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Cover image shows a Ceres Power fuel cell being laser welded.

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# FOCUS AND IMPACT

**T**he past few months have seen as turbulent economic times as any of us have experienced. Nobody has been unaffected and that includes SEEDA; we face fresh challenges, but this is, as for so many organisations, an opportunity to transform what we do and how we do it.

Our task is to help the South East to come through the recession with a revitalised economy ready to take advantage of the recovery. Our clear focus must be to invest time, skills and resources in programmes with a direct measurable and sustainable impact on business investment, productivity and innovation.

These will include promoting international trade and inward investment; increasing innovation through collaborations between businesses and with universities to commercialise new ideas; and promoting business growth through expert support and business critical interventions.

A significant proportion of the RDAs' budget has been redirected to help businesses and homeowners through the recession and we have also suffered losses due to falling capital receipts. We have to make some tough choices with our partners over the coming year regarding some of our projects. We must ensure we can continue to offer vital support for businesses through the recession and in preparation for the upturn.

In parallel we are reviewing the size, shape and skills set of SEEDA. Whilst this will deliver necessary savings in our administration costs, it is primarily driven by the wish to become a significantly smaller, more focused and agile organisation by April 2010. Our aim is to be the best economic development agency a top performing global region could have, with expert interventions, expert deal making and expert strategic advice.

We want to lay the foundations to ensure the South East leads the world in recovery from a position of global strength. Our aim will be to help create high value jobs and build high value businesses to drive the economy not just of the South East, but of the UK too.



Pam Alexander



# SEEDA NEWS

## SEEDA WELCOMES CABINET TO SOUTHAMPTON

SEEDA Chairman, Jim Brathwaite, welcomed Gordon Brown's Cabinet to Southampton recently, the first time they had met in the City. Working with the Government Office for the South East (GOSE), SEEDA helped organise the meeting and subsequent business-focused visits. The Prime Minister held a Q&A session with local stakeholders, including SEEDA-nominated businesses, when he announced the launch of the 'Real Help Now' website which summarises the Government's actions to tackle the recession.

Later, Cabinet ministers visited a number of SEEDA-linked projects and businesses. Jim Brathwaite and SEEDA Board Member, Professor Bill Wakeham, accompanied Chancellor Alistair Darling to a business lunch at the National Oceanography Centre, while Lord Drayson, the Minister for Science, visited Perpetuum, a hi-tech business backed by SEEDA's local Enterprise Hub. Minister for the South East, Jonathan Shaw, visited SEEDA-backed space technology company Astrium.

## NEW PARTNERSHIP FOR REGIONAL STRATEGY

A new architecture for delivering an integrated regional strategy in the South East for transport, housing, the economy and the environment has been agreed. These key regional decisions will now be taken jointly by the South East England Councils (SEEC) and the South East England Development Agency (SEEDA). They form a new South East England Partnership Board, which will produce a single regional strategy to replace the current Regional Economic Strategy and South East Plan. The South East England Regional Assembly was dissolved on 31 March.

Jim Brathwaite CBE, Chairman of SEEDA and Chair of the new Partnership Board, said: "The economy is clearly critical to the South East's future success, so our role in bringing a business-led voice to the regional strategy table is essential. We take our role in this new shared, decision making forum very seriously and look forward to working with SEEC to agree the best outcomes for the South East."



SEEDA Chairman Jim Brathwaite with Chancellor Alistair Darling

## SEEDA IMPACT

Every pound spent by SEEDA in the four years from 2002/3 to 2006/7 has generated £5.60 in Gross Value Added for the South East, according to an independent study by PricewaterhouseCoopers (PwC).

PwC's national "Impact of Regional Development Agency Spending" study reviewed 25 SEEDA projects, accounting for 81 per cent of programme expenditure, to measure the difference made by the Agency. The outcomes were impressive - including the creation or safeguarding of 39,000 jobs, assistance to 33,000 businesses and making 216 hectares of brownfield land fit

for development. Over 2,500 business start-ups have been supported and 66,000 people have been helped to increase their skills. Secretary of State for Business Enterprise and Regulatory Reform, Lord Mandelson, says: "RDAs are working. They are on the frontline of our response to the global downturn. But their medium and long term interventions and investments are equally important to prepare for the upturn."

Full copies of both the national report and the regional annexes can be found at [www.berr.gov.uk](http://www.berr.gov.uk). The 25 Evaluations of SEEDA projects can be found on the SEEDA website.



Lord Mandelson.



## CHATHAM MARITIME'S SILVER TURNS GOLD

Jonathan Sadler of SEEDA receives a replica canon from the Mayor of Medway

25 years of regeneration was recently celebrated at Chatham's Historic Dockyard. The dockyard's demise left in its wake a derelict site, mass unemployment and a bleak future for people living in the Medway Towns, however since SEEDA took ownership in 1999, over £150 million funding and £700 million investment from the public and private sectors respectively has transformed the

140-hectare site into a thriving community where people live, work, study, and enjoy quality leisure time.

And, honouring the Army, Royal Navy and Royal Airforce, the first ever National Armed Forces Day will be celebrated at the Dockyard on 27 June to recognise the contribution of past and present soldiers, sailors and airmen.

