



SOUTH EAST
ENGLAND'S
SECTOR
CONSORTIA
ANNUAL REPORT
2007/2008

Report compiled by the Sector Consortia Chief Executives' Forum and the South East England Development Agency (SEEDA)



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PUT **BUSINESSES** IN THE
DRIVING SEAT AND LEAVE
THEM TO WORK OUT THE
DESTINATION AND
THE JOURNEY...



THE SECTOR CONSORTIA STORY

How does an ambitious agency help the region's winning sectors stay globally competitive?

That's what SEEDA was asking itself back in 2004. It knew the South East was home to some world-class sectors and it knew that the region had the ingredients to play a star role in high-growth markets of the future. But it also knew that there were plenty of other regions around the world hungry for a bigger share of the cake.

The conventional approach wasn't working

Up until then, SEEDA's approach had been conventional: appoint a coordinator, set up an advisory group, ask a senior business person to chair the group, fund the initiatives recommended by the group. Then call the strategy "business-led". The trouble was that this approach was neither having the desired impact nor engaging enough businesses. SEEDA just didn't have sufficient resources to fund the plethora of proposals landing on its desk. SEEDA investment ended up spread very thinly across dozens of initiatives adding, finally, up to not very much. Businesses were frustrated at stop-go investment; SEEDA was disappointed at the lack of innovative proposals.

So SEEDA took a radical step

In late 2004, SEEDA took a step back. The agency reminded itself that it is businesses which win market share and create wealth, not governments or economic development agencies. On top of that, the resources marshalled by businesses will always outweigh anything mustered by a regional development agency. So SEEDA asked: Why don't we invest our limited resources in the sector vehicle, put businesses in the driving seat and leave them to work out the destination, plan the journey and collect the fares?

And the result?

In 2005, the Sector Consortia were born: six independent companies governed by ambitious, senior business people, pursuing a genuinely business-led approach to winning market share.

SEEDA invested in four companies to lead sectors already massively important to the South East:

- Farnborough Aerospace Consortium – *aerospace and defence.*
- Marine South East – *marine.*
- South East Centre for the Built Environment – *the built environment.*
- South East Health Technologies Alliance – *health technologies.*

With an eye on the long term, SEEDA also invested in two companies to build winning positions in big new markets of the future:

- EnviroBusiness – *environmental technologies and services.*
- South East Media Network – *digital content.*

Then there were seven

The concept was such a hit that in 2007, a group of ambitious people engaged in the rapidly developing security market approached SEEDA to put the case for investment in their sector. So that's how the seventh and youngest consortium joined the South East's fleet of Consortia in the summer of 2008, just as this report was going to press.

- Security Innovation & Technology Consortium – *security.*

Together, we seven are the Sector Consortia and this is our report.

WHERE WE ARE TODAY

THE NUMBERS

Collectively those of us in the six original Consortia have:

- Recruited over **4,500 business members**.
- Persuaded **60 senior business people to be non-executive directors** of the Consortia's boards.
- Persuaded **industry stakeholders to invest over £15m** of resources in their sectors' priorities (over 50% of which has come from the private sector).

A BIG TICK FROM INDEPENDENT EVALUATION

In 2007 SEEDA commissioned an independent evaluation of the achievements of the six original Consortia since the start of SEEDA funding in 2005. The evaluation reported that, **without exception**, the Consortia had made good use of SEEDA's initial investment.

- Consortia have created a substantial knowledge asset about our sectors and markets, giving the region a competitive advantage.
- Consortia are seen as credible organisations by sector stakeholders. We punch above our weight. SEEDA's backing has been vital in establishing this credibility.
- Consortia are accepted and respected within our sectors. We are increasingly approached for our ability to make things happen. We have carved niches for ourselves, often overcoming substantial initial barriers and hostility from some sector stakeholders.
- Consortia are genuinely business-led, with strong governance and well-balanced business boards which reflect the make-up of our sectors.

- Consortia facilitate collaboration by:

Forming collaborative business development vehicles like the Dubai office established by FAC, which is winning business for aerospace, defence and healthcare companies. Business won for these companies is already in excess of £20m.

Brokering relationships between the public and private sectors: for instance, SEHTA worked with SEEDA and Johnson & Johnson to provide a fund for research into diabetes diagnosis.

Developing sector specific international strategies: for example, the South East Media Network has collaborated with SEEDA and UKTI to create an international digital content strategy and global partner network, initially in India, Korea, France and the USA.

Facilitating shared investment in infrastructure: for instance, MSE creating vehicles for shared access by firms to costly capital facilities, like test tanks and 5-axis CNC machines.

Enabling companies to access new funding, sales and demand: for example, EnviroBusiness has helped generate in excess of £5m for its companies.

Facilitating supply chain collaborations: as SECBE has done in the construction sector.

