

WARWICKSHIRE

INVESTMENT PARTNERSHIP

**Annual Report
April 2008 - March 2009**

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A Partnership between Warwickshire County Council, Warwick District Council, Rugby Borough Council, Nuneaton & Bedworth Borough Council, North Warwickshire Borough Council, Stratford District Council, Advantage West Midlands, Coventry, Solihull & Warwickshire Partnership Ltd, Learning Skills Council, Coventry and Warwickshire Chamber of Commerce, Coventry City Council and Job Centre Plus.

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Introduction

The Warwickshire Investment Partnership Annual Report is a document summarising the previous financial year (1st April 2008 to 31st March 2009), highlighting the level of inward investment enquiries and subsequent outcomes. This report is an indication of the current economic climate in Warwickshire and figures are compared to the previous year to assess enquiry and requirement patterns. The report is distributed to all Partners, as well as to internal colleagues at Warwickshire County Council and to property agents, developers and enquirers upon request.

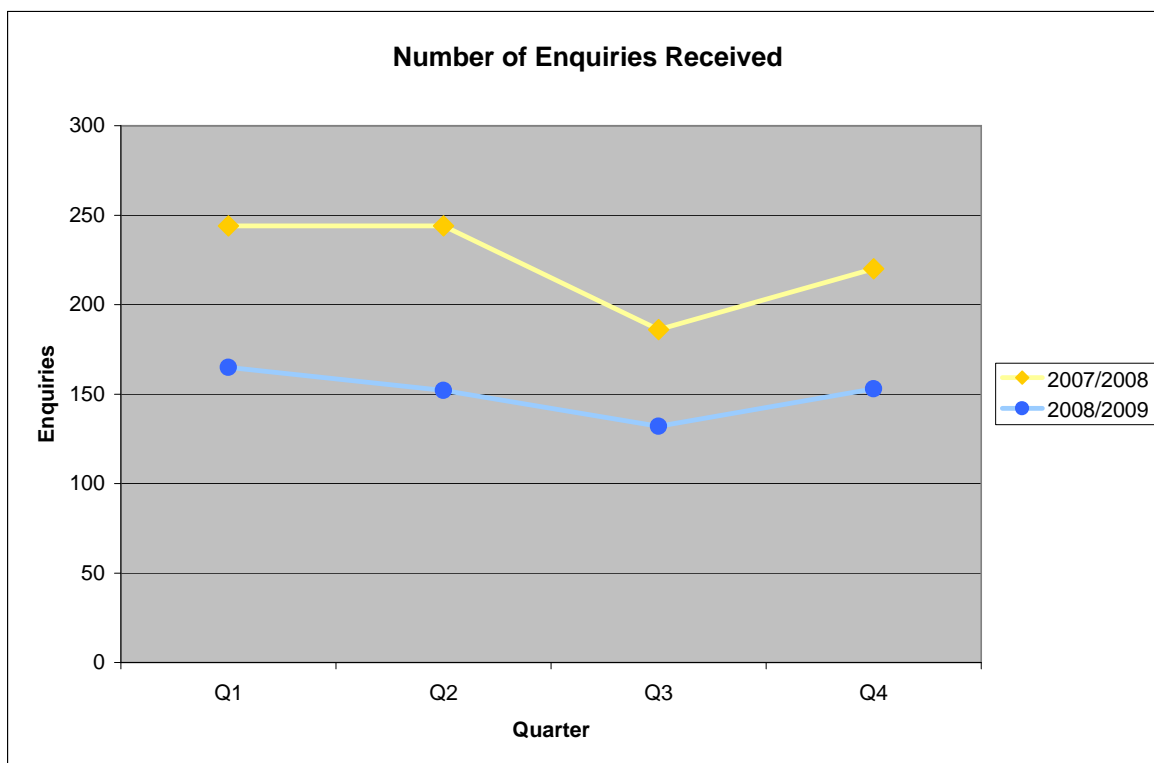
The information for the last financial year has been collated from the Evolutive enquiry management system. The report has a rolling programme for researching investment, so the information below may be added to as more investments are discovered. The information is correct up to 31st March 2009. If you have any additional investments to add to the county successes, please contact Katy Hunter on 01926 412140 with details.

Table 1

Time Period	Quarter	No. of Enquiries
2007/2008	Q1	244
	Q2	244
	Q3	186
	Q4	220
	TOTAL	894
2008/2009	Q1	165
	Q2	152
	Q3	132
	Q4	153
	TOTAL	602

Figure 1 below shows the level of enquiries received throughout the year in comparison to the previous year. In total Warwickshire Investment Partnership received 602 enquiries in 2008/2009 - a decrease of 33% on enquiry levels on 2007/2008 figures (292 less enquiries) - 36% below the target set out in the Partnership's 2008/2009 Business Plan. The figures are a reflection of the current economic climate and global recession. As in previous years, the Quarter 3 figures are lower than the other quarters.

