
Report to: Business Innovation and Growth Panel

Date: 7 March 2018

Subject: Trade and Investment Plan 2018/19

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1 Purpose of this report

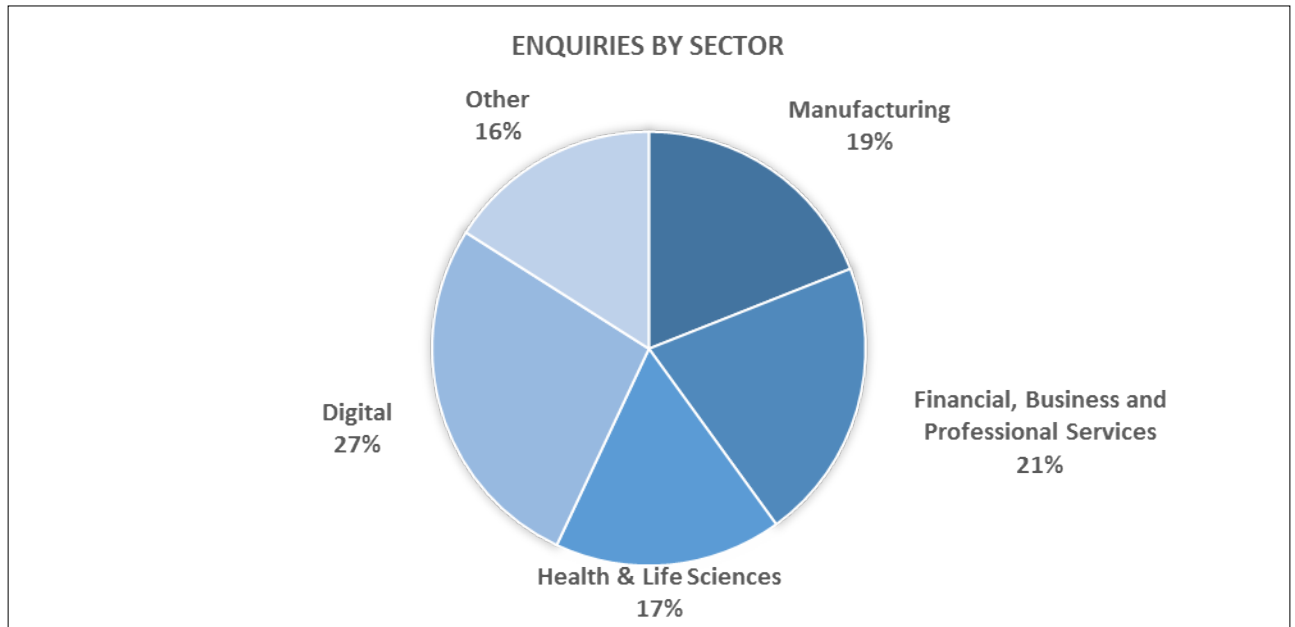
- 1.1 To provide the BIG Panel with a progress report on Trade and Investment activity in 2017/18 and consult on the proposed Trade and Investment plan for 2018/19.

2 Information

Progress on Trade and Investment Plan 2017/18

Inward Investment - new investments

- 2.1 The team has exceeded its target for 1000 new jobs created, having secured commitment for 2,505 new jobs and is close to its project target of securing 20 new inward investment projects, with 18 successes in the year to date. There have been eight new investments since the last panel report in December, creating 1,147 new jobs, and safeguarding 400 jobs. These are as follows:
- **Ilke Homes** – 936 new jobs
 - **Covéa Insurance** – 150 new jobs
 - **Kora Healthcare** – 20 new jobs
 - **Metaldyne International UK Ltd** – 17 new jobs
 - **Sonocent** – 10 new jobs
 - **Hudl** – 12 new jobs
 - **IMC** – 2 new jobs
 - **Project Raspberry** – 400 safeguarded jobs
- 2.2 On the enquiry pipeline there is a strong mix of enquiries across our priority sectors as shown below.



- 2.3 There are 26 Category A enquiries which receive higher priority and have received 14 new enquiries since the last Panel meeting.