Linking businesses and the knowledge base by managing SEEDA's knowledge networks, such as Autonomous Systems, Telecare, and Digital Content.

- Consortia play an ambassadorial role, representing the region at national and international policy forums, events and missions and hosting potential inward investors.

Finally, the evaluation concluded that the original six consortia are all at a stage where they are able to extract more value from the SEEDA investment. Having passed the set-up stage, each company now has a valuable fund of knowledge and has achieved a degree of market standing that will increasingly allow the consortium to impact and influence the sector.

¹ Performance Review: *Sector Consortia*, Effective Contracting 2007

WHERE WE GO NEXT

A VOTE OF CONFIDENCE FROM SEEDA

The evaluation confirmed to SEEDA that taking a risk in 2005 had paid off. So in June this year, SEEDA's Board agreed to continue investing in the Consortia until at least March 2011.

In return, we in the Consortia have committed our companies to generating just under £60m of new economic value for the region in the form of sales turnover, inward investment, equity funding and R&D investment. We've also agreed to persuade private and public sector partners to invest £17.5m of their resources in sector programmes to achieve this target. That's a pretty healthy return on a SEEDA investment of £3.8m.

A MAJOR INVESTMENT IN SECTOR INTELLIGENCE

This year, some of that SEEDA investment will go into a major research exercise. This will build a detailed picture of the global market in each sector, the South East's relative share of that market, and what the future is forecast to look like. The approach is based on a groundbreaking piece of work for the environment sector, which EnviroBusiness managed last year on SEEDA's behalf.

Of course, lots of sector studies already exist. So why run another research exercise? The problem with existing information is that it's too fragmented, too high-level and too dependent on a SIC code structure that hasn't kept pace with market trends. On top of that, everyone gathers data differently, so that it's difficult to compare the relative performance and potential of each sector. This year's exercise will produce a detailed and reliable picture which businesses can use to prioritise their business development, policy-makers can use to help drive investment decisions and we in the Consortia can use to help measure our impact over the longer term.

SHARED CHALLENGES

In the next few pages you can read about the individual achievements and plans of our seven Sector Consortia. Since we operate in different markets, our priorities often differ quite significantly. Still, some challenges are common to us all. In those areas we do work together, facilitated by SEEDA, to develop collaborative solutions. The market-research exercise provides a good example of a challenge which can be tackled more effectively together.

Other areas for collaboration this year include:

- Contributing to business-led international sector strategies alongside UKTI's trade team and SEEDA's inward investment and investor development teams.
- Taking a cross-sector approach to engaging businesses in the Technology Strategy Board's programmes and the region's plans for Science & Innovation Campuses.
- Establishing a collaborative marketing presence in the Middle East.

FAC IS NOW ONE OF
THE LARGEST AND
MOST ESTABLISHED
AEROSPACE AND DEFENCE
ASSOCIATIONS IN THE UK



FARNBOROUGH AEROSPACE CONSORTIUM (FAC)

FAC is a business-winning association committed to the long-term growth of the aerospace and defence sectors. We in FAC are now one of the largest and most established aerospace and defence associations in the UK, with 400 member companies across Southern England and an outstanding network of national and international partners and members. We are governed by a board of senior people from:

BAE Systems
Cobham
Qinetiq

Thales
Barnbrook
Systems

FCOT
SES
TRL Technology

Our board is chaired by Sir Donald Spiers, formerly Controller of Aircraft in the MOD, where he was responsible for the procurement of all aerospace material for the UK armed forces; he also served as a non-executive director of Augusta-Westland and TAG Aviation.

WHAT FAC AIMS TO DO IN 2008-9

Helping SMEs to compete

- We plan to open an office in India to enable our members to access this fast-growing market.
- We will build partnerships with like-minded trade organisations across Europe to enable our SMEs to be part of a world-beating European supply chain.

Engaging the major players

- We will bring our database of SME capabilities to the attention of the world's biggest primes and first-tier suppliers.
- We aim to connect end-users, primes, first-tier suppliers and SMEs to develop the solutions to aerospace and defence challenges.

Contributing to regional and national innovation strategies

- We will deliver our contribution to a number of aerospace technology validation programmes, supported by SEEDA investment and aligned with the National Aerospace Technology Strategy (ie ASTREA, HealthMap, Integrated Wing and Next Generation Composite Wing programmes).
- We are developing a 5-year regional aerospace and defence technology strategy, complementing the national strategy and enabling the region to compete for investment from the Technology Strategy Board.
- We are developing a composite materials strategy for the region.
- We will launch a new Knowledge Network for Space Technology.

Supporting the regional economic strategy

- We will work with Marine South East and SEEDA to implement a plan to meet our industries' technical skills needs; we will bring together academic research and funding streams in the South East and establish an Academy for Advanced Engineering.
- We are tackling environmental challenges using Southampton Airport as a technology demonstrator.