Figure 1



Investment Progress Against Targets (07/08)

Figure 2

	Investments Made	New Jobs	Safeguarded & Relocated Jobs	Enquiries Received
Apr - Jun	12	7	48	165
Jul - Sept	14	49	105	152
Oct - Dec	16	34	55	132
Jan - Mar	23	396	53	153
Running Total	65	486	261	602
Annual Target	69	1366	813	938
Balance to achieve target	-4	-880	-552	-336
Progress against target	94%	35.6%	32%	64%

Figures in this report only account for companies that have relocated to Warwickshire with assistance from the Partnership.

Figure 2 above shows that, despite falling short of targets for job figures, the Partnership were only 6% short of the target for investments made in the County.

11% of enquiries were converted to successes for Warwickshire in 2008/09, which is an increase of 4% over the figure for 2007/08.

Enquiries by Company Location

This table shows where companies are located when the enquiry is registered with Warwickshire. This helps us to identify confidence of indigenous businesses as well as to monitor which areas of the world potential investors are located.

Table 3

Company Location	2007/2008	Percentage	2008/2009	Percentage
North Warwickshire	109	15.3%	91	15.4%
Nuneaton & Bedworth	90	12.7%	53	9.0%
Rugby Borough	84	11.8%	66	11.2%
Warwick District	138	19.4%	115	19.5%
Stratford-on-Avon District	39	5.5%	38	6.4%
Rest of West Midlands	153	21.5%	141	23.9%
Rest of UK	91	12.8%	80	13.6%
Rest of Europe	0	0.0%	5	0.8%
USA/Canada	4	0.6%	0	0.0%
Far East	0	0.0%	0	0.0%
Rest of World	3	0.4%	1	0.2%