## GREEN JOBS BOOST FOR SOUTH EAST

Crawley-based Ceres Power, the spin out from Imperial College commercialising carbon reducing fuel cell technologies for domestic energy, has acquired a manufacturing plant in Horsham.

The company, which received a £500,000 grant from SEEDA to help commercialise its technology, will start to build up manufacture this year. It expects to be ready for volume production, under its contract with British Gas, to supply fuel cell powered combined heat and

power units by 2011. This will mean an increasing number of new jobs for the area as production grows. [www.cerespower.com](http://www.cerespower.com)



Ceres fuel cell laser drilling.

**Apology:** The top picture on page nine of South East VIEW Issue 1/2009 should have been captioned Vestas Blades UK, not GKN. Our apologies to both companies.



SEEDA NEWS

## ASTRIUM WINS AUSTRALIAN NAVY CONTRACT

EADS Astrium, in Portsmouth, part of Europe's largest space company, has won a contract to supply satellite communications terminals to equip five new Royal Australian Navy (RAN) ships.

Three air warfare destroyers and two amphibious ships will be equipped with advanced satellite communications equipment, bringing the total number of Australian fleet ships equipped with Astrium equipment to 19. Aidan Joy, Director of Astrium Services Ground Systems Business Unit, says this contract is the result of six years work with the RAN. SEEDA has supported Astrium with funding and business advice over many years.

[www.astrium.eads.net](http://www.astrium.eads.net)

## DEVELOPMENT BEYOND THE CRUNCH

When the upturn comes, it will not be 'business as usual' for property development SEEDA's recent "Beyond the Crunch" conference agreed. The future will be seizing the opportunity for change in the delivery of public and private sector partnerships to drive development projects.

The conference was part of a study to devise practical proposals to speed the recovery in development in the South East. It was attended by senior representatives of the property development sector as well as Government Ministers Jonathan Shaw, Regional Minister for the South East, and Iain Wright MP, Parliamentary Under Secretary of State for Communities and Local Government.

Pam Alexander, SEEDA Chief Executive, said: "When the upturn comes it will not be a return to business as usual. New models are needed and new ways of collaborating, to forward fund infrastructure investment and to drive value for communities alongside profits for developers."

Feeding into the study's development of new models for the forthcoming report and recommendations, the conference focused on Tax Increment Finance Schemes (TIFS), new models for a rented sector, and local asset backed vehicles and the skills needed to speed the recovery across the South East.

## NEWS IN BRIEF

## POWER TO THE SOUTH EAST

The South East will be one of seven EU regions to benefit from the POWER Interregional Programme to help fund public projects to drive a Low Carbon Economy and SEEDA is now calling on all public bodies to take part. Funding for up to 12 international projects will be available to promote energy efficiency, renewables, sustainable transport, eco-innovation and to encourage behavioural change.

Supported by the Environment Agency, SEEDA, which is part-funding the scheme, will take on an operational management role, liaising with representatives of each region to ensure the 5.8 million euros is available for projects that can make a genuine contribution to each region's low carbon economy. For more information, contact POWER Secretariat on 01483 484 200, or [power@seeda.co.uk](mailto:power@seeda.co.uk)

## ESSENTIAL RECESSIONARY READING

A comprehensive summary of the help and advice available in the South East to tackle the recession has been developed by SEEDA. 'Open for Business: A Guide to Business Support in the South East: highlights where to find finance, redundancy assistance and business support. Another booklet, 'Keeping the South East Working', is also available, explaining how individuals and businesses can benefit from the Regional Recovery Plan put in place by SEEDA and its partners. Both are available free by emailing [pressoffice@seeda.co.uk](mailto:pressoffice@seeda.co.uk). A digital copy of the 'Open for Business' guide can be found on the SEEDA website.

The 'Guide to doing business in tough times', written by Business Link, is specifically for small and medium size businesses. It features ideas and practical tips on surviving the recession and building for the recovery based on the issues which companies discuss with their Advisers. This Guide is available online at [www.businessquestionsanswered.co.uk/guide](http://www.businessquestionsanswered.co.uk/guide) or by calling 0845 600 9 006.

The new publications.



# CLIMATE CHANGE

**One of the most significant steps towards moving sustainable technologies forward is the setting up of the Thames Gateway Institute for Sustainability. Not only will it be researching and applying a range of new technologies, but it will be sharing projects with Tongji University in Shanghai to help contribute to the international fight against climate change.**

The Institute has its origins in a brief to international consulting engineers, Arup, from the Shanghai Industrial Investment Corporation (SIIC) to help master-plan an eco-city - Dongtan. The plans eventually changed to planning a city of learning, complete with its own Institute for Sustainability, interlinked with businesses involved in environmental technologies.

Professor Jeremy Watson, Arup's Director of Global Research, takes up the story. "Our Chairman, Terry Hill, wanted us to help set up the framework in China where research could link directly to practical application, and also to see if we could create the same back in the UK." He worked closely with Professor Zheng Shiling, Chairman of the Urban Planning Commission for Shanghai and Curator for Shanghai's Expo 2010. An architect, Professor Shiling is a leading exponent of sustainable urban design and is championing its implementation in China.