HOW FAC MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- We opened an office in Dubai to help members win business in the Middle East. So far, they've won contracts worth over £10m.
- We enabled 400 companies to market their products and services at international trade shows in the USA, Paris, Hamburg, Dubai, India, Japan, and Abu Dhabi.
- We ran over 20 events in England to help our members build their market knowledge, develop their skills, share good practice and meet potential business partners.

Engaging the major players

- We built a database of our SMEs' capabilities in order to understand and demonstrate our strengths; we can now make it easier for primes and first-tier suppliers to find supply-chain partners in our region.
- We ran conferences for the primes and first-tier suppliers to explore collaborative solutions in space, autonomous systems and composites.
- We were instrumental in persuading Boeing, Northrop Grumman and EADS to set up new facilities in the South East.

Contributing to the regional and national innovation strategies

- With substantial financial backing from SEEDA, we've supported the National Aerospace Technology Strategy; we've brought large organisations and South East SMEs together to do joint research within a model which enables small players to develop their own IPR (this project is known as ASTREA).
- We facilitated Knowledge Networks in Autonomous Systems and Air Traffic Management. The former was awarded a contract from the MOD's Grand Challenge Programme and is now developing into a national network.
- We developed an infrastructure and delivery organisation to meet the demanding requirements of SC21 (Supply Chain in the 21st century).

Supporting the Regional Economic Strategy

- We used our unrivalled market knowledge and international networks to help UKTI and SEEDA develop the region's first international sector plan – covering trade, inward investment, partnering and technology transfer. And we've coordinated its implementation.
- Working with Marine South East and SEEDA, we developed a plan to address the acute technical skills gaps in our industries. The plan aims to close the gap between what businesses need and what the supply side is offering.
- We worked with Farnborough College to set up a Regional Resource Centre for aerospace and defence skills.

To find out more, visit www.fac.org.uk

**CLIMATE CHANGE AND
RESOURCE CONSUMPTION
ARE DOMINANT POLITICAL
THEMES IN DEVELOPED
COUNTRIES**



ENVIROBUSINESS

Environmental Technologies and Services undoubtedly offer the great new business opportunity of our time. Climate change and resource consumption are dominant political themes in developed countries, driving up demand for leading-edge solutions. In fast developing countries such as China, India and the EU accession states, there is a massive demand for basic environmental infrastructure. At EnviroBusiness, our mission is to help businesses – from innovators commercialising new energy technologies to experts selling their knowledge around the world – to increase their share of this fast-growing global market. Our business network now numbers around 700 members.

We are governed by a board of senior people from:

Broadway Malyan Ltd
Environ Country Homes (SE) Ltd
Resource Market Management Ltd
Enterpris Ltd
Farm Energy Ltd

Our board is chaired by Peter Calliafas, formerly executive director of Tetronics Ltd and Head of the Environmental Services Team in Barclays Bank plc. Until September 2005, Peter chaired DEFRA's New Technologies Advisory Committee and was one of the banking representatives on the DTI Renewable Advisory Board, Finance and Working Group. He has also presented to the House of Lords Science and Technology Committee on whether the UK will meet its 2010 renewable energy target.

WHAT ENVIROBUSINESS AIMS TO DO IN 2008-9

Helping SMEs to compete

- We will provide intensive support to help businesses target new markets and access new investors and customers.
- We are coordinating the implementation of a major 3-year investment from SEEDA which will help environmental enterprises engage with high potential global markets, drive innovation, develop demand in domestic markets and build regional expertise in marine energy technologies and wind power.

Engaging the key players

- We are working with UKTI and international partners to help South East businesses access new markets, increase market share and form international business development partnerships.
- We will engage with international buyers and investors to raise the profile of SE businesses.

Contributing to regional and national innovation strategies

- We will form collaborations between innovative businesses and research organisations in the UK and target international markets to develop world-beating environmental solutions.
- We will integrate existing innovation activities and industry engagement in the proposed Institute for Sustainability in the Thames Gateway.

Supporting the Regional Economic Strategy

- We are coordinating the delivery of the Transformational Action to achieve Global Leadership in Environmental Technologies & Services on behalf of SEEDA.

HOW ENVIROBUSINESS MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- We recruited 400 new members over the last 18 months, bringing our total membership to over 700. Membership is strongest in renewable-energy technologies and recycling services, but water, waste-water management, materials control and clean manufacturing are also well represented.
- We delivered five major events where over 350 attendees focused on specific market opportunities from energy and recycling Investment to emerging fuel technologies. Attendees reported high satisfaction rates and made numerous new business contacts. Sponsors included the Carbon Trust, WRAP, Renewable Fuels Agency, and Triodos Bank.