Figure 3

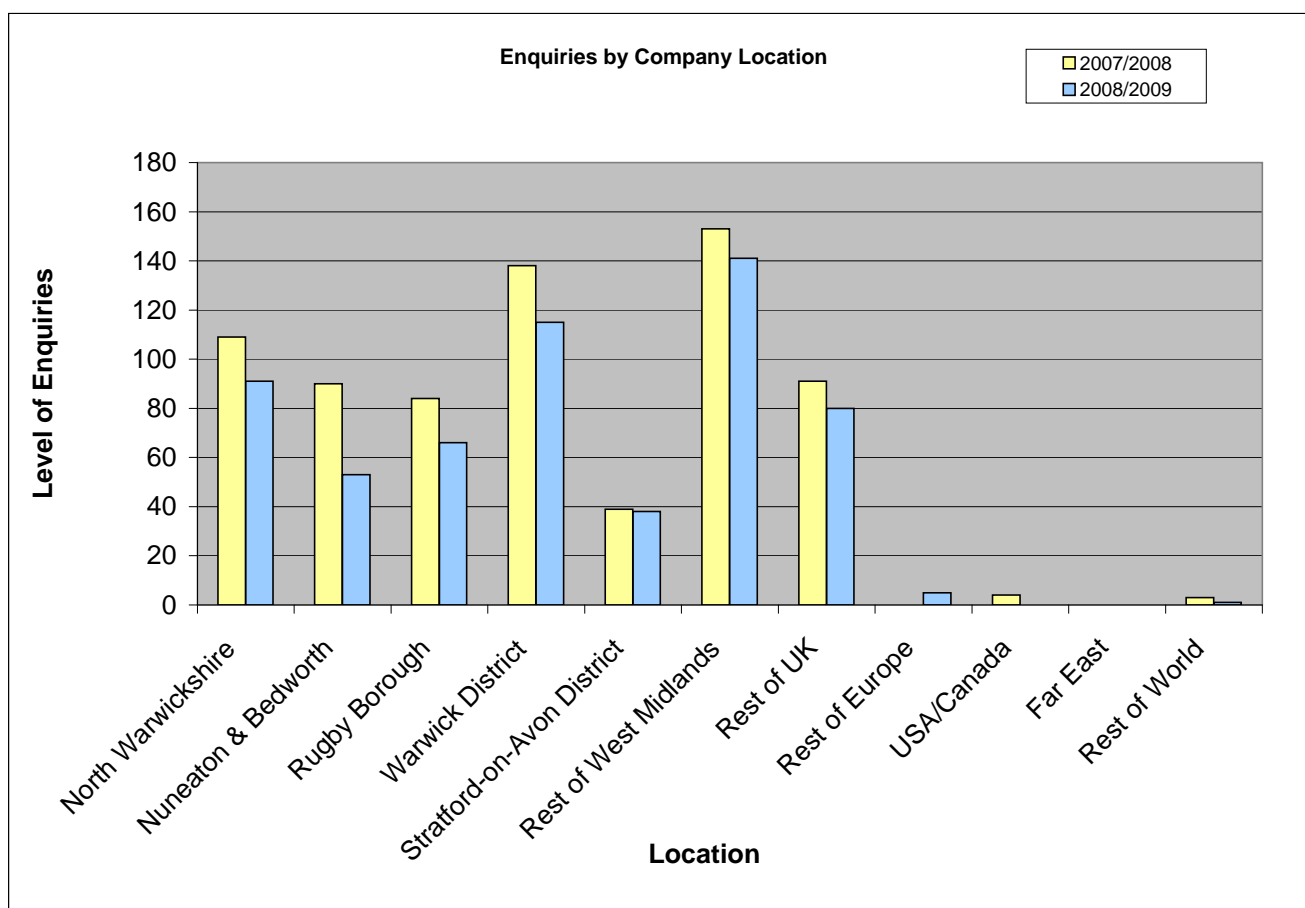


Figure 3 shows that, compared to 2007/08 figures, there has been an decrease in enquiries from within each district and borough due to less enquiries in 2008/09.

However, in percentage terms, Table 3 above shows that the highest number of enquires have come from Warwick district which is similar to the figure from 2007/08.

Over 61% of enquiries came from companies already located in Warwickshire. The majority of enquirers from outside of the county are located in the 'Rest of the West Midlands' area, where nearly 24% of all fully recorded enquiries are located.

Enquiries from Companies Already Located in Warwickshire

The following map spatially represents the location of new enquiries received from companies based in Coventry and Warwickshire.