## A STAR IS BORN

The Chinese were keen for international links and Jeremy worked with the UK Engineering and Physical Sciences Research Council to develop possible joint projects with UK universities. One of these was Southampton, where SEEDA Board Member, Bill Wakeham, is Vice Chancellor; Bill put Jeremy in contact with SEEDA's Chief Scientist, Ed Metcalfe; and from there the Institute for Sustainability at Thames Gateway was born.

## GOOD COMPANIONS

It will be a company limited by guarantee with members from the private and public sectors, as well as several universities from the SEEDA, EEDA and London Regions. The Thames Gateway straddles three regions, and the Institute will have locations at Dartford Science Park in Kent, the Sustainable Industrial Park in Dagenham in Greater London and, later, at Shellhaven in Essex. Private sector members, besides Arup, include Prologis, Kimberley-Clark, BT, Thames Water, Veolia, EDF, Marks and Spencer and Jones Lang LaSalle, while all three Regional Development Agencies, London, East of England and the South East, as well as the London Thames Gateway Development Corporation are some of the public sector partners.

The link with Shanghai was cemented when a Memorandum of Understanding between the Thames Gateway Institute for Sustainability (TGIFS), Tongji University and Arup was signed during a meeting, in February, of Chinese Premier Wen Jiabao with Prime Minister Gordon Brown. Professor Zheng, a TGIFS board member, signed for Tongji University; he will be guiding some of the proposed joint projects.

## IDEAL LOCATION

"The Thames Gateway location is ideal because there are major opportunities to test and apply research outcomes to the development of the area with its aim to be an eco-region," says Jeremy Watson. "Many of the initial research projects will develop ideas which can be demonstrated and deployed with immediate benefit to new build and refurbishment of older buildings."

Professor Jeremy Watson of Arup



Professor Ed Metcalfe of SEEDA



Work is now beginning in earnest. Programmes include research into construction materials and techniques for new buildings and retrofitting of older ones, energy from renewable sources, as well as efficiency and management, reuse and recycling of materials, an investigation into 'green' roofs for housing and a study into the carbon footprint of the Dartford tunnel.

The Institute's research will even look at behavioural attitudes to sustainability in conjunction with the University of Surrey to investigate how people can be persuaded to change their lifestyles to achieve it.

## RETROFIT ENVELOPE

Professor Ed Metcalfe, who will co-direct the Institute with Jeremy Watson and Ian Short, deputy CEO London Thames Gateway Development Corporation, says that while all are important, arguably the retrofitting project is the most pressing. In this study, the aim is to create a 'retrofit envelope' to improve insulation and make houses as airtight as possible by using new technologies. As Ed Metcalfe comments: "Existing housing is one of the biggest energy energy waters as well as an emitter of carbon dioxide. We need to work out how to build up to 80 per cent carbon reduction through retrofit and to be able to do it on a large scale. This reflects the whole ethos of the Institute to connect academic research and innovation with practical and commercially viable solutions."

Artist's impression of Dongtan eco-city, designed by Arup © Arup



Attracting young people to seek careers in sustainability, and developing the green skills to do so, are also part of the Institute's vision. Closely allied to the Institute will be the Sustainable Construction Skills Academy (SusCon) which hopes to enrol its first students by September. It will deliver skills training in all aspects of sustainable construction, with courses on new technologies such as renewable energy and sustainable construction techniques, as well as disciplines such as procurement and resource management. Teaching will focus as much as possible on the practical, through employers working in partnership with colleges and universities. Perhaps the most intriguing project is one sponsored by the London 2012 Olympic Games Delivery Authority to develop an understanding of the sustainability success of the enabling works for the Games site including the recycling and reuse of materials as well as the bioremediation of soils. This may have an interesting parallel with the Chinese wish to ensure a sustainable legacy from their Expo 2010.

## DRIVE TO RECOVERY

The work of the Institute for Sustainability will have a vital part to play in developing sustainable solutions - not just in the Thames Gateway but across the world. As Ed Metcalfe says: "The global economic downturn will help us focus on longer term sustainable solutions which create, through innovation, new business and jobs which can help drive the economic recovery".

[www.instituteforsustainability.co.uk](http://www.instituteforsustainability.co.uk)

# INNOVATION

## RECOVERY AND GROWTH

**Companies which innovate usually stand a better chance of success, particularly during the current economic downturn. But to be successful, a culture of innovation must be developed, which is why SEEDA has launched the South East Business Innovation and Growth programme.**

In early summer, four Innovation and Growth teams (IGT) start work and this will be followed by four more by the end of 2009 covering the whole of the South East. Their combined task is to engage with thousands of high potential businesses across the region, providing intensive support for those with the potential to innovate and grow.

Innovation is seen by many as essential to economic recovery and growth, but it is not just about the development of new products. This new programme aims to develop a broader approach, where innovation includes not only new products or technological breakthroughs, but also new services, new business models or processes.

### TRANSFORMING INNOVATION

For example, the entire way that a company operates can be transformed

through innovation. A manufacturer might improve its products resulting in increased market share, or enter new markets but radically change the manufacturing process to increase productivity and save costs. Likewise, a service provider might reduce costs but also improve delivery to the customer.

The UK Innovation Survey 2007 confirmed companies could increase their turnover by introducing new or improved products and services. Manufacturing companies reported "reduced costs per unit produced" as having the most important impact, while service/knowledge intensive service sectors rated "process improving provision", the highest.

