



MANIFESTO FOR MOTORSPORT

World-Beating success in Motorsport Engineering delivers Competitive Advantage for the UK

A wealth of motorsport companies, based in Motorsport Valley (a globally unique community of knowledge and performance engineering skill centred in the English Midlands) offer advanced engineering and precision manufacturing skills, which are increasingly exploited by the defence, aerospace, marine and mainstream automotive industries. All are attracted by the motorsport industry's highly competitive engineering approach, 'can-do' attitude, rapid-turnaround culture and high value-added capabilities.

The UK motorsport industry supports over 38,000 full and part-time jobs, of which 25,000 are qualified engineers. Approximately 4,500 SME companies are in the UK Motorsport and Performance Engineering Industry, with an annual turnover of £6 billion – of which over £3.6 billion (60%) is exported. Average R&D spend is 30% of sales turnover - a commitment to R&D which dwarfs those of the UK Pharmaceutical, IT and automotive industries.

The service side of the motorsport industry - legal, logistics, insurance, sports governance, rights holders, event management, hospitality, public relations, media, marketing, sponsorship and a host of other support functions - accounts for approximately £1.7 billion of the annual Industry total.

The Motorsport Industry is represented by the Motorsport Industry Association (MIA) – www.the-mia.com

Government Action urgently needed by the UK Motorsport industry

Motorsport Valley – Department of Business, Innovation and Skills (BIS)

- Companies in the UK's Motorsport Valley are a well recognised, globally-dominant, high performance engineering and advanced manufacturing cluster – from which **60% of sales are exported and 30% of total sales revenue is reinvested in R&D**
 - **UKTI should re-allocate, and increase, the value of its overseas market support made available through its sector experienced, nationally active, Accredited Trade Organisations (ATO), as opposed to the RDAs.** It should co-ordinate and bring discipline to efforts of ATO and regional initiatives which frequently conflict and compete, so reducing effectiveness and value for money.
 - **The Government and motorsport industry rely on outdated figures from a National Survey completed in 2000. BIS, linking with the RDAs should fund an updated national and regional economic business survey, based on the same methodology for comparison, to advise policies and attract investment for this growing industry.**

Motorsport Valley as a driver of innovation - Department of Business, Innovation and Skills (BIS)

- Endless innovation is the stock-in-trade of this proven world-class and world-beating industry - without innovation there is simply no successful motorsport business. **On average, motorsport SMEs reinvest 30% of turnover in R&D.** R&D Tax Credits are absolutely central to the operation of these internationally successful SMEs.
 - **The R&D Tax Credits Scheme must be improved for SMEs to continue to facilitate World-leading innovation. This innovation benefits not just the motorsport industry itself, but also all other sectors involved in advanced engineering and manufacturing.**

Promote Motorsport Valley as a magnet for Inward Investment – UK Trade & Investment (UKTI), BIS

- Eight of the twelve teams competing in the 2010 Formula One Championship are based in the UK. Of these, five are in foreign ownership - reflecting continued committed inward investment in Motorsport Valley. Not only race teams choose to tap into this rich vein of excellence. So do globally-recognised Automotive brands - Mercedes-Benz, BMW, Toyota, Renault, Honda, Aston Martin, General Motors, Seat and Mitsubishi. The UK Motorsport Industry's real-life test bed and laboratory for advanced technologies, R&D and prototyping is a unique resource for the UK, which is increasingly turned to by the automotive sector to aid rapid development of new low-carbon road vehicles.
 - ➔ **UKTI must embrace, more enthusiastically, the 'shop-window' available from the British motorsport industry's high-profile global successes to attract inward investment. This entirely unique community of knowledge, housed within Motorsport Valley, should be central to BIS and UKTI Advanced Engineering/Manufacturing and Composites Strategies.**

Cross-sector encouragement/engagement - Department of Business, Innovation and Skills (BIS)

- The motorsport industry produces cutting-edge technological solutions which are increasingly utilised by many sectors outside motorsport – Defence, Aerospace, Marine, Medical and Automotive.