2008/2009 Figures

Figure 4

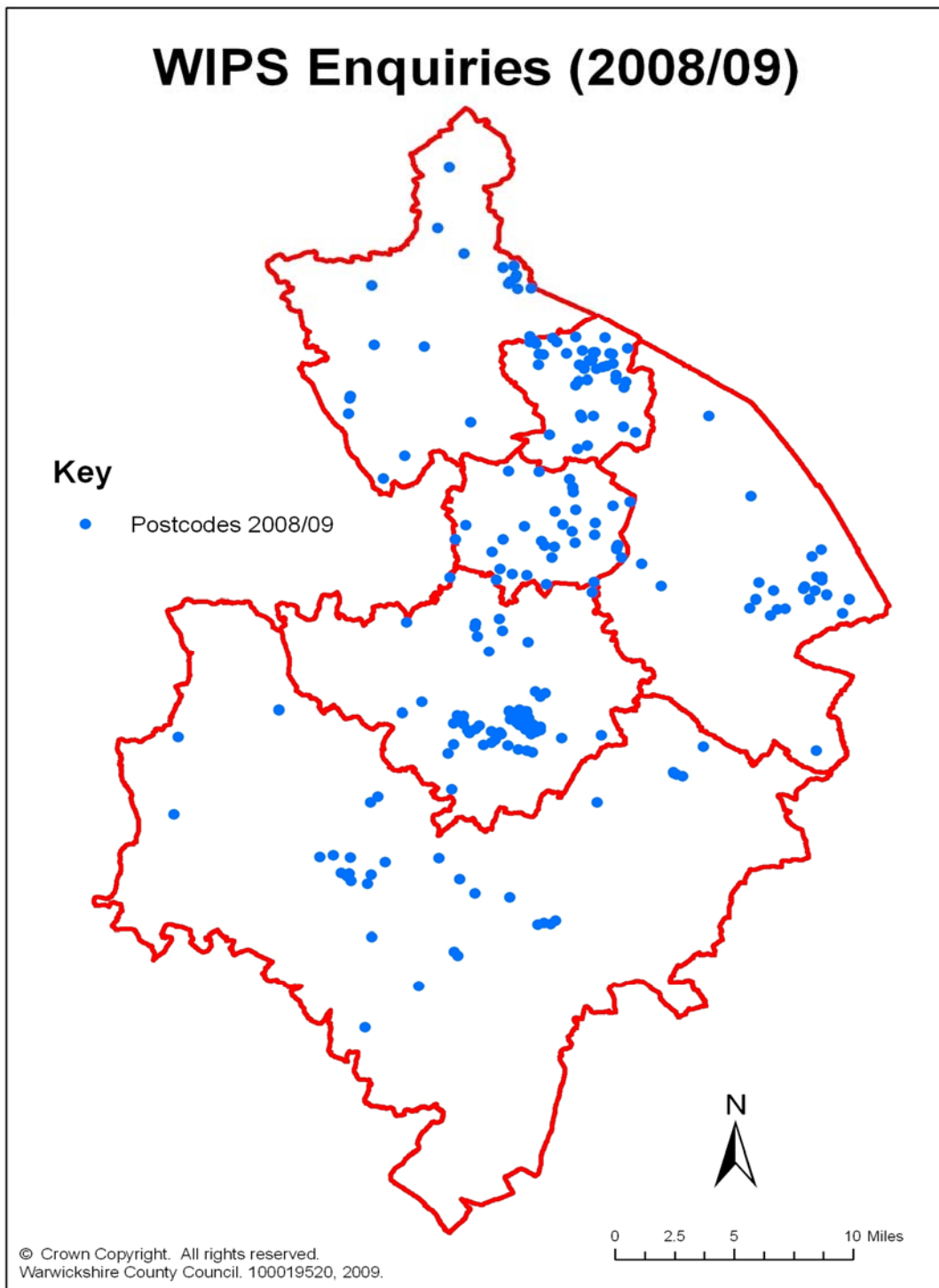


Figure 4 shows that the majority of enquiries originating in Warwickshire in 2008/2009 came from the Warwick district. The map shows an expected distribution with clusters being observed around the main urban areas of each District and Borough.

* Please note one blue dot can represent more than one enquiry.

Enquiries by Source

Figure 5 shows the source of enquiries received in 2008/2009 by the Partnership. These results help us to monitor the sources from which the enquiries are coming from, as well as gauging the effectiveness of adverts, promotions, exhibitions and events.

Please note that 'direct contact' enquiries are where companies have contacted WIP directly and are already aware of the services provided to businesses wishing to expand or locate in the county.

Table 5

Enquiries by Source	2007/2008	Percentage	2008/2009	Percentage
Agent	1	0.1%	10	1.7%
Advert/Promotion/Web	4	0.4%	0	0.0%
Direct Contact	136	15.2%	104	17.3%
Exhibition/Event	9	1.0%	8	1.3%
Internal Contact/Aftercare	109	12.2%	50	8.3%
Other Agency Referral	10	1.1%	9	1.5%
AWM Far East/Rest of World	12	1.3%	4	0.7%
AWM Europe*	21	2.3%	22	3.7%
AWM North America	2	0.2%	1	0.2%
WIP Website	546	61.1%	341	56.6%
District Contact	44	4.9%	53	8.8%

* AWM Europe includes UK figures

Figure 5

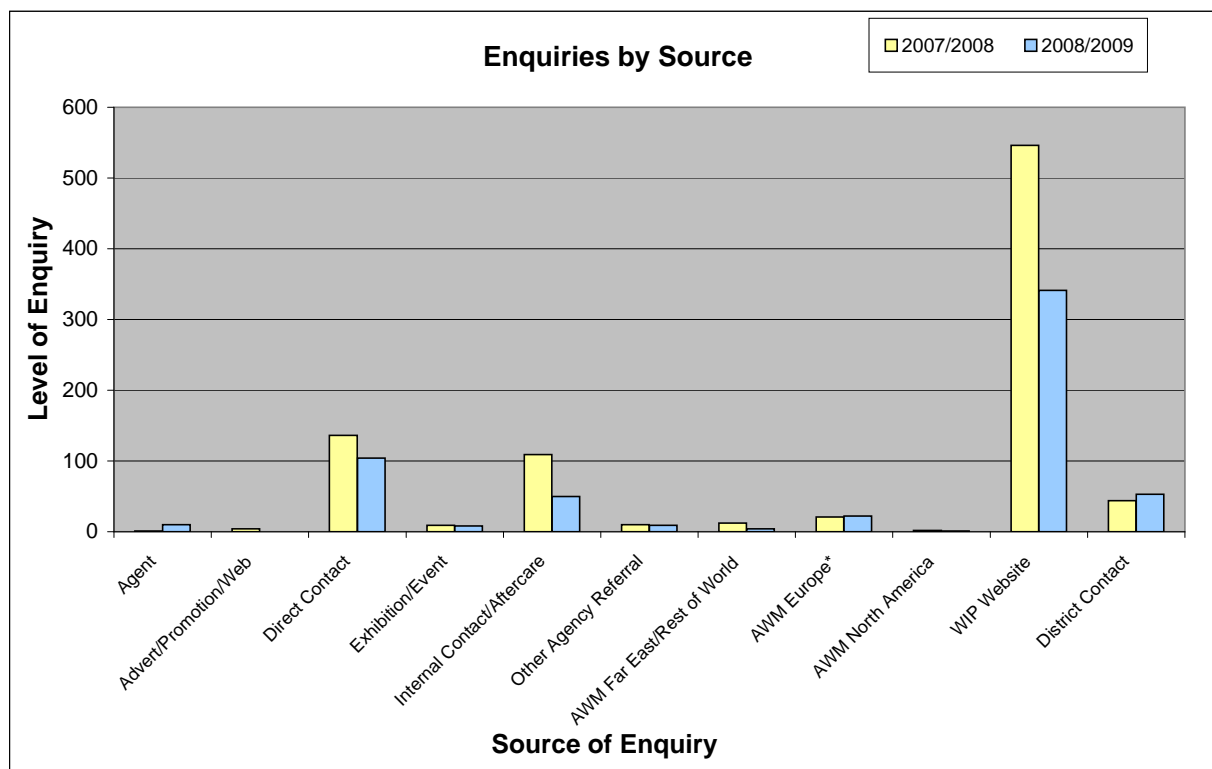


Figure 5 shows that the WIP website is the main source of all enquiries with 341 enquiries being received through this source in 2008/09. Since the set up of the online facility, enquiries through this method continue to be the major source of enquiries.