Engaging the major players

- We introduced South East companies to the Al Masdar Investment Fund and other global players at the World Future Energy Summit in Abu Dhabi in January 2008.
- We exhibited at IFAT, Europe's largest environmental industry fair, in April 2008, generating more than 30 leads for South East businesses.
- We formed new business partnerships between European, Gulf and Far East businesses to deliver new sales, secure new investment and create innovation partnerships.
- We attracted the interest of a US-based bio-fuels consortium, headed by Boeing, to work with South East businesses and researchers on commercialising new energy technologies.

Contributing to the regional and national innovation strategies

- We organised a major event – 'Sustainable Fuels – The Opportunity for Algae' – which brought together corporates looking for new solutions, innovative companies pioneering new technologies and researchers from leading universities. Speakers included representatives from Shell, Virgin Atlantic Airways and Mercedes Benz. The event attracted 117 people including investors and SMEs and led to the production of an algae-derived biofuel roadmap for the next three years.
- Working with SEEDA, the London Development Agency and Thames Gateway Development Corporation, we provided advice and industry engagement to develop plans to support environmental enterprise across the Greater South East and to create an Institute for Sustainability in the Thames Gateway.

Supporting the Regional Economic Strategy

- With funding from SEEDA, we coordinated a ground-breaking market research exercise to identify the global opportunities for the South East's environmental industry. We produced an action plan to achieve the RES's ambition of Global Leadership in Environmental Technology and Services.

To find out more, visit www.envirobusiness.co.uk

MSE MANAGES THE
MARINE INFORMATION
HUB WHICH ATTRACTS OVER
10,000 VISITORS A MONTH



MARINE SOUTH EAST (MSE)

MSE exists to help marine businesses grow and raise their profitability, thereby contributing towards achieving key targets in SEEDA's regional economic strategy. We in MSE have over 200 legally appointed members and 2,000 companies opting to receive regular information. We are governed by a board of senior people from:

British Marine Federation

Marcom Defence

SMI

Chemring Marine

National Oceanography Centre

Northrop Grumman

VT Group

IMarEST

Yellowfin

Our board is chaired by Iain Shepherd, Chief Executive of MARCOM Defence who was recently appointed as an EU Ambassador of the Sea.

WHAT MSE AIMS TO DO IN 2008-9

Helping SMEs to compete

- We are coordinating export promotion activities, working with UKTI, the Marine Sector Advisory Group and the Marine Industry Leadership Council.
- We will facilitate access to international buyers and influencers in high-growth global markets.
- We are tackling barriers to growth, exploring collaborative investment and ownership models to address SMEs' lack of access to strategic facilities and industrial premises.
- We are facilitating interaction between businesses and technology providers with complementary strengths, focused on potential business opportunities.

Engaging the major players

- We are working with up to 40 high-growth businesses, particularly those with supply-chain leverage, to explore opportunities for increased turnover and profitability.

Contributing to regional and national innovation strategies

- We are identifying and validating innovation priorities based on market intelligence.
- We will catalyse business-led consortia of businesses and research/technology providers, to develop projects that will exploit innovation priorities.
- We are facilitating knowledge networks focused on growth markets where advanced know-how can be applied.

Supporting the Regional Economic Strategy

- We will support SEEDA in developing a waterfront strategy to make sure there are enough good quality industrial premises on the waterfront for marine businesses.
- We are working with businesses, schools and public agencies to attract young people into the industry.
- We will create a business-led infrastructure that will upskill the marine workforce and pilot novel approaches to stimulating private-sector take up of up-skilling programmes.
- We are working with SEEDA to attract overseas investors who could bring complementary business competencies into innovation consortia and supply chains.

HOW MSE MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- We facilitated projects that enabled SMEs to access major capital facilities in ways which were cost effective and offered greater speed-to-market.
- We piloted apprentice mentoring within marine businesses, stimulating a step change in firms' ability to invest in tomorrow's skilled workers.
- We facilitated a waterfront development initiative to demonstrate how industrial waterfront sites generate substantial economic value.
- We continued to manage the Marine Information Hub which attracted over 10,000 visitors per month; and we produced a monthly e-newsletter for businesses.

Engaging the major players

- We developed a capability database to promote the maritime strengths of the Solent to large companies and potential overseas investors.
- We facilitated 'MareNet' business networking events, usually co-sponsored by a service provider, each of which attracted 60-90 participants.

Contributing to the regional and national innovation strategies

- We led the EDSnet knowledge network which spun out two project consortia.
- We led several new consortia bids for technology development funding from FP7, Interreg and The Carbon Trust.
- We set up a partnering agreement with two French marine clusters to open up opportunities for collaboration between UK and French businesses.

