

SEEDA's Sittingbourne Enterprise Hub
- supporting the growing Biotech Cluster
that has built up around the area.



Introduction

Over the last three 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 links and networks with leading edge businesses and institutions.

Key Facts

- There are more than 380,000 business sites in the South East;
- The South East is the largest manufacturing economy in the UK;
- 24% of the UK's research and development (R&D) expenditure occurs in the South East and 30% of the UK's R&D workforce is employed in the region;
- The South East is the UK's largest region in terms of population and GDP, and contributes more than £17 billion to the Exchequer – the highest amount from any UK region;
- The South East is heavily represented in the fastest growing industry sectors and is expected to grow 2.7% faster than the rest of the UK throughout the period 1995-2005.

Outputs

Since SEEDA was created, we have:

- More than doubled the amount of business incubator space in the region;
- Established eight Sector Groups;
- Established 12 Enterprise Hubs with a further eight planned;
- Established a programme to create 20 Enterprise Gateways.

The Isle of Wight Enterprise Hub has been named as the centre for a European Virtual Institute for Composites. The Virtual Institute will provide online access to incubation and support services for young companies in the composites sector.

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

◆ Enterprise Hubs

A concept uniquely pioneered by SEEDA, Enterprise Hubs form a region-wide network of focal points for innovation and entrepreneurial activity, delivering a full range of critical support services for young high-tech companies. They provide local entrepreneurs with better access to technology, research, business support, flexible workspace and early stage finance.

These incubators already house over 300 companies, with a target of 2,000 to be incubated by 2005. Each Hub is led by a Business Champion and a Hub Director who implement the ambitions of the network; it also contains an incubator unit affiliated to one or more universities or research institutions.

Twelve Enterprise Hubs are already up and running providing over 350,000 square feet of flexible workspace:

Brighton	East Malling
Isle of Wight	Milton Keynes
Newbury	North Oxfordshire
Reading	Sittingbourne
Solent	Southampton
Surrey (two hubs)	

Enterprise Hubs are already recognised as leaders in business incubation good practice for fast growing technology companies. Enterprise Hubs have a particular role in facilitating the transfer of technology and know-how from the region's universities and research institutes – with several of them being based on science campuses or science parks.

Acting as a focus for Cluster development in leading edge products and technologies, Enterprise Hubs are increasingly attracting investment from high-tech companies into the region.



◆ Enterprise Gateways

A new joint SEEDA/Business Link initiative, Enterprise Gateways, will concentrate on developing and nurturing entrepreneurs and young companies within the physical incubation accommodation element of an Enterprise Gateway and in a wider network within the general business community.

Enterprise Gateways will:

- Increase the start-up rate, the survival rate and, the growth rate of new companies;
- Particularly encourage business ideas from under-represented areas of the business community including not-for-profit businesses.

This initiative is also adaptable to the needs of rural areas. Aspiring entrepreneurs will be supported by:

- Intensive business training;
- Business support networks;
- Flexible workspace offered on an easy in, easy out basis;
- Help with early stage finance;
- Focused business support - each Gateway will have a dedicated project leader and each new entrepreneur will have a business mentor.

SEEDA plans to open 20 Enterprise Gateways in the next five years including five in the period 2002/2003. The aim is for 200 companies to graduate from the Enterprise Gateway network every year and to create 500 jobs every year from 2007.

Romsey Tourist Information Centre, in Test Valley Borough Council, connects up the SEEDA-funded VISIT service.

◆ Sector Groups

SEEDA continues to work with industry leaders to address the competitiveness of key business sectors in the South East. This involves facilitating the growth of healthy and successful businesses and training 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:

■ Marine Industries

Co-chaired by Martin Jay CBE DL, Chief Executive of Vosper Thornycroft (UK) Ltd and Iain Shepherd, Marine Systems Director of Marcom Defence.