The levels of enquiries received through internal contacts is significantly lower this year, down to 8.3% from 12.2% in 2007/08. We expect this figure to return to a high level in 2009/10, as the Partnership continues to work closely with Warwickshire County Council-owned Business Centres and having the Evolutive system more widely used by partners.

Nearly 5% of the total number of enquiries to the Partnership were received from Advantage West Midlands, which is an increase from 2007/08. However, the biggest increase, in percentage terms, is the number of enquiries received from district contacts, from 4.9% last year to 8.8% this year.

Enquiries by Reason

Figure 6 shows the reasons for companies contacting Warwickshire Investment Partnership for assistance.

Definition of Terms

Expansion - Businesses looking to grow within the County.

New Start Up - Either local or other UK residents looking to start up their new business in Warwickshire.

Relocation to Warwickshire - Businesses looking to move their main operation from another part of the UK or elsewhere in the world.

Relocation within Warwickshire - Businesses looking to move their business location within the county

UK Start Up - Foreign businesses wanting to set up their first UK operation

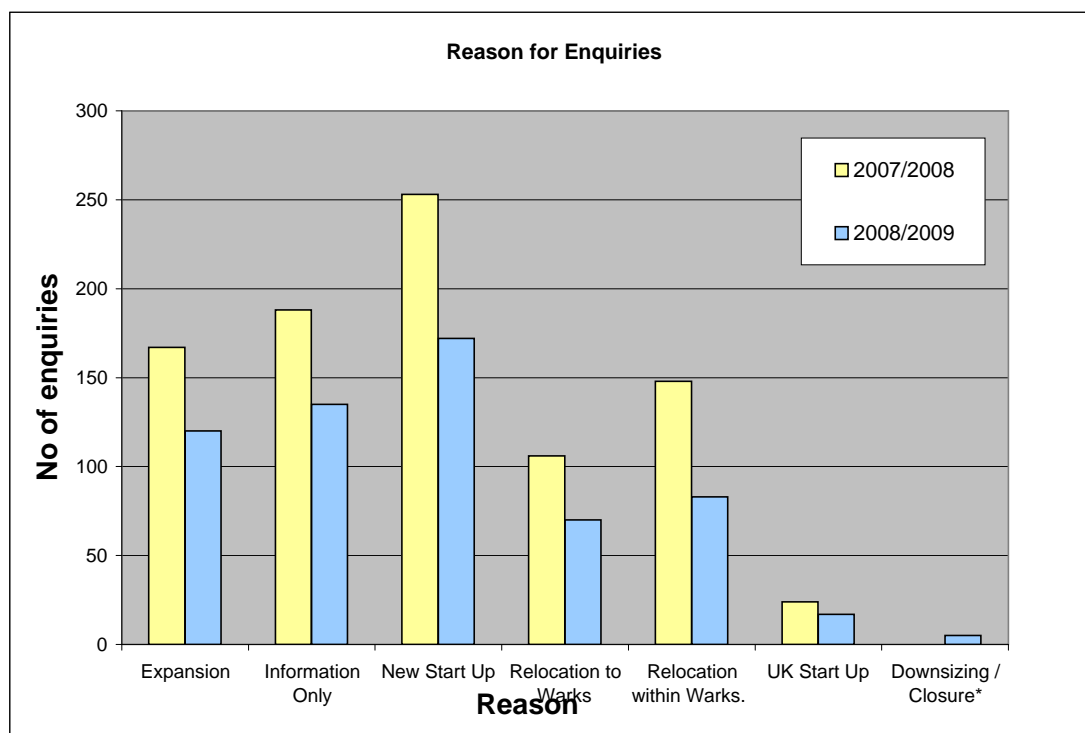
Downsizing / Closure - Businesses wanting to find smaller and/or cheaper premises

Table 6

Reason for Enquiries	2007/2008	2008/2009
Expansion	167	120
Information Only	188	135
New Start Up	253	172
Relocation to Warks	106	70
Relocation within Warks.	148	83
UK Start Up	24	17
Downsizing / Closure*	0	5

*This is a new category implemented in Q4 2008/09

Figure 6



New-start up companies requiring searches are still the most frequent reason for property searches in Warwickshire and account for just under a third of all enquiries this quarter which is very encouraging. Equally positive is that the third highest reason for companies searching for premises is expansion.

