



# BIS Manufacturing Summit 2014

## Key Summary

On 19th June over 200 delegates gathered at the Floral Pavilion in New Brighton, Wirral for the BIS' fourth Manufacturing Summit. The Deputy Prime Minister and Business Secretary Vince Cable delivered the key note speeches. Michael Fallon participated in the panel discussion and closed the day.

The event again provided stakeholders across the manufacturing industry with the opportunity to engage with ministers and take part in a programme focussing on some of the sector's key challenges and issues.

The key note speeches set the tone for the day:

In his address, the Deputy Prime Minister outlined the growing – albeit cautious – optimism about the future of British manufacturing and the important role manufacturing industries play in supporting supply chains across the country.

Manufacturing delivered around £140 billion in GVA (gross value added) last year alone, produces over half our exports in goods; invests more than anyone else in UK business R&D; and employs millions of highly-skilled people.

The Deputy Prime Minister highlighted Government action to create the right business conditions to leverage investment including establishing the British Business Bank, setting up the Green Investment Bank, and creating Catapult Centres, as well as giving power back to local councils, colleges and businesses – through Local Enterprise Partnerships, the Regional Growth Fund, as well as City Deals and Growth Deals. Round 6 of the RGF was launched at the Summit with over £200 million now available.

The Secretary of State for Business Innovation and Skills explained that getting to this point has been the result of strong collaboration with business through the Government's industrial strategy approach.

He outlined some of the Government's support for manufacturing to date, including the Advanced Manufacturing Supply Chain Initiative, establishing the High Value Manufacturing Catapult, the Manufacturing Advisory Service, plus investment in skills with record numbers of apprenticeships, and investment in the Employer Ownership and STEM capital teaching funds.

He highlighted the important on-going challenge to inspire a new generation of engineers. 6,300 young people & teachers made 170 manufacturing visits last October through See Inside Manufacturing. This will become an annual event every October to boost school & business participation, being expanded to cover all manufacturing sectors.

### Delegate participation

During the day delegates participated in four breakout sessions. The key points raised were:

#### Skills

- Obstacles to participating in the Apprenticeship trailblazers and how the sector could increase the number of higher level Apprenticeships.
- How Government and business work together to develop National Colleges that will best meet the manufacturing sector's needs.

- How should the engineering Employer Ownership Fund call launched today incentivise / support sector employers to train staff.

## **Strengthening UK Supply Chains**

- The confidence or ambition of SMEs to grow into mid-sized businesses.
- The drivers behind company decisions on supply chain structures and relationships.
- Access of small companies to their large customers and the mentoring of small companies.
- Opportunities for more collaboration and improving understanding of suppliers' capability.

## **Inspiring the Next Generation**

- Delegates welcomed a call to action to join the "Your Life" campaign <http://www.yourlife.org.uk>
- The new "Growing Ambition" tool was demonstrated and feedback was obtained.
- Further information on various BIS supported programmes: STEM Ambassadors Programme, See Inside Manufacturing, The National Science and Engineering Competition and The Big Bang Fair.

## **Energy and Resource Efficiency**

- Interventions in the budget to support energy intensive industries.
- Only around 50% of manufacturers monitored their energy usage in the recent MAS survey.
- Energy can be a hidden cost and someone in management needs to own the issue to drive change. CEOs are vital to companies adoption of change measures.

## **Investment Panel**

Rounding off the day was a 'Encouraging Business Investment' Q&A panel discussion.

The Rt Hon Michael Fallon MP, Business Minister joined industry experts Andrew Churchill (JJ Churchill), Tim Tozer (Chair of Vauxhall Motors UK), Dr Mark Treherne (CEO of the Life Sciences Investment Organisation) and Matthew Fell (Director of Competitive Markets, CBI).

Some of the key suggestions to help the UK encourage more investment were:

- Addressing skills shortages. We need to start entrepreneurship education from an early age, working with schools and universities to showcase industry. Careers advisors play a particularly important role. Raising management skills and encouraging continuing professional development for our business leaders is also crucial.
- Building long-term partnerships between firms, supply chains, their workforce, and the Government, providing certainty and predictability through the industrial strategy.

Creating the right business environment through infrastructure improvements, open-ness to FDI, a supportive tax regime (capital allowances), maintaining our world class science base, and making targeted investments e.g. in R&D as well as tackling key barriers e.g. access to finance, energy costs, and regulation

## **Exhibition**

Alongside the Summit was an exhibition showcasing the best in North West manufacturing. There were 45 exhibition stands on the day from across a wide range of sectors featuring some innovative displays which were well regarded by delegates.

## **Delegate Feedback**

Immediate feedback from the event was again positive with over 80% of those delegates who completed the official Summit questionnaire rating the Summit as either 'good' or 'very good'.

## **Next steps**

We will continue to analyse feedback from the Summit and use it to improve next year's event. Until then, through industrial strategy, the Government will continue to work in partnership with industry to set the long term direction needed to give business the confidence to invest - creating more opportunities, skilled jobs and making the UK more competitive so that British businesses can thrive and compete with rising economies.

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