Inward Investment - recent developments

- 2.4 An entry has been submitted to the Financial Times Foreign Direct Investment Awards 2018 on behalf of the Leeds City Region. The awards assess the activities of investment promotion agencies as part of a benchmarking report. The Trade & Investment team has been informed that the LEP has won an award for best FDI Strategy.
- 2.5 Working in partnership with Medilink, the City Region exhibited in the UK Pavilion at Arab Health, from 29 January to 1 February 2018 with a joint trade and inward investment focus. The stand generated a high level of interest, including for local companies participating. Objectives at the event were to raise the profile of Leeds City Region as a key centre for innovative healthcare businesses and expertise in the UK and explore future trade opportunities/initiatives for the Leeds City Region healthcare sector in the Gulf States. Plans are now being considered to attend again in 2019 with a larger cohort of businesses.
- 2.6 The Trade and Investment team continued its attendance at Fintech Connect Live in London, a key promotional event of Fintech in the Leeds City Region, with a stand being taken to the Excel Centre in London. Attendance at this event produced 7 potential leads and 45 new contacts made in the digital sector.
- 2.7 The Trade and Investment team has begun to establish its key account management programme with support from the Department for International Trade (DIT). This will provide crucial support and engagement to foreign owned businesses in the region, working with and complementing existing

activity in local authorities. Interviews and appointment of members of staff for the new Investor Development team will take place in March.

- 2.8 West Yorkshire Combined Authority is finalising preparations for attendance at MIPIM 2018 with a strong private sector and local authority delegation. This year record levels of private sector sponsorship has been raised, which will fund an enhanced exhibition space and event programme.

International Trade

Trade Performance and Outlook

- 2.9 An overview of the current trade performance and outlook is attached at Appendix 1.

Trade plan progress

- 2.10 In December, the UK representative of Kaola.com made her first visit to the region and met with five businesses from the list of potential suppliers submitted to Kaola.com. Initial feedback was very positive and her return to the UK in March is now awaiting confirmation when a further visit to meet with a wider selection of businesses is anticipated.
- 2.11 Also in December, a Regional Supplier Event was hosted on behalf of the Department for International Development (DFID), which had 45 organisations in attendance. With a keynote speech by the Minister of State for International Development, The Rt. Hon Lord Bates, the event focused on helping local businesses and organisations explore opportunities to win business delivering overseas aid and development contracts. Feedback from those who attended was very positive with requests for further activity looking in more detail at the DFID supply chain and specific opportunities.
- 2.12 Between 15 and 17 January, a group of food and drink buyers from European markets of Germany, France, Switzerland and Austria was hosted at a Meet the European Food & Drink Buyer Event, which took place at the Pavilions of Harrogate. The event included workshops, 1:1 meetings and a marketplace event. During the event, there were 154 meetings with the buyers and over 50 companies participating in the marketplace activity. Partners for this event were the Department for International Trade (DIT), RTC, Deliciously Yorkshire and Santander.

Trade Delivery partners progress

- 2.13 A new Exporting for Growth (EfG) Export Co-ordinator has now been appointed for the Leeds City Region by the delivery contractor, to work with partners across the City Region to support the work to improve the reach, quality, co-ordination and take-up of export services.

- 2.14 The European funded EfG grant programme has issued 189 grant offer letters to the end of January 2018 offering a total of £747,712 in grant support to 53 businesses in the City Region. Of those 32 are new exporters.
- 2.15 In terms of the businesses accessing the support, the greatest interest is from the creative and media, food and drink and business and consumer services sectors. The most popular activity supported is trade missions and market visits with Dubai/UAE, USA and Germany/Europe being the most popular markets.
- 2.16 Export Exchange has continued with its regular events with a China focused event at Huddersfield Town FC in November and a networking event in Leeds in February which attracted 51 attendees. The next event will take place on 19 March in Harrogate with a panel featuring some of the region's leading exporters discussing the various routes chosen by them when entering new markets, whether via direct set up in the overseas territory, through a distributor or an agent, or online.

Trade and Investment Plan 2018-19

- 2.17 To focus the work of the team, and maximise the effectiveness of activities within available resources, a number of objectives are proposed as follows.

Inward Investment

- Greater emphasis on identifying and securing high value projects (50+ jobs)
- Attract global investors to the region via the promotion of the Leeds City Region key sector propositions
- Refine key sector messages to be more focused on core sub sector strengths, capabilities and academic centres of excellence. The key sectors and core subsectors are as follows:
 - Digital technologies (data analytics, cyber security, media & sports tech)
 - Healthcare and life sciences (health informatics, Medtech, diagnostics & precision medicine)
 - Advanced engineering and manufacturing (particularly mission critical components – gears, pumps, valves and turbos)
 - Business, professional and financial services (payment processing, Fintech)
- Strengthen relationships with London and in key overseas markets with greatest opportunity aligned to the sectors above
- Execute a more campaign-led international place marketing strategy
- Establish an Investor Development team, which will deliver strategic support to foreign owned business within the region. This project will allow further encouragement in terms of job creation, safeguarding and foreign investment into key projects within our city region, particularly under the current climate of uncertainty surrounding Brexit.