The 'Relocations within Warwickshire' category was added in 2005/06 in order to record the movement of companies within the County and this year, this category accounts for nearly 14% of all enquiries this year.

Due to the current economic climate, a new category has been added to Evolutive - 'Downsizing/Closure'. Since its inception in Quarter 4 2008/09, five companies have been recorded in this category.

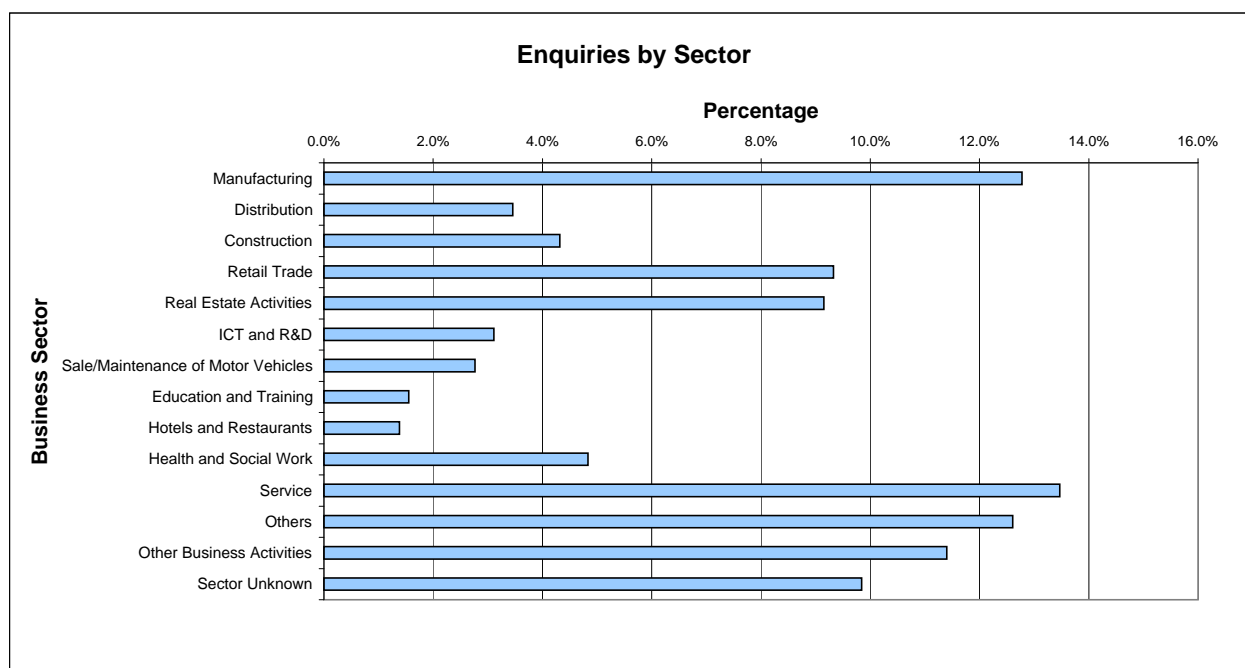
Enquiries by Sector

Figure 7 shows the business sector of new enquirers based upon SIC codes.

Table 7

Business Sector	2008/2009	Percentage	2007/2008	Percentage
Manufacturing	74	12.8%	116	13.4%
Distribution	20	3.5%	41	4.8%
Construction	25	4.3%	27	3.1%
Retail Trade	54	9.3%	62	7.2%
Real Estate Activities	53	9.2%	60	7.0%
ICT and R&D	18	3.1%	46	5.3%
Sale/Maintenance of Motor Vehicles	16	2.8%	13	1.5%
Education and Training	9	1.6%	30	3.5%
Hotels and Restaurants	8	1.4%	18	2.1%
Health and Social Work	28	4.8%	18	2.1%
Service	78	13.5%	207	24.0%
Others	73	12.6%	27	3.1%
Other Business Activities	66	11.4%	85	9.8%
Sector Unknown	57	9.8%	113	13.1%

Figure 7



Enquiries from service sector companies are the highest level of enquiries again this year with just over 1 in 7 enquiries being from companies engaged in service sector. However, this is a decrease on 2007/08 which was 1 in 4.

Similarly, the second highest sector this year is manufacturing which accounts for 1 in 8 enquiries. Although this is a decrease from 1 in 7 in 2007/08, this figure is still particularly encouraging to see in light of recent job losses in some areas of manufacturing, particularly in automotive manufacturing within the sub-region.

A notable increase in figures is the amount of enquiries received from companies in the Health & Social Work sector from the previous year (2007/08: 2.1%) to 4.8% this year.