### SUCCESS BY NETWORKING

At the heart of the new Innovation and Growth programme will be communities of business networks – groups of

individuals and organisations who promote and share information with each other. Such networks are now seen as vital to innovation. A recent report (Attacking the Recession) produced by The National Endowment for Science, Technology and the Arts (NESTA), the non-departmental public body which champions and invests in innovation, pointed to networking as an essential way to beat the downturn and achieve growth.

Marilyn Huckerby, SEEDA's Head of Business Innovation and Growth, explains how the new programme is structured: "Each team has experts and a broad range of expertise. They also have strong partnership links with universities, economic partnerships and Business Link."

### THE VALUE PORTFOLIO

Each team is spearheaded by a Team Director who, in turn, is supported by Portfolio Managers, each responsible for direct client management. Each individual has a wealth of business knowledge, experience, skills and capabilities through which they can help businesses to innovate and grow thanks to advice, coaching, mentoring, intelligent connections and networking. "Their experience, especially during this difficult economic period, provides much needed support and can be both a spur and a catalyst to help companies flourish," explains Marilyn.

**For information on the South East Innovation and Growth Teams contact [info@innovationgrowth.co.uk](mailto:info@innovationgrowth.co.uk)**

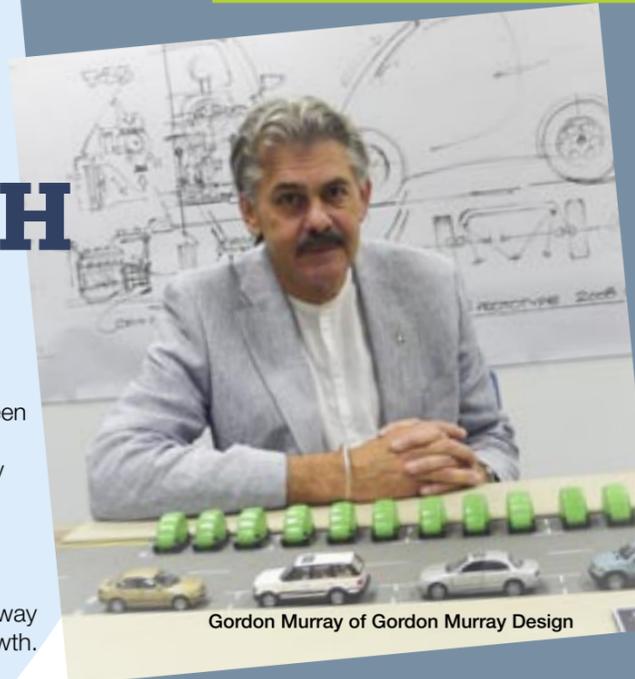
### SUPPORTING INNOVATION

Part of the support offered by the IGT teams is 'Coaching for High Growth', one of 30 products in the 'Solutions for Business' portfolio.

One of six SEEDA coaches, all of whom have vast and varied experience in running fast-growing companies, is Andrew Cross, who has coached a range

of companies since 2005. He feels the real strength of the High Growth Business Coaching programme is precisely the lack of measures for short term success. "There's no long list of objectives, no agenda or vested interests," says Andrew. "The only measure of success is the company's own success, most likely beyond the end of the programme."

**South East VIEW has looked at two companies Andrew has helped. . .**



Gordon Murray of Gordon Murray Design

### GORDON MURRAY DESIGN

Andrew Cross has worked with new company, Gordon Murray Design, to help them pioneer a new concept in car design, prototyping and development.

With a 35 year track record in world renowned Formula 1 automotive design, which includes Brabham and McLaren, Gordon Murray has long held a dream which would revolutionise, not just car design, but also automotive manufacture too. That is the creation of a car which is not only affordable to many but has extremely low running costs and is far more environmentally friendly.

As Andrew says: "Their skills and capabilities are immense; but they were finding it difficult to value their Intellectual

Property and put in place licensing agreements, which was an essential part of their business model."

"For the first time ever in the automotive industry, we can license the way we manufacture, just like they do in the electronics industry," explains Gordon Murray. "With something that unique, it was vital to protect the business."

Andrew introduced IP and licensing experts, which contributed to the company securing a licensing agreement alongside their first contract as well as identifying key industry sectors and markets.

[www.gordonmurraydesign.com](http://www.gordonmurraydesign.com)

### MORE FOOD

Caron Howe, is founder and managing director of More Food which manufactures high quality cakes employing traditional, handmade baking methods. She knew she had a winning formula when customers started queuing around the block from her café in Chichester to buy her chocolate caramel crispy cake.

Having sold the café to concentrate on supplying a local wholesaler, Caron found herself baking cakes out of a small unit using one oven, a microwave and a single table. Before long, a second wholesaler was on board and then she was supplying nationally to Budgens and Waitrose stores and the business itself really took off.

Given her relative lack of business experience, Caron received advice that she should look at high growth coaching support. "At first I really wasn't sure I had

the time to commit to such a programme, but looking back I don't think I could ever have done without it. We weren't financially efficient and had no idea how to source, negotiate and perform a major relocation," she admits.