International Trade

- Continue the international marketing campaign to drive export awareness and performance, with a particular focus on market opportunities in the Gulf States, China, and further consideration of the Indian market.
- Ensure the Leeds City Region Enterprise Partnership (LEP) services continue to support the export agenda (i.e. Growth Managers)
- Use the Investor Development team to engage with the Leeds City Region's major foreign owned exporters
- Develop a robust narrative around the Leeds City Region export trends and performance
- Deliver 10 relevant Leeds City Region export initiatives (focus particularly on business-to-business initiatives i.e. high value campaigns (HVCs), trade delegations
- Encourage Leeds City Region regional trade delivery bodies to cross sell each other's services
- Develop a regional trade model that all partners subscribe to and can be publicised
- Influence the delivery / operational model of the next national DIT Trade Delivery contract
- Promote major exporters in the city region to repatriate their export performance to the Leeds City Region via HMRC data

2.18 Key performance indicators for the above are given in the Combined Authority's draft business plan, which will be finalised in April 2018.

Key Sector Messages

2.19 The key sector messages have been further refined. The objective behind this is to project a sharper message to potential inward investors and portray the leading sector capabilities in a much clearer way – especially in those sub-sectors and markets where investment flows are occurring most frequently. These messages can be found for information in **Appendix 2**.

Forward Plan of Activity for 2018/19

2.20 There are six major initiatives which the team is proposing to undertake across key sectors and markets, informed by experience from previous involvement and alignment to the objectives above. A number of relevant supporting initiatives have also been identified, which will be dependent on time and resources.

2.21 Major initiatives:

Month	Event	Key Sector	Summary	Location
June	London Tech Week	Digital Technologies	Technology and Digital showcase events throughout the week.	London, UK
June	China/ Hong Kong delegation	Trade	Civic and private sector delegation to key focus areas including Hangzhou (Hi-Tech zone), Qingdao (UNESCO and Hisense), Shanghai and Hong Kong	Hangzhou, Qingdao, Shanghai and Hong Kong
September	Med-Tech Conference	Healthcare and Life Sciences	An outward mission to attend the Med-Tech exhibition in Philadelphia.	Philadelphia, USA
November	Smart City Expo World Congress	Digital Technologies	Attending with a delegation of Digital Technology companies from the region.	Barcelona, Spain
January	Arab Health	Healthcare and Life Sciences/Trade	Returning to the exhibition after a successful trip in January 2018.	Dubai, UAE
March	MIPIIM Property Conference	Other	MIPIIM Cannes is the world's leading property conference, and Leeds City Region will be delivering its most ambitious programme to date, in order to build on our reputation as the North's leading location for FDI.	Cannes, France

2.22 Other relevant supporting initiatives that the Trade and Investment Team propose to be involved with include:

Month	Event	Key Sector	Location
March	Innovate Finance	Financial and Professional Services/Digital Technologies	London, UK
April	FinTech North	Digital Technologies	Leeds, UK
April	Leeds Digital Festival	Digital Technologies	Leeds, UK
June	Automekanicha	Advanced Manufacturing	Birmingham, UK
September	Innotrans	Advanced Manufacturing	Berlin, Germany

October	MIPIM UK (TBC)	Other	London, UK
October	Boston – LCR Outward Delegation (TBC)	Other	Boston, USA
November	Valve World Expo	Advanced Manufacturing	Dusseldorf, Germany
November	The City UK Conference	Financial and Professional Services	Birmingham, UK
December	FinTech Connect	Digital Technologies	London, UK

3 Financial Implications

- 3.1 Private sector contributions are secured which cover the majority cost of the MIPIM programme each year. There are no additional financial implications beyond existing approved budgets directly arising from this report.

4 Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5 Staffing Implications

- 5.1 There are no staffing implications directly arising from this report.

6 External Consultees

- 6.1 No external consultations have been undertaken.

7 Recommendations

- 7.1 That the update on Trade and Investment activity in 2017-18 be noted.
- 7.2 That comments on the outline Business Plan for 2018-2019 be provided prior to submission to the LEP Board for approval.

8 Background Documents

None.

9 Appendices

Appendix 1 – Trade Performance and Outlook

Appendix 2 – Key Sector Messages