Nearly 10% of enquiries fall into the category of 'Sector Unknown'. Not all information can be captured due to confidentiality with some enquiries and also failure to supply the information in regards to some Internet enquiries. However, we are continually trying to improve the methods of information capture and have updated the SIC-code recording in Evolutive.

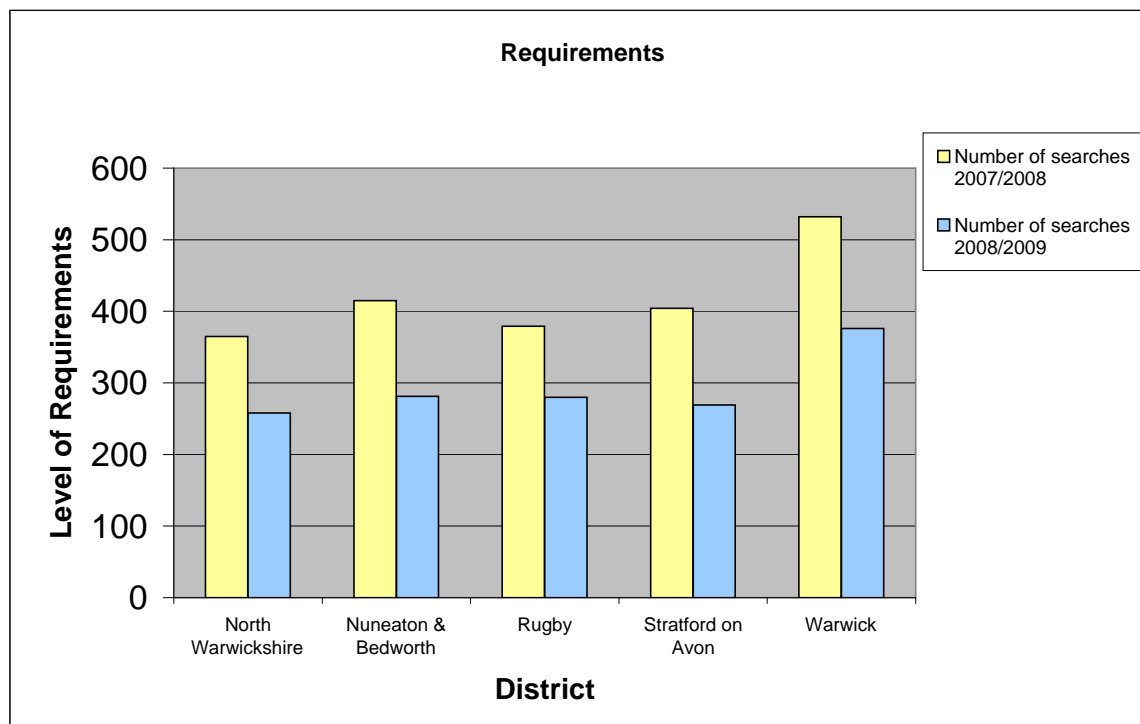
Requirement by Preferred District Location

Figure 8 below illustrates those areas in Warwickshire where companies have specified their preferred location. Some enquiries are speculative so a particular location was not specified, or it was a county-wide search.

Table 8

District	Number of searches 2007/2008	Percentage	Number of searches 2008/2009	Percentage
North Warwickshire	365	17.4%	258	17.6%
Nuneaton & Bedworth	415	19.8%	281	19.2%
Rugby	379	18.1%	280	19.1%
Stratford on Avon	404	19.3%	269	18.4%
Warwick	532	25.4%	376	25.7%

Figure 8



Warwick District is the preferred district location as it was in 2007/08, accounting for over a quarter of the total number of searches.

The number of searches across the other four districts and boroughs are almost evenly distributed.

Land and Property Enquiries

These figures give a breakdown of the types of property businesses are searching for. Often where an enquirer is looking for industrial premises, a warehouse search is also undertaken, and vice versa. The same applies to Barn and Craft workshop, Leisure & Retail and Other Commercial, as well as Office and Serviced Office / Managed Workspace enquiries. Also note that some enquirers want both land and property searches undertaken.