As Caron's high growth mentor, Andrew's advice was to find a finance director to work part time, enabling Caron to have a clearer picture and control over the company's finances. "Caron's innovative recipes and determination to use only the finest ingredients, allied to the use of traditional baking methods, is the key to her success," explains Andrew. "But the financial reporting, costing and margin management wasn't supporting such rapid business growth."

Finding new premises is now crucial to More Food's continued growth and plans are nearly finalised to move by mid year. [www.morefood.co.uk](http://www.morefood.co.uk)



Caron Howe, of More Food.

# LORD DRAYSON ANSWERS

**Science Minister Lord Drayson is leading a new drive to stimulate both interest and investment in the sciences across the country. South East VIEW caught up with him to find out what's being done and how it can change our future.**

**Q** How can we inspire children and young people to want to study science and technology?

**A** The bottom line is to make science both relevant and fun. The Government's 'Science: So What [So everything]' campaign is designed to do exactly that. It highlights that science is all around us, that it shapes our lives and is key to tackling the challenges of the future. What's also important is for children to meet professionals face to face. We fund the Science and Engineering Ambassadors scheme, where scientists and engineers go into schools and really enthuse young people about their fields and the range of jobs available.

**Q** How can we engender a more supportive culture for science and technology among the general public? You have been very supportive of National Science and Engineering Week (NSEW) and the British Science Festival (March and September respectively) as excellent opportunities to boost public engagement; what specific value do you see in these events?

**A** The events you mention provide great opportunities for people to find out about science locally and see what it can offer. They break down some of the barriers to science and remind people that science is about so much more than what they remember from school. National Science Week gets the widest possible audience talking about science – online and mass participation activities have really helped.

**Q** What are the priorities for public investment to sustain the high standing of original academic work in the UK?

**A** Science and technology are critical to our future – as an economy, as a society, as a sustainable planet. The Government is only interested in funding research that is demonstrably world-class, and I've been talking publicly about the need for prioritisation – focusing on those sectors where we have the best chance to build a global lead and have the greatest impact.



Lord Drayson

But this is not a decision for ministers. It requires consensus between academia, business and Government.

The Research Councils are currently examining which areas of research can drive a new industrial activism – areas most likely to produce the kind of first-rate science upon which first-rate business can be built.

**Q** The UK is still relatively weak in the commercial exploitation of science and technology. Is this improving and could we improve faster?

**A** I don't accept your premise. Things have improved significantly over the last ten years. For example, our universities are much better at technology transfer and the commercialisation of science. Investors have told me that the current crop of science spin-outs is the best they've seen for 30 years. In fact, we've seen progress across the spectrum of business-university interaction. University income from external sources is currently at an unprecedented £2.6 billion per annum, I'm not complacent, though. We must continue to drive up the economic impact of the research we fund and, as I've already said, focus on those areas where our capacity to innovative is greatest.



Dr Dolores Byrne

## MY VIEW

**South East VIEW asked SEEDA board member Dr Dolores Byrne her views on innovation as the way to revive the economy and if the South East is better placed than most.**

"We're feeling the impact of globalisation in every market sector across the UK. In this increasingly competitive environment innovation will be a key factor in the future success of organisations. Innovation will underpin the delivery of new products, expansion into wider markets, growth of high value skills, achieving a more balanced economy with a broader mix of enterprise.

"In the South East, we have many of the right ingredients. We have world-class capabilities within our academic institutions and some highly successful industries

**Q** Following on, what do you see as being the possible main science and technology industries of the future?

**A** Clean technologies are definitely one area where the UK already has a high concentration of SMEs and early-stage developers. Marine energy is just one example where the UK has more device concepts under development in wave and tidal stream generation than any other country.

High value added manufacturing is another, with opportunities to build on the UK's strengths in aerospace and the automotive sector.

I am confident that many emerging industries will develop in the future, thanks to more than a decade of investment in our research base. The Government is committed to maintaining that investment.

such as IT, aerospace and defence, marine, pharmaceuticals, healthcare and environmental technologies, which already invest significantly in innovation. The big socio-economic challenges which the world is facing, including climate change, environment, traffic congestion and an ageing population will drive a much higher level of innovative activity in many of the industries of the South East as they plan to compete successfully in these global markets.

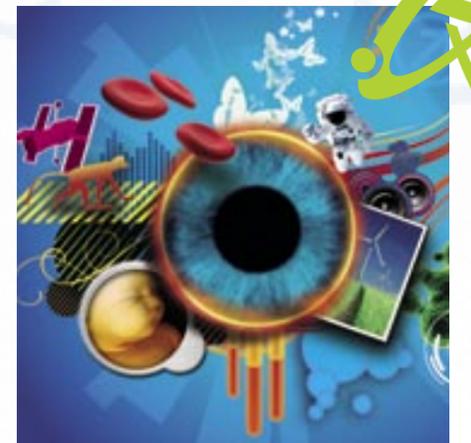
"Innovation is however more than R&D and new technologies. Innovation in processes, business models and product design can equally build competitive advantage. The I-Pod is a good example of an innovative product design which utilised existing technologies. It was putting these together in a colourful, well designed, user friendly package to deliver music on the move that has been a market winning innovation.

