service to overseas and UK companies whether starting new businesses or relocating to the South East of England.

In total, our international achievements for the 2000/1 financial year included 41 companies that either expanded or established a first time investment, creating or safeguarding 2,307 jobs. There were 334 projects in progress and over 200 new leads through promotional activities. The team handled six visits from delegations (for 33 companies), carried out 47 company visits and attended seven overseas trade shows.

◆ Investor Development Programme

This programme is aimed at building links with existing larger companies in the region to encourage profitable growth, develop regional supply chains and act as a conduit between these businesses and local/central government. Six regional investor developers across the South East will enable closer communication with priority investors and expanding home grown businesses matching the speed, flexibility and demands of global business.



Maytag, Redhill, SEEDA assisted the expansion of this American company by finding new premises and providing advice. This move created space for 60 new jobs and safeguarded a further 60.



Xerox Engineering Systems, Fareham is just one of the 41 overseas companies who, assisted by SEEDA, have expanded or established a first time investment, creating 2,307 new or safeguarded jobs in the South East region.



SEEDA, in close collaboration with the Government Office for the South East, Chichester District Council and West Sussex County Council supported BMW's successful application to build its £60 million Rolls Royce head office and manufacturing plant in Goodwood, near Chichester.

◆ Sector Groups

SEEDA has been working with industry leaders to address the competitiveness of key business sectors in the South East. This has involved identifying barriers that hinder the creation of healthy, successful businesses and a skilled workforce able to compete effectively in world markets. Each Sector Group is chaired by a business leader and supported by a full time Sector Advisor. Key achievements for the Sector Groups include:

- **Aerospace and Defence** (led by Chris West, DTI Innovation expert) – Established with the Farnborough Aerospace Consortium, a 'lean supply chain network' of nine model companies
- **Marine Industries** (led by Martin Jay CBE DL, Chief Executive, Vosper Thornycroft) - Launched a major conference in March 2001, designed to involve SMEs in key developments taking place in the sector, including new environmental legislation, IT and training initiatives
- **Pharma Bio and Healthcare** (led by Dr Peter Read CBE, former Chairman of Hoechst Group of Companies in the UK) – Projects include a major survey of available laboratory 'wet lab' space in the South East, involving both the London Development Agency and East of England Development Agency
- **Media and Creative Industries** (led by Mary McAnally, Managing Director, Meridian Broadcasting) – Held a major Media Forum in Brighton designed to bring together senior media executives from the film, video games, radio and creative industries to discuss the opportunities arising from major developments taking place across the sectors
- **Tourism** (led by Michael Ann OBE DL LLD, recent Chairman, South East England Tourist Board) – Delivered a project to provide computers to SMEs in the hotel and guest house market. Developing the use of Information & Communication Technologies in the tourism sector is a key priority. The project provided an opportunity for a large number of tourism establishments to receive hands-on computer experience as well as a mentoring and support package
- **Transport** (led by John Guttridge, Regional Director, SE Freight Transport Association) – Focused on logistics and supply issues as well as on the needs of the logistics industry itself. The Group's most recent piece of work was a report on intermodal facilities for freight in the region. This report is a contribution to the review of the Regional Transport Strategy which is being undertaken by the South East England Regional Assembly



Multimedia technology and production, one of the key clusters incubated at SEEDA's North Oxfordshire Enterprise Hub.



Merriland Hotel, Kent. SEEDA has given support to hotel owners and small tourism businesses to increase their use of IT.

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