Following on from the Marine Conference in 2001, the Sector Group identified key issues for the industry. Two of these have resulted in programmes of work being prepared:

- Promotion of the South East Marine Sector through e-newsletters and a press release programme;
- Time to market marine case studies to disseminate the advantages of Rapid Product Development tools.

SEEDA has also funded a Cluster analysis programme for the Marine Industry. In addition, a second Marine event in October 2002 communicated the activities of the group to the Marine industry, and set further priorities for action.

■ Tourism

Led by Michael Ann OBE DL LLD, a past-Chairman of the South East England Tourist Board.

Working with SEEDA, the Tourism Sector Group has helped facilitate agreement to establish a unified Tourism Board for the South East with much greater strategic capability to promote the region.

The Group delivered a project to provide computers to SMEs in the hotel and guesthouse market; it has also developed an IT support programme (VISIT) to help the tourism industry in the South East maximise its marketing opportunities and compete more effectively in a highly competitive marketplace.

Strategic priorities:

- Marketing the South East as a world class Tourism location;
- Wider use of IT to increase productivity and better business skills;
- Training, skills and recruitment of the workforce;
- Development of rural tourism in Areas of Outstanding Natural Beauty (AONB).



■ Media Technology and Telecoms

Led by Mary McAnally, a former Managing Director of Meridian Broadcasting and a SEEDA Board Member.

The Group held a major Media Forum in Brighton, which brought together senior media executives from the film, video games, radio and creative industries to discuss the opportunities arising across the sector.

Strategic priorities:

- Increasing investment and providing access to finance;
- Developing new business opportunities;
- Adding to productivity gains;
- Developing skills within the workforce;
- Improving infrastructure;
- Explaining the benefits of and widening access to Broadband;
- South East Media Forum Network.

■ Environmental Technologies

This is a new Sector Group and the first meeting was held in August 2002 to prioritise tasks. A launch event is planned for November 2002.

A mapping exercise has been undertaken in the South East where thousands of businesses have been contacted in addition to universities, business support agencies and local partnerships. A database has been established – an important step in this diverse and fragmented sector.

SEEDA's Marine Sector Group has identified key concerns facing the industry and targeted projects to redress these issues. Current areas of focus include workforce recruitment and development, industry promotion and the development of effective networks.



Pollinating and examining apple trees at SEEDA's East Malling Enterprise Hub. The Hub is situated at the heart of the world-famous research organisation, Horticulture Research International and offers particular expertise in the fields of Food, Health and Environmental Sectors.



■ Aerospace and Defence

Led by Chris West, Chief Executive of Higar Engineering.

The Group completed a pilot programme of nine Rapid Improvement Workshops on Lean Manufacturing in conjunction with Farnborough Aerospace Consortium and EEF South. A cross sector £2.5 million programme to cover 350 companies has resulted from the success of this project.

Current task forces include:

- e-business: planning an e-business awareness events for SMEs;
- Technology transfer: finalising a major technology transfer event which will bring together the technology suppliers and users;
- Database development: over 800 companies have now signed up to have their details on the SEEDA database. An aerospace clusters report will be available from November 2002.

■ Transport and Logistics

Led by John Speakman, Consultancy Director, BAA International.

Focused on logistics and supply issues, the Group has produced a report on intermodal facilities for freight in the region and contributed to the review of the Regional Transport Strategy.

Support and advice has also been given to SEEDA's Infrastructure Committee by identifying the infrastructure and other constraints faced by the region's industry.

The Group scrutinised the region's performance against other UK and European regions on counts such as pedestrianisation and integrated transport systems.

■ Property and Construction

Led by Mark Whitby, BSc FEng FICE FISTructE Hon FRIBA, President of the Institute of Civil Engineers, and a partner in Whitby Bird.

Established in 2002, this Sector Group has established priorities in the following areas:

- Promoting innovation and best practice to boost competitiveness;
- Pressing educators to teach skills that meet the industry's needs and attracting more craft entrants to the industry;
- Encouraging more flexible working practices;
- Stimulating rural and urban regeneration.

