

PRESS RELEASE

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BPIF responds to Government's Advanced Manufacturing Growth Review Framework

The printing industry possesses all the characteristics of an advanced manufacturing sector says the BPIF in its response to the Government's Growth Review Framework for Advanced Manufacturing.

The Framework, which was published on 10 December, sets out what Government considers to be the key characteristics of an advanced manufacturing industry. Commenting on the first of those listed - intensive use of capital and knowledge - the BPIF points out that printing adds relatively more value than any manufacturing industry apart from pharmaceuticals. It adds that the use of leading edge technologies and skills, combined with the widespread adoption of lean processes, enables the industry to generate a gross value added of £6.4 billion annually, from a turnover of just £14.3 billion. Other characteristics listed are long-term investment decisions, high levels of technology and R&D, a flexible workforce with strong specialist skills, and companies competing in international and domestic markets. Here the BPIF emphasises that printing companies are continually investing to improve the productivity and sustainability of production. It adds that printing companies excel at developing and bringing to market innovative products and print solutions that will enable customers to access new markets, and that they are re-engineering their businesses as multi-channel marketing solutions providers.

The BPIF reminds Government that UK printing companies serve international publishers, worldwide banking and insurance firms, multiple retailers and global pharmaceutical companies, all of whom are able to source print in multiple countries.

The BPIF makes a number of other key points in its response:

- Government should open a dialogue with trade associations and consult with them on a routine basis, and at the earliest opportunity, whenever changes are planned. The BPIF adds that it can actively assist with projects, information and communications

- Relative levels of taxation place UK manufacturers at a real competitive disadvantage.
- Innovation, knowledge transfer and the take up of new technologies play a crucial role in the success of the UK printing industry – the fifth largest in the World.
- Government should take steps to regulate the price of energy and improve the security of energy supply through investment in new generating capacity as well as encouraging reduced energy consumption. Planning approvals for the development of new power generation and storage facilities should be dealt with expeditiously.
- Government should maintain a framework of Climate Change Agreements; through which companies are incentivised improve energy efficiency by means of climate change levy rebates.
- Government needs to ensure that funding support is available to enable employers to address the skills issues arising from adaptation to structural change and to increase intake of apprentices. Funding mechanisms should be simplified and bureaucracy reduced. Government must also invest in improving the image of manufacturing.
- Vision in Print has delivered high quality print specific support to implement Lean best practice. The BPIF welcomes the Government's continuing support of the Manufacturing Advisory Service - to the tune of £50 million over three years - but believes closer ties to sectors will benefit the programme with sector specific consultancy support and the strong channel to market this offers.
- Access to finance continues to be a major barrier to investment. Investment intentions are looking more upbeat for the UK printing industry but continue to be frustrated by a continuing lack of external funding.
- Complying with regulatory requirements is both time-consuming and costly and is a major obstacle to the growth of UK companies. The focus should

now be on stability and reducing the flow of new regulation. Reform of legislation relating to pre-pack administrations should be a priority.

- All major manufacturing sectors should have a specified and named desk officer within BIS, who would act as conduit between the sector and government departments, and who would be able to understand and articulate the concerns and issues facing the sector to other government colleagues.
- A Sectorial Growth Fund should be established and administered by the Department of Business, Innovation and Skills (BIS), in parallel with the new Regional Growth Fund.

The BPIF's response follows the Advanced Manufacturing Summit held by the Government on 25 January, which was attended by Nick Clegg, Vince Cable and Mark Prisk as well as key manufacturing leaders including BPIF President Rupert Middleton. Contributions from this event and from responses to the Framework will feed into the Advanced Manufacturing strand of the Government's Growth Review, which will announce policy proposals by the 2001 Budget.

BPIF Corporate Affairs Director Andrew Brown expressed his disappointment that printing did not feature among the examples of successful advanced manufacturing activities listed in the Growth Review Framework. He says, "Print has a higher GVA to turnover ratio than practically all other manufacturing industries and can cite many examples of advanced manufacturing. For instance printed electronics is already worth £1bn in the UK and is growing fast. We can't afford to be complacent about our industry's profile with Government, and we have to keep reminding them of the economic importance of our sector to UK plc. Our response therefore urges the Government to take a broad view on its definition of what constitutes advanced manufacturing, as opposed to trying to pick 'winners' and restricting itself to a few large company industries described recently by leading figures as 'predictable sectors'."

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Notes to Editors:

The British Printing Industries Federation (BPIF)

The BPIF is the principal business support organisation representing the UK print, printed packaging and graphic communication industry. It is one of the country's leading trade associations. The federation strive to ensure their members' requirements come first. Through listening to their needs they have developed an unrivalled range of products and services that go well beyond those provided by a traditional trade association.

They provide the highest standard of support for printers to grow and develop healthy, sustainable and profitable businesses, aiming to provide an environment geared towards their businesses success. The BPIF offer practical, value-adding solutions for all areas of a print organisation, ranging from Health, Safety, Environmental and Quality issues; with the implementation of HR requirements; provide resolutions of technical or legal issues; as well as advice and support on marketing, sales and finance. This is all delivered by individuals and teams of highly skilled and experienced print industry specialists.

New services recently launched include BPIF Insurance Service and the BPIF Financial Alliance to add to a wide range of business support services including healthcare and pensions. They also offer a wide range of opportunities for networking both regionally and nationally, including prestigious events, special interest groups and popular short courses on a wide range of topics.

For more information on the BPIF, visit: www.britishprint.com.