Supporting the Regional Economic Strategy

- We coordinated a large Inter-regional project exploring options for 'lean logistics' through ports and port interfaces, with a particular focus on the transporting of construction materials and waste/secondary materials.
- We worked with SEEDA, FAC and SEMTA (Sector Skills Council) on a major skills initiative for high-technology advanced engineering skills in marine and aerospace.
- We led initiatives promoting the recruitment of young people into the industry (eg Schools Marine Challenge) and encouraging apprenticeships.
- We engaged businesses in regional policy work including: a pilot waterfront development strategy; the South East Coastal Strategy; regeneration projects including Woolston, Marchwood, Hythe and Daedalus; and sub-regional programmes such as Hampshire Economic Partnership and the Hampshire Local Skills for Productivity Alliance.

To find out more, visit www.marinesoutheast.co.uk

WE ARE BRINGING SMES
AND LOCAL AUTHORITIES
TOGETHER TO LEARN HOW
TO MEET THE TARGETS FOR
ZERO CARBON HOMES



SOUTH EAST CENTRE FOR THE BUILT ENVIRONMENT (SECBE)

SECBE's mission is to improve the business performance and market opportunities of the built environment sector in order to deliver sustainable economic growth. Construction in the South East is a massive industry which employs over 300,000 people, generates £18bn a year and impacts on most other sectors. We in SECBE provide strategic leadership for positive change and bring together organisations so that businesses can operate more effectively and profitably. We reinvest operating surpluses. We are governed by a board of senior people from:

Appleyards Consulting
Francis Construction
Kier Partnership Homes
Peak Quality Homes
AKS Ward
Giffords
LCE Architects

Reading University
Costain Ltd
Integra
Linden Homes
Temple Group
Ellmer Construction

Our board is chaired by Bob Heathfield, Chairman of Appleyards Consulting. Bob has over 30 years' experience in the construction industry including roles as MD, CEO and Chairman of leading construction companies such as Trafalgar House. He is a former chairman of the Chartered Institute of Building.

WHAT SECBE PLANS TO DO IN 2008-9

Helping SMEs to compete

- We will use sector Key Performance Indicators to compare and improve business performance.
- We will offer collaborative training to help SMEs improve their resource efficiency.
- We will bring SMEs and local authorities together to learn how to meet the targets for zero-carbon homes.
- We will help companies identify and access high-growth markets in the UK and overseas.

Engaging the major players

- We will work with larger firms to develop effective supply chains and drive business improvement, through their strategic SME suppliers (involving about 80-100 SMEs).
- We are developing a Business Opportunities Service to bring SME products and services together and deliver better value to larger customers.
- We will engage local authorities in high-growth areas to consider the case for a construction consolidation centre.
- We are helping companies identify new markets, particularly overseas.
- We will increase the number of businesses and universities accessing collaborative research and development funding from the TSB and others.

Supporting the Regional Economic Strategy

- We will assess market opportunities in the Middle East and North Africa.
- We are contributing to the first international strategy for the South East built environment sector.
- We will publish stakeholder briefings on market trends and opportunities.
- We assist SEEDA to attract inward investment addressing gaps in the region's capabilities.

HOW SECBE MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- We ran workshops on Site Waste Management Plans to enable SMEs both to influence the new legislation and gain commercial advantage through early insight and early compliance. We followed this up with a simple low-cost training programme.
- We helped 300 SMEs get to grips with the implications for their business of the 2016 zero-carbon targets for housing, by offering web-based guidance and practical introductory training on the Code for Sustainable Homes.
- We did a feasibility study for a construction consolidation centre in Kent to demonstrate the potential for increased workforce productivity of 20%, waste reduction of 15% and traffic reduction of 60%.
- We made it easy for SMEs to comment on, and understand the impact of, various government policy and legislative consultations, using simple questionnaires and participative workshops.

Engaging the major players

- We worked with the big household-name contractors to drive environmental improvements through their supply chains.
- We worked with big companies and their supply chains to identify and eliminate waste and risk in their processes. For example, Hillsons Builders reduced its pre-construction phase costs by 27%; Kier Partnership Homes identified up to 30% of its waste as removable.

Supporting the Regional Economic Strategy

- We gave businesses the opportunity to talk directly with SEEDA board members. For instance, Pam Alexander and senior government officials met with 200 businesses at a '2012 Construction Commitments' conference.
- We championed waste management issues and made progress on developing the construction consolidation centres concept for the Diamonds for Growth, including 'closed loops' for construction materials and effective reverse logistics.
- We represented the interests of SEEDA, other RDAs and the construction sector in the national NetRegs Business Advisory Group; we shared best-practice knowledge through the national network of Constructing Excellence.