Motorsport companies have a problem-solving capability, working within unique time parameters, which offers a real-time laboratory in which innovative solutions are found and rapidly developed. By example, the industry is currently delivering Urgent Operational Requirements (UORs) in Defence; reducing the weight of airliners and other aerospace applications through the advanced use of composite parts; and introduced new gearbox and jointing technologies to the Marine market.

- ➔ **Government departments, such as BIS and the MoD, should fund, with industry, the promotion of more 'pathway events' for motorsport SMEs to build networks which promote and facilitate the transfer of technologies and engineering know-how to other sectors**

Accelerating the development of low-carbon automotive technologies - Department of Business, Innovation and Skills (BIS)

- Over the past 10 years, many motorsport projects have pioneered and showcased low-carbon solutions to the public: Bio-diesel victory at Le Mans; 100% ethanol use at the Indy 500; zero-emission TTxGP competition at the Isle of Man motorcycle race; hybrid engines in national rallies; reduced emissions in Touring Cars; and Kinetic Energy Recovery System (KERS) wins in F1; amongst others.

These successes have shown that televised sporting victories, with low-carbon credentials, encourage a positive and rapid change in public perception and this continues every day. Recently, both Ferrari and Porsche have launched production-based hybrid vehicles using KERS technology developed in Formula One.

- ➔ **The UK's motorsport industry must be more actively and enthusiastically embraced by the Government's low carbon vehicle programmes – not only to accelerate technological development in this area, but also to improve the 'marketability' of greener vehicle platforms.**
- ➔ **There is an urgent need to bring the motorsport industry and recognised low-carbon stakeholders - including appropriate Government departments/agencies, OEMs (Original Equipment Manufacturers), academia and research facilities – together in order to define and develop a joined-up strategy which will accelerate the progress of CO₂ emission reduction throughout the wider UK Automotive Industry.**

Inspiring careers in engineering – Department for Children, Schools & Families (DCSF)

- Motorsport is the UK's NASA when it comes to inspiring young people to pursue careers in engineering. Their interest in, and passion for, the excitement of motorsport, provides a real-life modern context to science, technology, engineering and maths (STEM) subjects. The motorsport industry wishes to see more children study these subjects and is keen to play a part in helping to achieve this.
- Currently, 28 Universities, 140 Further Education colleges and hundreds of schools now offer 'motorsport engineering' courses or content – meaning that many thousands of young people are involved in motorsport-related engineering education programmes each year.

The popularity of motorsport-related College and University courses has led to further and higher-education institutions, indiscriminately, using the powerful brand of 'Motorsport' as marketing tool to increase student enrolment. Disappointingly, as a result, the actual quality of motorsport engineering courses varies widely.

- **The MIA, and industry, through their Motorsport Employers Group and Motorsport Educators Forum has persistently called for the implementation of 'Motorsport Industry Recognition of Academic Institutions'. This call continues to fall on deaf ears.**
- **The result is that hundreds of newly-qualified 'motorsport' engineers enter the job market each year, but without the specific skills which motorsport employers require. Government departments must, urgently, listen to industry and address these failings, and abuse by some educational institutions.**

About the Motorsport Industry Association (MIA)

The MIA is the leading global trade association for the Motorsport, High Performance Engineering (HPE) and Tuning sectors, co-ordinating services from its international HQ at Stoneleigh Park, near Warwick. It serves over 360 corporate members who, as a group, annually and globally transact over £3.5 billion in Motorsport and HPE business - employing some 15-18,000 individuals.

The MIA is a not-for-profit private company, owned by its industry members and limited by guarantee. Any surpluses generated are re-invested into programmes which improve the wider industry and further develop its members' businesses.

The MIA is recognised by UKTI as the only Accredited Trade Organisation (ATO) for the Motorsport, HPE and Tuning sectors. The MIA acts as Joint-Secretary of the All Party Parliamentary Motor Group, alongside the SMMT and The RAC Foundation.

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Motorsport Alliance

