

Interactive Sessions on
**“BUSINESS OPPORTUNITIES IN
THE BRITISH MIDLANDS”**

AHMEDABAD : JULY 7, 2006
KOLKATA : JULY 21, 2006
COIMBATORE : AUGUST 4, 2006
HYDERABAD : AUGUST 11, 2006
NEW DELHI : AUGUST 18, 2006

BACKGROUND

The workshop was conducted by the Eximius Centre (EC) in association with The British Midlands, United Kingdom (UK) at different centres in India during July-August, 2006. The British Midlands (BM) region, the largest commercial area of UK outside London, promotes investment in diverse industrial sectors. Through the Interactive Sessions organised by EC, the BM sought to reach out to Exim Bank's clients in order to present the advantages of the region as an investment destination, and to attract outward direct investments from India. On an average, 25 participants from medium sized externally oriented companies attended each of the programmes.

FACULTY

Ms. Chandrika Shah, Country Representative of British Midlands in India.

TOPICS COVERED

1. Overview of UK as an investment destination;
2. British Midland region;
3. Facilities & Investment Opportunities;
4. Role of Country Representative.

GIST OF TOPICS

1. Overview of UK as an investment destination

UK attracts around 40% each of United States and Japanese investments and 60% of Indian investments in the European Union. As the second largest recipient of global FDI after USA, UK has positioned itself as a premier business location in Europe, offering the following advantages:

- Easy access to European markets;
- Highly skilled workforce;
- Flexible labour market regulations;
- A strong tradition of collaborative research between academia & business;
- Some of the lowest utility costs in Europe (Water, Gas & Power) with low inflation;
- Lowest main corporation tax rate of any major industrialised country;
- One of world's most advanced telecom industries;
- Incentives for growth including a wide range of grants and tax allowances;
- 19 projects from India in 2002-03 in different sectors as under:

IT & Allied: 23%;	Automobiles: 7%;
Electronics: 6%;	Pharma : 5%
Finance : 5%	

2. The British Midland (BM) Region

Two Regional Development Agencies namely, The East Midlands Development Agency (EMDA) and The Advantage West Midlands (AWM), together form the British Midlands Investment Agency (BMIA). BM is the largest region in the UK - equal to London and South East of England, twice the size of

Scotland and three times of Wales. The region covers eleven counties and five metropolitan boroughs. Some of the locational advantages of the BM region are:

- Two major international airports with 180+ daily flights to European countries and USA;
- East Midlands airport - the largest freight hub in UK outside London;
- 4.2 million diverse, highly skilled and dedicated workforce;
- 17 world class universities;
- Familiarity with diverse Indian culture and languages with a large NRI population;
- Real Estate prices - 30% below the UK national average;
- Just 90 minutes drive from London;
- Excellent quality of life;

BM promotes investment specifically in the high performance/knowledge sectors including:

- a) Added value Engineering;
- b) Health care & Pharmaceuticals including R&D;
- c) Railways, Aerospace and motor sports;
- d) ICT;
- e) Automobiles;
- f) Logistics;
- g) Business Services.

3. Facilities and Investment Opportunities in BM

West Midlands (WM)

WM's core strength lies in Added Value Engineering and Automobile. Other key sectors include Software, Rubber, Food & Drink, Pharmaceuticals & Healthcare and Logistics. Also covered by the region are Electronic, Civil, Mechanical, Medical, Rail and Aerospace sectors. Some of the major players include Ford, Peugeot, Cummins, BMW, Dana

Corporation, Bombardier, Alstom, TRW, Yamazaki Mazak and Rocoh.

In Rubber & Plastics, WM has the highest concentration of processors in UK (26 of total 30 global automotive plastic suppliers), and has a dedicated “Polymer Cluster Group”. Nearly 1/3rd of all UK public listed companies engaged in IT are in the WM, which also has 8 Science Parks. Leading ICT companies include Marconi, IBM, Oracle, EDS & Fujitsu, SITEL, Charles Schwab and Cap Gemini.

East Midlands (EM)

EM’s industrial clusters span Mechanical, Electrical, Precision and Electronic Engineering, Transportation Industry (automotive, railways, aerospace and defence), Plastics, Pharmaceuticals, Food & Drink, Printing and Packaging, Textiles, Clothing and Footwear. Growth sectors include Life Sciences, Software, Internet, Tele-banking, Insurance, Credit Information, E-Business and Healthcare.

EM has strengths in High Performance Engineering such as Motor Sports, Space Science, Medical Engineering, Rail and Aerospace Engineering. The region is the hub for the British Automotive sector with over 51% of car production, presence of 19 global automotive suppliers and concentration of leading R&D centres. Major players include Toyota, Alpro, Alstom, Bombardier, Cummins Engines, Chevron Aerospace, Tsubakimoto, and Caterpillar.

EM is a leading centre of Research & Development activity. It is home to eight world class universities. Nottingham University has 26 top rated five star research units, and a state-of-the-art biomedical facility. Institute of Pharmaceutical Sciences, Centre for Industrial & Medical Informatics, and the International Food Research Centre at University of Lincoln are some of the leading R&D Centres. Loughborough, Leicester and Nottingham Universities are prominent in research in Medical and Biomedical fields. The Universities maintain strong links with the industry e.g., Loughborough University has strong links with companies like Ford, Rover and Fiat for R&D in automobile sector.

4. Role of BM Country Representative in India

As an arm of the UK Government, BMIA offers guidance in investment in the region. It offers independent, impartial advice to investors, facilitates one-to-one meetings and seeks to minimise risk and maximise opportunities for the investors. In particular, the following services are offered:

- Facilitating continuous dialogue with the Regional Development Agencies in the BM;
- Introductions to government and private sector companies in the region;
- Component sourcing and supply chain management;
- General Information (economic, demographic, labor rates and skills);
- Property & site searches;
- Co-ordination of regional tours & visits;
- Introductions to research centres of excellence;
- Access to leading experts and researchers in select fields;
- Financial assistance and Grant co-ordination.

Details of BM region are accessible through the website www.thebritishmidlands.com