To find out more, visit www.secbe.org.uk

SEHTA HAS ALMOST 700
BUSINESS MEMBERS FROM
THE PHARMACEUTICALS,
BIOTECHNOLOGY AND MEDICAL
DEVICES INDUSTRIES



SOUTH EAST HEALTH TECHNOLOGIES ALLIANCE (SEHTA)

SEHTA has almost 700 business members from the pharmaceuticals, biotechnology and medical devices industries; together we create a unique health technologies alliance to help maintain the Greater South East's position as a world-beating cluster. We at SEHTA are governed by a board of senior people from:

| | |
|-------------------|------------------------|
| Bionet Ltd | NPL |
| Kowa Europe | Pfizer |
| PepTcell | Solace Pharma |
| Proteome Sciences | NHS Innovations/ABHI |
| Docobo | Oxford Genome Sciences |

The board is chaired by Bill Dawson, Managing Director of Bionet Ltd and formerly Eli Lilly's Director of Research in the UK and Director of Technology Acquisition, Europe. Bill is also a non-executive director of Proteome Sciences plc, Novolytics Ltd, Pharmovation Ltd and Antitope Ltd and a trustee of both the William Harvey Research Foundation and Northwick Park Institute of Medical Research.

WHAT SEHTA PLANS TO DO IN 2008-9

Helping SMEs to compete

- We will continue to help SMEs win business with the NHS.
- We will introduce SMEs to global market opportunities, involving them in open innovation events and business-university links and giving them access to market intelligence.
- We are developing a proposition to attract investment from the UAE into South East companies; we will enable our members to present at the Arab Health conference.
- We will run workshops to help SMEs access R&D funding in a number of areas, kicking off with the innovative medicines initiative (IMI).
- We are involving more universities in our student recruitment project.

Engaging the major players

- We are involving large companies in open Innovation events where they can connect with innovative SMEs.
- We are working with SEEDA to attract and retain those medium and large companies which are critical to sustaining our globally competitive cluster. Pfizer will be a priority.

Contributing to regional and national innovation strategies

- We will continue to grow the Telecare Knowledge Network.
- We are contributing our specialist knowledge and connections to the region's plans for a Communications Science and Innovation campus.

Supporting the Regional Economic Strategy

- We will publish health technology cluster maps for the Greater South East.
- We are launching a new easy-to-read Guide to the Health Technology Sector.

HOW SEHTA MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- Working with NHS Innovations, we helped 55 companies find a route into the NHS, resulting in 6 licence deals and 7 prototypes.
- Through our Biotech Financial Advisory Service, we helped 52 companies with their business plans; we raised £9m in grants and equity funding.
- We created the SEHTA Dubai project to which 5 companies signed up in the first half year. We have already held 30 meetings with prospective companies.
- We set up a student recruitment programme with Sussex and Southampton universities, supporting 7 companies through the process.
- We helped 14 small companies develop a PR strategy which would not only benefit their individual businesses but also help improve public perception of health technology businesses.

Engaging the major players

- We brokered a deal between SEEDA and Johnson & Johnson to make £0.5m of R&D money available to SMEs working on cutting-edge solutions to the challenge of diagnosing diabetes.

Contributing to the regional and national innovation strategies

- We created the first regional science and technology strategy in the UK for the health technologies sector.
- We created a Telecare web portal and Knowledge Network with 100 subscribers. Following a workshop on the Technology Strategy Board's Assisted Living Innovation Platform by the Knowledge Network, one of our companies won a £1.9m TSB award.

Supporting the Regional Economic Strategy

- With the backing of the SEEDA/EU-funded GROW Health project, we published and promoted regional cluster maps for health technology.
- We represented SEEDA and the region's health technologies sector at meetings with Medilink UK, the Global Medical Excellence Cluster, BERR, UKTI and TSB.
- We exhibited alongside SEEDA and 4 South East companies at the Medica Exhibition in Dusseldorf.

To find out more, visit www.sehta.co.uk

SEM N ESTABLISHED
A NETWORK OF LOCAL
CONTACTS IN INDIA,
CHINA, IRELAND, KOREA,
THE USA AND FRANCE
TO HELP OUR MEMBERS
ACCESS THESE MARKETS



SOUTH EAST MEDIA NETWORK (SEM N)

SEM N supports the South East's digital content industry, a sector which barely existed 10 years ago but which is today growing at exponential rates. This young sector was born out of the multi-media revolution in which previously distinct areas converge: traditional content, media and entertainment, software and multi-media, and electronic hardware and communications.

We at SEM N are governed by a board of senior people from:

FFastfill

Jack Brand

Microsoft

Sly Fox Films

ITV

Kuju

Reed Elsilver

Our board is chaired by Nigel Hartnell, Director of FFastFill plc, a City-based application services company. Nigel's 35 year career in IT includes wide-ranging roles in ICL. Nigel currently serves on the Board of Intellect, the trade association for IT, chairing its Software group. He is also a former President of Intellect, formerly known as CSSA.

WHAT SEMN PLANS TO DO IN 2008-9

Helping SMEs to compete

- We will set up Global Partner Match for companies looking for partners, investors and buyers in the USA, India, China, Korea and France.
- We will run IP pitching events to get innovative SMEs in front of potential investors and partners; we will also develop a business angel and VC network.
- At Digital Horizons 2012, we will gear businesses up for London 2012 and enable them to learn how to offer their products and services in a fully integrated digital world.