"Innovation is about agile minds and entrepreneurial spirit developing new ways of doing things. And it's so exciting to see that a 17-year-old student from the South East, Peter Hadfield, has won the first ever National Young Scientist of the Year award with his invention of a hand held particle detector, called Lucid, which is going to be used in space exploration next year."

**Q** You have spoken about the need to create a better environment for smaller businesses and start ups. What steps would you like to see being taken?

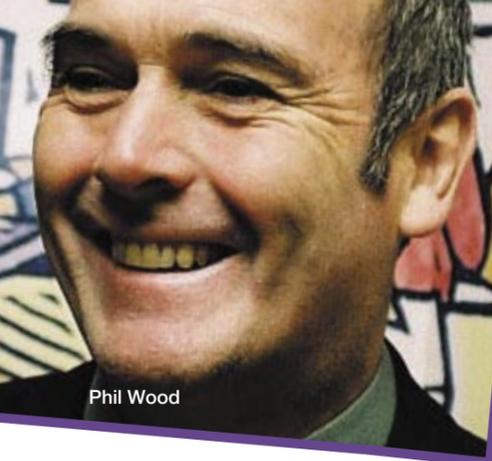
**A** We're already encouraging knowledge transfer from universities into business. We're increasing the number of Knowledge Transfer Partnerships and making them more flexible. The Regional Development Agencies are offering innovation vouchers.

We're also working on creating better opportunities for SMEs to develop new technologies through Government procurement, particularly through the Small Business Research Initiative.



## SEEDA BACKS BRITISH SCIENCE FESTIVAL

Europe's largest Festival of Science is coming to the South East in September. Hosted by the University of Surrey, SEEDA is investing £250,000 as well as stimulating activities and engaging schools and employers during the event. "We are delighted that the Festival is coming to Surrey as it provides an ideal opportunity for regional businesses to showcase their innovative science and technology on a national and international stage," said Colin Baldwin, SEEDA's Knowledge Transfer Manager.



Phil Wood

**“If RailCare wasn’t already in Milton Keynes, it’s the location we’d choose.” So says Rob Baxter, Managing Director of RailCare based in Wolverton, part of Milton Keynes. South East VIEW profiles a company committed to keeping trains on track.**

# TRANSFORMING TRADITION

## MY VIEW

South East VIEW asked SEEDA board member Phil Wood, from the TUC South East, what should be the priorities for ensuring the region’s workforce come through the recession stronger.

In an advanced democratic economy, people will still be the key to a successful economy as we come out of the recession. To perform at their best, they will need quality jobs in quality workplaces; maintaining and improving these will set the foundations for recovery.

Skills needs and provision of training will change but SEEDA is in a unique position, working with business and public agencies, to identify these and initiate the flexibility in training provision required. The public sector, as a whole, must step up to the plate, increase apprenticeships and ensure the people they train have transferable skills to give them confidence in the future.

People must feel that they are being treated fairly by managers, employers and Government. Redundancies, or threats of redundancy, breed insecurity and take away the confidence needed for success for the economy to recover. Job Centre Plus must be given the resources in order to deal with increased numbers with the same attention given in better times, so that people do not feel processed.

Government agencies in the region are working together to help people and businesses. Cooperation between employers and agencies, keeping them informed of vacancies as well as redundancies, will lessen the time people are out of work and increase productivity.

If people are to feel they are being dealt with fairly by employers, managers and the Government, then those organisations supported by Government must support others in the community.

The 2007 Government White Paper “Delivering a sustainable railway” would have made very good reading in Wolverton. Not only did it allude to the possibility that passengers and rail freight could double in the next 20 years but it also said: “trains ordered now will still be in service in 30 years time.” As RailCare is a company whose core business is servicing trains, the long term outlook is positive.

### ENTER ENTREPRENEUR

RailCare is part of the Ombros Group. Ombros has its origins in a company called Rail Door Solutions, which was founded by Laurence Seward ten years ago. He was an expert in rolling stock doors and set up his own specialist company which now has a turnover of £4 million, employs 65 people and is co-located near Wolverton. Next he set up a UK joint venture with Spanish company Albatros, which now specialises in train toilet and air conditioning maintenance and overhaul, before going on to back TXM an engineering recruitment consultancy, which supplies engineers



The RailCare workshop at Wolverton

to many organisations including most of the UK based Formula 1 teams. These companies formed the basis of the Ombros Group.

The RailCare acquisition came in 2007. When the railways were originally privatised, six heavy maintenance workshops were sold to three bidders with the Wolverton and Glasgow sites sold to a joint venture formed by Babcock Engineering and Siemens- itself acquired by Alstom in 2000. Alstom decided to divest itself of the two workshops which it sold to a consortium led by Laurence Seward. It was renamed as RailCare to undertake Incident Repair, heavy maintenance and component overhaul as well as vehicle refurbishment and the supply of spares.

### ANCIENT AND MODERN

With an annual turnover of around £50 million and over 440 skilled people, the company now works with the three rolling stock companies, as well as freight and train operators. It also carries out work for heritage railways like the Bluebell in Sussex. Rob Baxter explains that RailCare, as part of the wider Ombros Group, offers valuable synergies to its customers. “We’re effectively a vertically integrated industrial conglomerate with RailCare, Rail Door Solutions, Albatros and indeed, TXM, together providing the expertise, skills and resources to fulfil the essential requirements for the heavy maintenance and overhaul of trains, constantly seeking to optimise operations and minimise downtime.”

