

SEEDA Business Support Briefing

30th June 2011

Business Engagement

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Sectors and Clusters Development

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NESTA Growth Study

- ‘High Growth’ Companies are rare, but generate a majority of jobs:
 - 6% of companies / 54% of new jobs created
- High Growth definition (OECD):
 - 10+ Employees and 20% p.a. growth over 3 years
- SEEDA additional criteria:
 - Medium sized companies
 - revenues >£8m
 - 100+ Employees

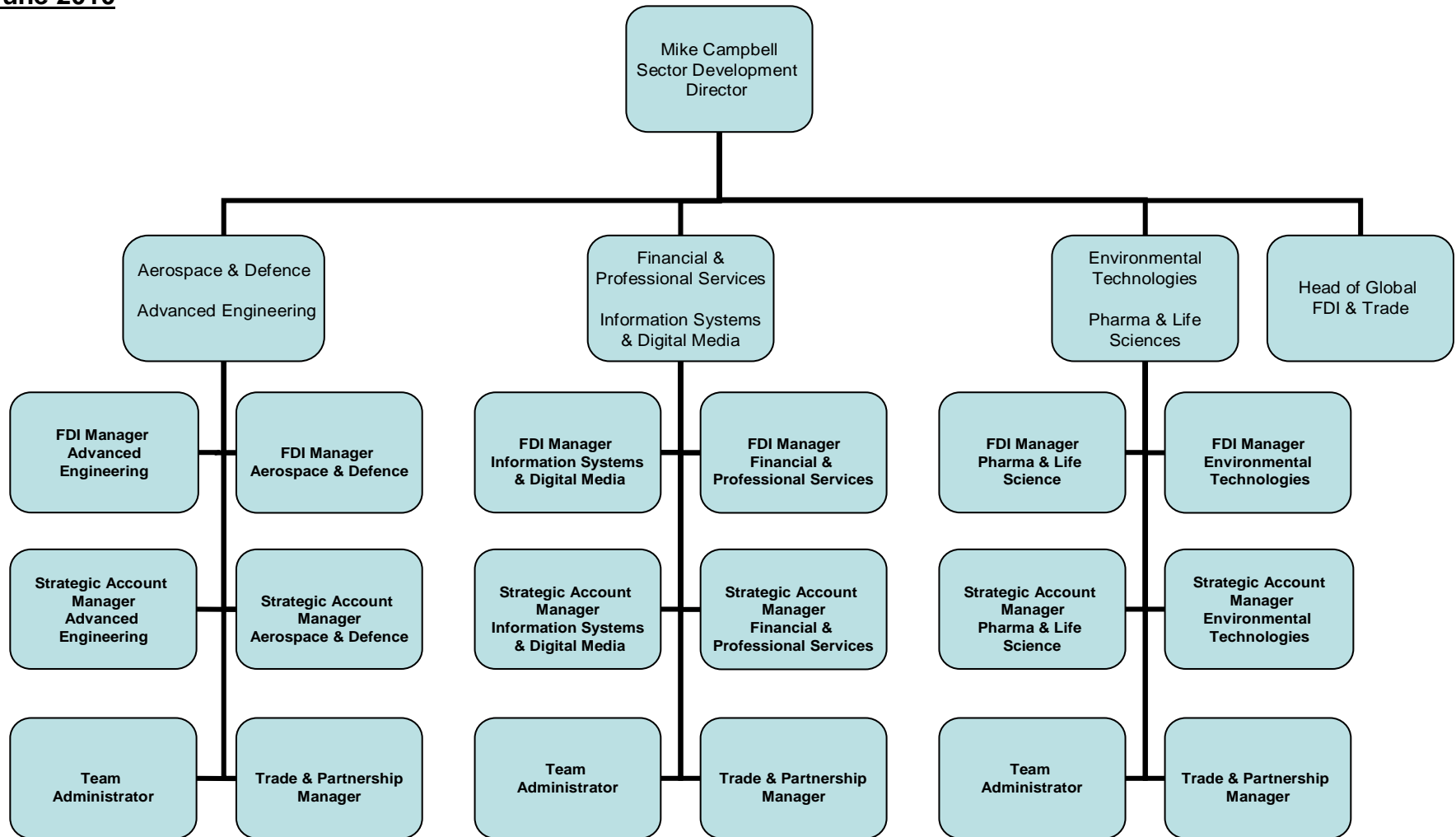
Segmentation Strategy

Objective:

Focus on what's important for the South East economy, and for business success in key Sectors – a 'Growth' Agenda

Focus	Organisation
1: Sector Approach	<ul style="list-style-type: none">• 6 target sectors• 'Top 25' by sector – a key communications channel• 'High growth 50' by sector – targeted interventions
2: Partnership	<ul style="list-style-type: none">• UKTI - joint business development• Companies, Government Agencies, Sector Consortia• Universities, other HEIs• Functional integration – within / between teams

Sector and Cluster Development Team
Operations Directorate –
23rd June 2010



Key Partners?

Function	Who	Key points
Foreign Direct Investment (FDI)	From 1st May 2011: PA Consulting Services Ltd. - in partnership with OCO Consulting and the British Chambers of Commerce – delivers a national service for UKTI	UKTI Is still the brand
Sector Support	Sector Consortia <ul style="list-style-type: none"> •Marine South East •Envirobusiness South East •Security Innovation and Technology Consortium •South East Centre for Built Environment (SECBE) •South East Healthcare Technologies Alliance (SEHTA) •South East Media Network (SEMN) •Farnborough Aerospace Consortium (FAC) 	All have sought commercial income to replace SEEDA funding

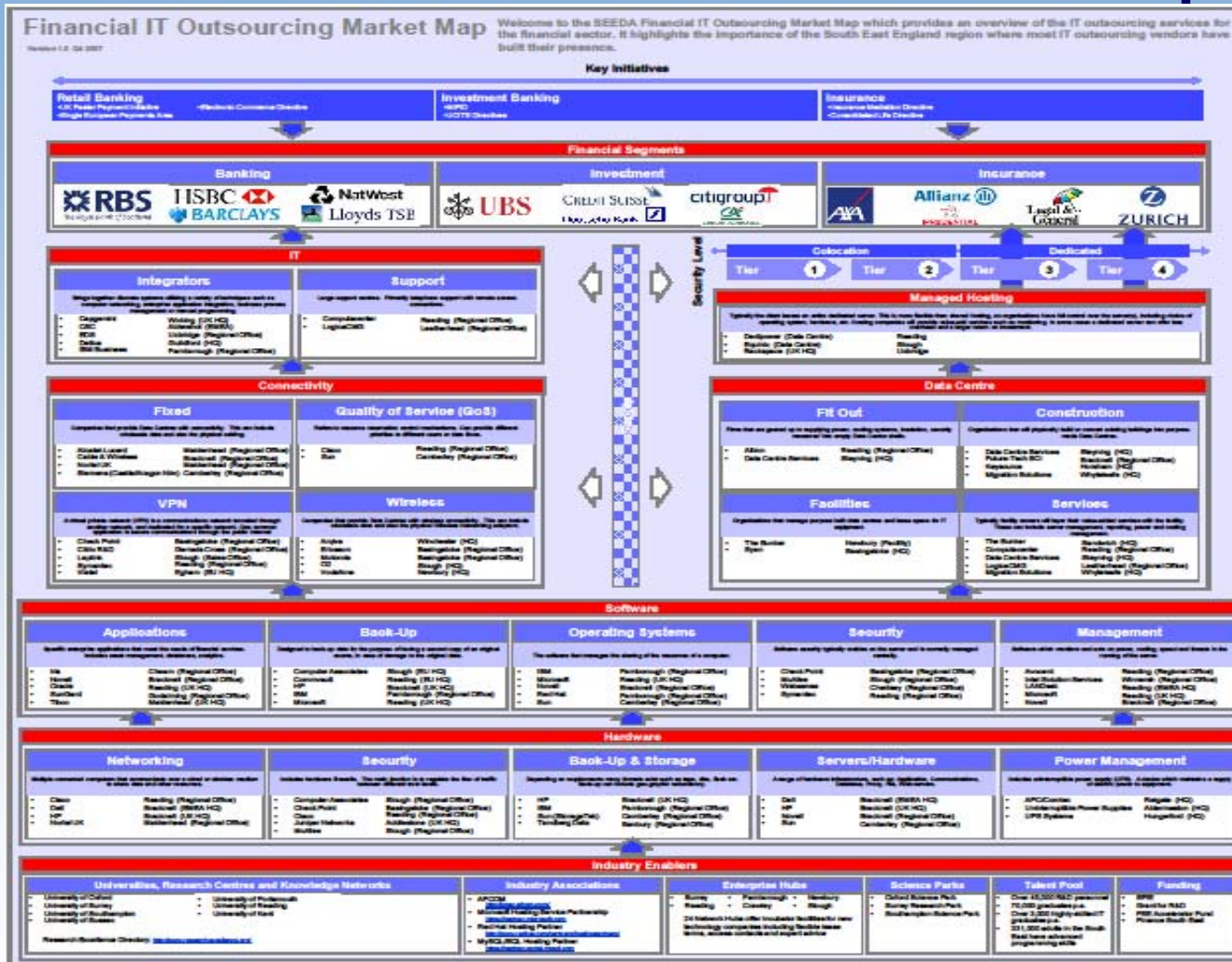
Lessons Learned

- Be selective - know what **not** to do
 - Target use of available resources – clear roles
- Clear, concise ‘Offer’ – deliverable value
 - Invest time to build trusted relationships
 - Understand companies’ Supply Chains – identify gaps
- Don’t reinvent the wheel
 - Align goals with companies’ ambitions
 - Work and share intelligence with better placed partners (e.g. UKTI / PA on FDI)

Available Information

- Companies assisted by SEEDA in 2010/11
 - by name, location, sector
- SE region sector analysis
- SE sector propositions
- Market maps (supply chains)
- NESTA report on high growth companies
 - http://www.nesta.org.uk/publications/reports/assets/features/measuring_business_growth

SEEDA Market Map



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Introduction