Engaging the major players

- We are working with Wired Sussex to meet the skills requirements of Brighton-based companies like Disney Blackrock, Linden Labs, NCsoft, Relentless, Zoe Mode, Madgex, iCrossing.

Contributing to regional and national innovation strategies

- We are concluding research on supporting critical innovation in the computer games industry, including how to access and commercialise relevant university R&D.
- We continue to argue the case for ubiquitous networked systems and next generation broadband.
- We are working with SEEDA, SECBE and SEHTA to develop assisted living and telemedicine solutions and to form a digital-content supply chain.

Supporting the Regional Economic Strategy

- We are working with 10 medium-sized companies aspiring to be global players, 'Looking for the next Google'.
- With SEEDA's representative in France, we are hosting a conference at Pinewood for the Palais de Versailles on 'extending the cultural offer through digital media'.
- We are raising the profile of the South East clusters internationally as well as supporting UKTI/SEEDA trade missions to India, the USA and Canada.

HOW SEMN MADE A DIFFERENCE IN 2007-8

Helping SMEs to compete

- Over 1,000 companies attended events we ran in collaboration with partners, including: the 'Creative Brainstorms' workshop for 2012, IP pitching events and trade missions to the USA, India and China.
- We coordinated an approach which equipped 50 companies to bid to the TSB's £10m collaborative R&D programme for the creative industries, along with TIGA and network members. Successes are already coming through.
- We established a network of local contacts in India, China, Ireland, Korea, the USA and France to help our members access these markets.

Engaging the major players

- Reed Business Information, Kuju and Microsoft helped us conceive the year-long Digital Horizons skills programme which has enabled 40 companies 'to explore new business models and collaboration in a converged world' and meet some of the key players.
- Wired Sussex with support from SEMN organised the first digital content jobs fair in Brighton. 1200 people turned up.

Contributing to the regional and national innovation strategies

- We supported the TSB during the shaping and launching of the national knowledge transfer network for the creative industries.
- We contributed to 'Creative Britain', the government's new strategy for the creative industries, and were cited as a model of effective business support.
- We signed up 300 members to the region's Digital Content Knowledge Network.
- We argued the case for Next Generation Broadband, working with SEEDA and the Broadband Stakeholders Group.

Supporting the Regional Economic Strategy

- We went on a scoping mission to India with SEEDA which led to a pilot programme with Nasscom and Intellect for high growth software and digital content companies.
- We worked with SEEDA to persuade a US film studio to choose Pinewood as the venue for filming Prince Caspian, thus spending their £80m budget in the UK.
- In partnership with Screen South, we supported 14 companies to win £11m of international business.

To find out more, visit www.semn.org.uk

CUSTOMERS DON'T
BUY PRODUCTS ANY
MORE. THEY BUY
END-TO-END SOLUTIONS



SECURITY INNOVATION & TECHNOLOGY CONSORTIUM (SITC)

We at SITC are the new kids on the block. Unlike the other Consortia, we've only just got our vehicle on the road. But we're catching up fast.

We are governed by a board of senior people who represent every element of the innovation and technology pipeline: public and private sector end-users, primary contractors and systems integrators, SMEs and the research base.

Aruba Networks
HSBC
Orbis IP
Sollerta
BAE Systems
House of Lords
Qinetiq

Thales e-security
Cranfield University
Omniperception
Radiation Watch
Transport for London
Association of Police &
Public Security Suppliers

Our board is chaired by Lord Roger Freeman whose current business interests include Director of Thales SA France and Chairman of Thales UK, Chairman of Metalysis (a Cambridge University spin-out); and Chairman of Cambridge Enterprise Ltd (the university's technology transfer office). Previously, Lord Freeman was a Partner and Managing Director of Lehman Brothers in London and New York. From 1983 to 1987 he was an MP, holding a number of senior ministerial appointments including Minister of State for Defence Procurement.

A NEW SECTOR WITH HUGE OPPORTUNITIES

Since 9/11, security has shot to the top of the political and economic agenda. Across the world, governments and corporations are investing in security technology like never before. They are demanding integrated end-to-end solutions to tackle new threats. And they want them fast. Collaboration between the system integrators and innovative smaller producers of security technology is the name of the game. That means there is now a huge and growing market open to collaborations which offer competitive, innovative and integrated security solutions.

Before 9/11, high-tech security business activity was largely invisible, hidden within the ICT, defence, marine, biometrics and biotech sectors. Today, a distinct security sector exists in its own right. It has critical mass and offers huge opportunities to innovative businesses.