### CARROTS AND STICKS

Taking over a company only relatively recently out of public ownership has meant that there has had to be something of a transformation of the business so that it can take advantage of the opportunities in the continued growth expected for rail travel. “We’ve already invested £2.6 million in hard and soft measures to improve the business,” says Rob. “For example we’ve developed our facilities, training and business structure.”

### LEAN AND MEAN

“We’ve started to instil a more customer focused approach to everything we do,” he says. “That has meant reorganising our structure and investing in lean manufacturing to ensure better value to our customers.” Training support has come through PERA, the innovation network, funded by SEEDA to upgrade workforce skills from the bottom of the company to the top, so they can implement lean techniques. There is no shortage of skills in the Milton Keynes area to hire when they’re needed. Some recruits, for example, have come from sports car maker, Aston Martin who have downsized recently.

One of RailCare’s specialities is ‘Reverse Engineering’ helping operating companies maintain older rolling stock with obsolete components. “We’ve recently been working with London Underground to produce maintenance manuals for parts of vehicles which have been in service for many years, but whose original design information has been lost. We strip them down forensically, see how it is built, add modern techniques where we can, and then produce the definitive maintenance manual for them, optimising asset life and reducing cost,” Rob explains.

### INNOVATION KEY

Innovation in maintenance and refurbishment is key to prolonging service life at high levels of performance. SEEDA Investor Development Manager, Guy Hawking, has been working with RailCare to provide support and has introduced their engineers to the Advanced Material Technology and Vehicle Health programme at Cranfield University. The benefits of exploring the advantages of new technologies such as lighter weight advanced composites for repair and refurbishment need to be brought to the fore, as has been the case in the automotive or aerospace industries.

It’s a future which seems set for Wolverton. As Rob says it’s the ideal location with its connections to the rail network, a strong skills base - but the site itself needs redevelopment. The local growth plans recognise RailCare as an important employer within the area and everyone is determined to keep

Wolverton’s rail heritage, which includes an engine shed used by the Royal train. But they will be looking to modernise the site so that it is a cornerstone of regeneration for the Wolverton area.

### SECOND AGE

Wolverton has been rail focused since 1838 at the start of the railway age – with Railcare at its heart, it is set to play a leading part in what could be the second railway age.

[www.railcare.com](http://www.railcare.com)

**“With Railcare at its heart, Wolverton is set to play a leading part in what could be the second railway age.”**

# THE APPRENTICES

**Tom Purves, Chief Executive Officer of Rolls-Royce Motor Cars, proudly tells everyone that he started his career as an engineering apprentice. He's in no doubt that apprenticeships offer one of the best avenues to high skills and excellent career prospects. South East VIEW talks to his successors...**



Rolls-Royce apprentices Jamie (left) and James (right)

It's not every day that there's an advertisement for apprenticeships at Rolls-Royce but, when it happened, 20 year old Jamie Bakewell in 2007 and 21 year old James Ford in the first year of the scheme in 2006 were quick to send in their applications. Which was just as well, as the competition was very tough with hundreds of applicants not just from the UK but from around the world competing for just 35+ jobs.

#### ESSENTIAL CRAFT

The Rolls-Royce Apprenticeship Programme was designed in conjunction with SEEDA, the Learning and Skills

Council (LSC) and local training provider Chichester College. Lasting for up to four years, on-the-job training is combined with studying for nationally recognised qualifications. The company is small enough with 750 employees so it has a friendly atmosphere and where every aspect of the process has simply the highest quality possible. By investing in apprenticeships, a steady supply of top class skilled technicians is assured and, more importantly, essential crafts are sustained. The principle is to find the right people and then give them the right skills, then the right product is assured.

Jamie had been an apprentice at a garage in Bexhill when he was offered the chance to join Rolls-Royce to work in the leather shop under the eye of Tim Harman, Process Area Manager. Tim is an upholsterer by trade and joined the company in 2002; although already skilled, he was sent to Germany for six months training. He then began work on pre-production models of the Phantom, the first car to come off the production line at Goodwood. When the first apprentices joined he was put in charge: "Although I hadn't managed apprentices before, the challenge of working with these youngsters and instilling in them the production culture was an excellent leadership challenge."

#### ONWARD AND UPWARD

Now in the second year of his apprenticeship, Jamie spends two days a week at Chichester College learning upholstery skills and the remainder in the leathershop at Goodwood. He's learnt sewing and skiving (thinning leather) as well as cutting, working on 'headlining' (lining to the roof) and the trim for doors and central consoles. Next it will be making complete seats. By the time he qualifies, he will not only have the craft

skills with a City and Guilds qualification but will have also gained in an NVQ in business improvement as part of his college course.

He's pretty emphatic about his apprenticeship: "I love my job, really learning and being paid for it. The culture goes home too - a few of us rent a house together and we have the same team work there."

#### SIMPLY THE BEST

Over in the paintshop, James is in the final year of his apprenticeship. When he applied to Rolls-Royce he chose the paintshop. His programme is different to Jamie's in that he attends an apprenticeship programme at the Thatcham Automotive Academy in Berkshire, probably the UK's top training centre for bodywork, for five two week modules a year which will give him an NVQ level 3 in Automotive Refinishing. The rest of the time he works in the paintshop at the factory; having been through the four key stages of preparation, paint application, polishing and final finish.

