

Investment Potential of Clusters in the Midlands

Working with CBI Economics, Beauhurst, The Data City, and Wavteq, this project is working to:

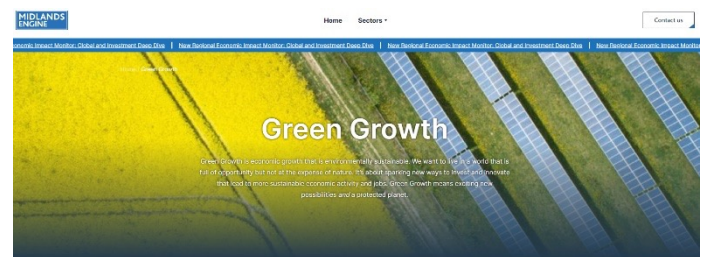
- Gather existing research on clusters, including how they are defined and their key characteristics
- Illustrate the relationship of clusters to attract domestic investment and FDI
- Identify and validate existing clusters which local partners in the Midlands had declared, as well as identify any potential or new clusters
- Analyse the investment potential of clusters using a set of metrics
- Explore investment trends and forecasts across the Midlands, the UK, and globally
- Consult with businesses across the Midlands through a series of roundtables to develop policy recommendations.

CBI Economics delivered a series of roundtables with businesses and stakeholders in several significant clusters across the Midlands through July. These roundtables have led to the development of a set of recommendations for local and national government that will be published in the final report, due in September 2022.

The wider project has led to the development of an extensive evidence base, articulating key characteristics of the region's clusters across 5 key categories: business population, cluster support environment, innovation & research and development, and investment stocks and trends.

The data have been collated where possible at Local Authority level, allowing us to report back to partners key insights for their areas. In the final report, 25 scorecards will be produced for the pan-regional clusters identified through a robust validation process led by Beauhurst and The Data City, aggregated from the Local Authority level data. This process began with a hypothesis set of 100 clusters across the region as nominated through existing literature and partner feedback.

With 'custom industrial classifications' created on Data City's data platform, and similar set ups on Beauhurst and Wavteq's systems, partners will be easily able to use any of these suppliers to further interrogate the data and identify and engage with key companies - most notably the high growth SMEs and existing inward investment success stories that may well be previously unknown to them.



The Ten Point Plan

Over 100 Midlands Engine business, local authority, university and environmental partners collaborated to produce the Ten Point Plan for Green Growth which was launched in July 2021. The Ten Point Plan is an ambitious framework to drive sustainable change and create opportunities for green growth. It is a pan-regional vision and mission, supporting everyone across our Partnership to connect our collaborators, amplify initiatives, showcase areas of expertise and unlock new investments.

Midlands Investment Portfolio

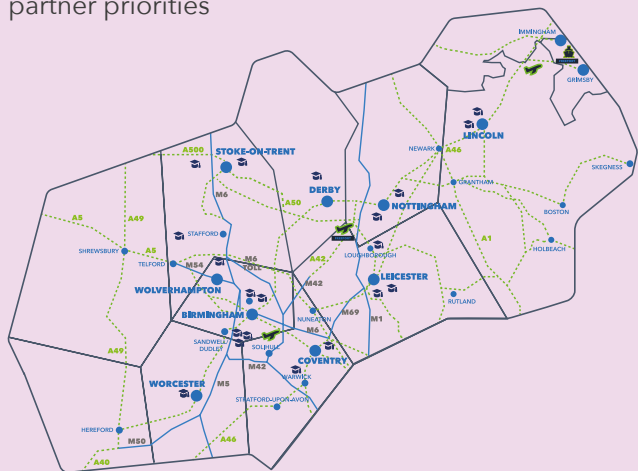
The Midlands Investment Portfolio has been updated with a new Green Growth section, linking the Ten Point Plan to current investment opportunities and articulating some of the strengths of the Midlands in this area.

Development of the Portfolio website will continue with the inclusion of the 25 'Investment Potential of Clusters in the Midlands' scorecards under the relevant 'Key Sector' pages, expanding the evidence base and insights provided on the website.

With further progress on the Universities as Drivers of Trade and Investment project, the Portfolio website will eventually be developed to include presentations on regional research & development strengths and provide a doorway to the pilot inward investment campaign. Partners will be asked to update their Portfolio priorities will be updated in December 2022.

Next Steps to December 2022:

- Finalisation and publication of Investment Potential of Clusters in the Midlands report and scorecards
- Dissemination of underlying evidence based to partners, with guidance on how to further interrogate and identify key companies etc.
- OCO Global led engagement with key international investors as part of the 'Universities as Drivers of Trade and Investment' project - to provide recommendations and insights as to key drivers of investment into University R&D that will shape the pilot campaign led by Midlands institutions
- Revised mapping and articulation of regional R&D strengths and investment opportunities
- Development of new Investment & Trade Boards to shape Midlands Engine advocacy focus
- Midlands Investment Portfolio update with refreshed partner priorities



The Midlands Engine map

Investment & Trade Boards

Recognising the significance of inward investment and exporting in driving economic growth, Midlands Engine is working with key partners such as DIT to plan for new investment and trade boards constituting key public and private sector stakeholders from across the region. Underpinning this, the Midlands Engine is working with the two main regional university groups to refresh the comprehensive audit of R&D assets.



Research Excellence. Powering Growth.

Universities as Drivers of Trade and Investment

In mid-July, Midlands Engine, Midlands Innovation, Midlands Enterprise Universities, UKRI, Research England, Universities UK, the National Centre for Universities and Business, and the Higher Education Policy Institute (HEPI) came together to discuss Foreign Direct Investment into Universities. Broadly, this is seen across three areas: direct funding of research; acquisition or equity in intellectual property and spinouts, and greenfield investment into university science and innovation parks to utilise institutional resources (primarily staff talent).

Following this roundtable HEPI **published a blog** on the topic following the roundtable, and HEPI, UUK and partners such as NCUB will be working with the Midlands pilot on a national policy report over the coming months

The Midlands pilot will be undertaking some more detailed major R&D asset mapping, commissioning a series of international R&D investor insight sessions (desk-based research, interviews, roundtables) to solicit the views of the investors about the role of universities in this space. It will then work up the sector-focused propositions and develop a campaign strategy for what a programme of activity focused on four key markets (Australia, South Korea, Germany and Germany) might involve. Midlands colleagues should expect updates and communications on this over the summer.