COLLABORATION IS A MUST

The South East has world-class capabilities in security. But that doesn't mean that business will automatically come to our door. SITC's founding business members came together because they share a belief that collaboration throughout the innovation supply chain – from the original idea through to a satisfied end-user – is the route to sustainable competitive advantage in today's global economy. Customers don't buy products any more. They buy end-to-end solutions. None of us (not even the global giants among us) can succeed on our own.

SO OUR MISSION IS TO BE...

...the prime source of knowledge and capability for the global security and resilience markets.

Engaging with the industry

We're not starting from scratch. We're building on the business engagement which the Security Knowledge & Innovation Network, backed by SEEDA and hosted by Cranfield University, has already achieved. Over the past 12 months, SITC's founding members have worked with the Knowledge Network to engage the industry in developing SITC and shaping its future work programme.

WHAT SITC PLANS TO DO IN 2008-9

The groundwork for SITC is now almost complete. The company has been formed. The board is in place. The CEO has been appointed. And work has begun on building our website. We started in earnest when our CEO took up his post in June 2008. Our plans for the coming year include:

Helping SMEs to compete

- We will develop an innovation and technology capabilities database for the sector, building on the work done by the Security Knowledge & Innovation Network.
- We will provide UK SMEs with platforms to promote their security technology to UK and international government and industry customers.
- We are launching www.securityintech.com to showcase the capabilities of our members.

Engaging the major players

- We will pool the intelligence and contacts of systems integrators and other major players to create a powerful, collective knowledge asset about opportunities, channels and contacts.
- We will set up special interest groups (kicking off with Transport and Port Security) to bring the key players in the innovation supply chain together to create solutions; we will also work with the London Technology Network on its new Security Special Interest Group linking business and academia.

Contributing to the regional and national innovation strategies

- We are hosting a major event in London on Security Innovation & Technology for the Public Sector.
- We will help to inform the future of the Security Knowledge & Innovation Network.
- We will engage businesses in the development of Science & Innovation Campuses.
- We are bidding for Inter-regional funding to develop links with Northern European security clusters and strengthen our capacity to participate in strong EU Framework 7 bids.

Supporting the Regional Economic Strategy

- We will talk with SEEDA's board about the big opportunities for this sector.
- We will help UKTI and SEEDA maximise the impact of their security trade and investment missions to North America, Europe and the Arabian Gulf.
- We will develop strategic links with the Security Pole de Compétitivité in the South France, through SEEDA's representative in France.

To find out more, visit www.securityintech.com

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GLOSSARY

The Department for Business, Enterprise, and Regulatory Reform (BERR): is the UK government department with lead responsibility for business.

EDSnet Knowledge Network: The Environmental Decision Support Network is a knowledge network working on innovation in the area of decision support systems to assist those responsible in protecting the fragile marine environment and dealing with the potentially huge economic impacts of pollution incidents.

EU GROW programme: was an EU programme, co-funded by SEEDA, which ran from 2005 to 2007 involving five regions within Europe. The programme provided funding for projects to share best practice and develop innovation with regions in the EU and enlargement countries.

FP7: is the Seventh Framework Programme for Research and Technological Development. This is the EU's main instrument for funding research in Europe and it will run from 2007-2013.

Greater South East: comprises the East of England, London and South East England and is home to 21 million people. The three Regional Development Agencies with responsibility for economic and social development in these areas are collaborating to create a globally competitive super-region.

Innovation Platforms: are a concept developed by the Technology Strategy Board to pull together policy, business, government procurement and research perspectives and resources in order to generate innovative solutions to societal problems.

SEEDA's Knowledge Network Programme: brings businesses and the knowledge base together, so that they can exploit research opportunities and catalyse collaboration in order to turn knowledge into commercially successful products and services. This is achieved through individual **Knowledge Networks** which focus on a specific technology or group of technologies.

Open Innovation: is a concept developed by Henry Chesbrough (2003) who saw it as the antithesis of the traditional vertical integration model in which companies rely entirely on their own research. Open innovation uses inflows and outflows of knowledge to accelerate internal innovation and expand the markets for the external use of innovation.

South East England Development Agency (SEEDA): is the government-funded agency responsible for the economic and social development of South East England.

SEEDA's Inward Investment team: assists foreign-owned companies to set up and grow their UK and European operations from a base in the South East.

SEEDA's Investor Development team: is an account management team which works with strategically important companies across South East England, delivering bespoke solutions in response to their issues.

The Technology Strategy Board (TSB): is an executive non-departmental public body established by the Government in 2007 and sponsored by the Department for Innovation, Universities and Skills (DIUS). Its role is to stimulate technology-enabled innovation in the areas which offer the greatest scope for boosting UK growth and productivity. It does this by funding collaborative research and development programmes, spreading knowledge, understanding policy, spotting opportunities and bringing people together to solve problems or make new advances.

UK Trade & Investment (UKTI): is the Government organisation that helps businesses located in the South East to trade overseas.

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