#### MANAGEMENT SKILLS

He's also being given training as a Team Decision Maker where he would have four people working under him on a Polish Deck. This will help him learn how to take responsibility for his colleagues' work and how to decide when a car has completed its polish stage. Apart from dreaming to own a (black original) Phantom himself, he adores working in the paintshop. "There lots of variety because many of the cars are personalized for the customer so we get to put on different finishes or might have to paint a duotone."

#### THE LAST WORD

Perhaps the last word is best left to Sir Alan Sugar, of TV's The Apprentice, when he visited Goodwood: "I was blown away with the investment Rolls-Royce has made in the apprentice scheme. The level of craftsmanship needed to produce one of their high quality cars is incredible. The apprentices are being taught skills that I thought were a thing of the past; it is very encouraging and impressive to see it in action. There's a real sense that a future British workforce is being trained in an excellent way".

[www.rolls-roycemotorcars.com](http://www.rolls-roycemotorcars.com)

James's boss Dave Roberts, Paintshop Technical Manager, says the Apprenticeship Programme gives the best guarantee for the future of the company. "Pick the right people, teach them they are no longer at school, train them, and motivate them, and you will have a great workforce who have known nothing but the high standards we need."

David Smith, Area Director of the LSC, says the Rolls-Royce programme shows the value of apprentice schemes: "In the South East, the development of a high profile, high quality apprenticeship programme has been a vital element of the modern 'skills offer. In the past, employer apathy, parental prejudice, schoolteacher and careers adviser lack of awareness have all combined to mean that apprenticeships have been low on volume and sometimes also on quality. The South East now 'gets it' and with blue-chip employers, like Rolls-Royce, leading the way, it's a massive boost to the development of the programme. Make sure you visit the online National Apprenticeship Service [www.apprenticeships.org.uk](http://www.apprenticeships.org.uk) and become a skills activist!"



Tom Purves, CEO

The 200EX



# BUSINESS Studies

**Business Link, the SEEDA funded primary access channel for business support is helping a record number of businesses through the downturn. To endorse this success, the SEEDA board has just approved a further £24 million funding so this work can continue. The help given by Business Link can come in many different ways; featured here are three examples...**

**Business Link**  
**0845 600 9 006**  
[www.businesslink.gov.uk/southeast](http://www.businesslink.gov.uk/southeast)

## CASE STUDY: SHIRTWORKS LEADERS' SHIRT TAILS

When Arron Harnden was appointed Managing Director of Oxford-based Shirtworks, a T-Shirt and promotional items supplier, he felt he had a bit to learn about the top job. The 22 strong, £1.2 million turnover company supplies the tourism industry, together with marketing and design companies, with uniforms, sweatshirts, sports and football kits as well as work wear.

Arron joined the company from college 13 years ago, becoming Managing Director in 2005: "When I took over I felt I needed some education and a quick route to finding information on helping the company grow."

Step in Business Link to help him access a match funded business leaders' grant which paid for a business coach. The weekly one-hour sessions over six months helped him understand how to grow the business and plan its future direction. The same coach also trained three of his sales team.

[www.shirtworks.co.uk](http://www.shirtworks.co.uk)



## CASE STUDY: FLIGHTLINE TRAVELLING LIGHT

Flightline Travel Management plc, based in Haddenham near Aylesbury, launched 'Hotel-line' and 'Rail-line' to attract a new customer stream by offering low cost rail travel and hotels for businesses looking for economies as well as meeting increasing customer demand for sustainable travel.

Business Link helped identify available sources of support, funding and advice and, as Flightline's Business Development Director Debbie White, says: "Business Link made it much quicker and more efficient for us to deliver big projects such as the development of Hotel-line and Rail-line. They've linked us to excellent sources of funding for internal training and sustainability as well as some very good contacts through their Supplier Matching Service. Next comes ISO 14001!"

[www.flightline-travel.co.uk](http://www.flightline-travel.co.uk)



## CASE STUDY: TALON HEALTHCHECK CUTS COSTS AND WINS BUSINESS

Michael Dudney, Managing Director of £4 million turnover plastic fixings producer, Talon Manufacturing, wanted green solutions to save money and to find new markets, so he turned to his local Business Link for a free 'Healthcheck' business review.

To find new customers, Advisor Yevi Llangakoon suggested Talon joined European Enterprise Network (EEN) as well as the London 2012 contract website [www.competefor.com](http://www.competefor.com).

Next came waste and cost reduction. "We were sending out 1,000 big bags a month plus shrink wrap material and cardboard to landfill," explains Michael. So Talon used Business Link's free Supplier Matching Service which found a local specialist company to recycle the waste instead. Michael was also referred to Business Link's Sustainability Team, the Carbon Trust and the Energy Saving Trust who have supported Talon's efforts to reduce energy use in manufacturing, and the business as a whole, while Envirowise has helped frame an environmental policy.

[www.talon.co.uk](http://www.talon.co.uk)



# SOUTH EAST VIEW

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# INNOVATION

**CAN NEW THINKING  
BEAT THE RECESSION?**