■ Pharmaceutical, Biotechnology and Healthcare

Led by Dr. Peter Read CBE FRCP, former Chairman of Hoechst UK and a SEEDA Board Member.

The Group undertook a major survey of available laboratory 'wet lab' space in the South East, involving both the London Development Agency and the East of England Development Agency

Proposals to develop three PharmaBio Accelerators, providing much needed second stage space for companies, are underway.

Task Forces include:

- Skills issues and university co-operation;
- Improving international marketing;
- National Health Service supply chain;
- Intellectual Property;
- Premises and infrastructure.

In its first three months of operation, The Manufacturing Advisory Service (MAS) in the South East, supported by SEEDA, provided assistance to over 400 manufacturing companies.



◆ Finance South East

SEEDA and the regional Business Links have established Finance South East Ltd (FSE). This is a company to provide support and access to the following:

- Financial service providers including venture capital, Business Angels, banks and invoice discounters;
- Advisors for help in writing business plans, accountancy, legal matters, registering intellectual property rights and technological reviews;
- Grants and allowances;
- Enterprise Hubs, universities and research establishments;
- Non-executive directors and interim managers.

FSE will act as a gateway to the 'South East Growth Fund' in assessing business plans and offering advice and assistance to companies

needing equity finance of up to £0.5 million. FSE will shortly launch an Early Growth Fund under its own management to provide mezzanine finance of between £15,001 and £100,000.

◆ Innovation and Technology Transfer

Twenty four 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.

Initiatives taken by the South East's universities under the Higher Education Innovation Fund and predecessor funding are helping them to reach out to businesses and provide better access to their resources of technology and know-how. Enterprise Hubs and the South East Manufacturing Advisory Service (MAS) are assisting businesses to understand what may be available and to articulate their needs, turning knowledge into practical support for business.

SEEDA has established MAS in the South East in conjunction with local Business Links. The MAS is run for manufacturers by manufacturers and is dedicated to providing businesses in the South East with the best available information and advice. It taps into a network of centres of technology and management excellence in universities and elsewhere.

This support focuses on three key areas:

- Supply Chain Excellence;
- Best Practice in Product Development;
- Operational Effectiveness through 'Lean Manufacturing'.

The MAS is currently substantially overachieving its targets in the South East. In its first three months, 419 manufacturing companies received support from the MAS.

Pharma Bio and Healthcare is a key focus sector for SEEDA in the region.

◆ SEEDA's Business Cluster Strategy

Businesses, especially SMEs, in similar markets often 'cluster' together naturally in places like Silicon Valley because rubbing shoulders with older and more-established firms makes it easier to learn, collaborate and grow.

SEEDA Cluster Managers work with each Cluster on projects that bolster competitiveness (e.g. supply-chain improvement and group purchasing incentives) and the planned SEEDA Cluster Fund will support projects that are identified as essential to development.

SEEDA staged a highly successful 'Cluster Week' to encourage companies in the region to see the many benefits of working collaboratively with like-minded businesses. The week long programme of activities was facilitated by Ifor Ffowcs-Williams, one of the Cluster gurus and current President of the International Competitiveness Institute. The week focused on the development of practical strategies to support Clusters and culminated in a business breakfast attended by 90 delegates.



These networks are informal groupings of managers in particular industry groups who meet to discuss common problems and offer mutual support. They also help SEEDA to keep up-to-date on what is going on in their industry - information that helps to target project funding effectively.

◆ Regional Industry Networks

Regional Industry Networks are an important part of the South East's Clusters and SEEDA supports a number of them as part of its Business Strategy.

Well established networks in the Pharmaceutical, Biotechnology, Healthcare and Media Sectors have provided the region with a template for similar developments. There are also thriving networks in Advanced Engineering, Aerospace, Defence and Marine industries supported jointly by SEEDA and Business Links.



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