The South East is one of the UK's prime locations for financial companies and provides the second largest contribution to the UK GDP (Direct Domestic Product) for Financial Information.

Key Facts

- The South East is the largest region by size of population & workforce.
- 25% of the working population holds an academic degree or equivalent.
- 27 Universities and higher education institutions.
- University of Oxford is located 80 miles in the north of university centres.
- Over 1,500 international companies are based in the region.
- Over 1,200 South American companies are based in the region.
- Business spent over \$1.5bn on R&D in 2005.

Global IT Outsourcing Market Overview

- The consulting and systems integration market will grow from \$244.1 billion in 2002 to \$320.2 billion in 2010. This reflects a compound annual growth rate of 4.2% (2002-2010).
- Workforce IT spending to increase at a compound annual growth rate of 2.0% for the 2008-2010 forecast period, with slightly higher growth rates each year (2007-2010).
- By 2008, the ITMS region will have the largest market for IT consulting spending, a position currently occupied by the Americas (ITC).
- The Worldwide Server Procurement Software market grew to \$277 billion in 2005, an increase of 28.2% from 2004 (2002).
- The financial services industry is the second largest of outsourcing services, with the main driver being the need for cost-effective processing of financial regulatory and compliance data, and the increasing pressure on the competitive efficient globalisation.

Operational Layers

Business Process Layer
Application Layer
Application Software Layer
System Layer
Operating System Layer
Data Centre Layer

Major Financial & Business Services Companies in London & the South East

Disclaimer
This map includes information compiled from various credible sources and other media. It is intended to provide a general overview of the market and information available in the public domain. As data and information sources are subject to error, SEEDA and FirstPartner make no representation as to its accuracy or completeness. All responsibility for any discrepancies or additional errors remains solely with the reader.

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