Table 9

Type of Enquiry	2008/2009	2006/2007	Percentage Change
Barn	8.2%	9.5%	-1.3%
Craft Workshop	8.7%	7.2%	1.5%
Managed Workspace*	7.6%	6.1%	1.5%
Office	15.3%	13.5%	1.8%
Warehouse	14.4%	15.3%	-0.9%
Industrial	15.4%	15.7%	-0.3%
Leisure & Retail	15.3%	16.4%	-1.1%
Investment Properties*	2.0%	0.0%	2.0%
Land	3.8%	7.1%	-3.3%
Other Commercial	9.3%	10.3%	-1.0%

* Includes both industrial & serviced offices which will be split from 2009/10 onwards

* Category not recorded in 2007/08

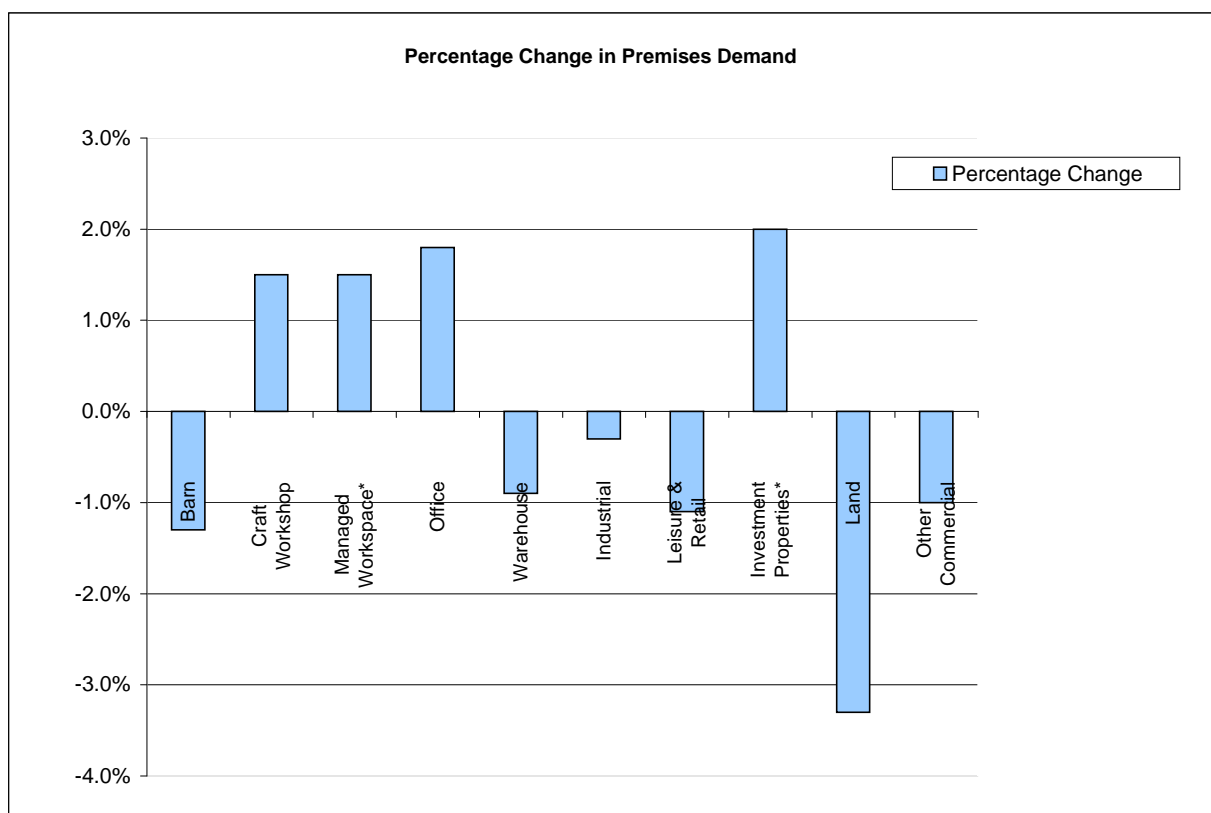
Please note that some enquirers select more than one type of premises to search

Industrial, warehouse and office units continue to be amongst the main requirements of enquirers with 45.1% of all enquiries being for these unit types. This is similar to the figure for property requirements in 2007/08 which was 44.5%.

The largest increase has been for office searches, up by nearly 2%. Please note that the investment properties category has been added this year. Demand for other types of commercial premises have all remained constant, although demand for land has seen the largest decrease, with most of the searches requiring land not already attached to a developer which remains difficult to find.

Please note that industrial managed workspace and serviced offices have been grouped together here as this is how Evolutive used to record the data. The two categories have been split in Table 10 later in this report and will be split in future quarterly and annual reports.

Figure 9



Enquiries by Size

The information below relates to requirements by size of premises required across the whole County.

Table 10

Enquiries by Size (Sq Ft)						
Size Range	Industrial	Warehouse	Managed Workspace (Ind)	Office	Serviced Office	Retail & Leisure
1-250			30	60	72	195
251-500	10	54	9	17		
501-1000	32	21	11	25		
1001-2000	33	16	13	33		
2001-3000	20	31	7	11		
3001-5000	22			10		
5001-10000	25	19	7	11		
10001-20000	16	14		7		
20001-40000	8	12		5		
40001+	26	20		5		

* Retail premises and serviced offices cannot be separated by size

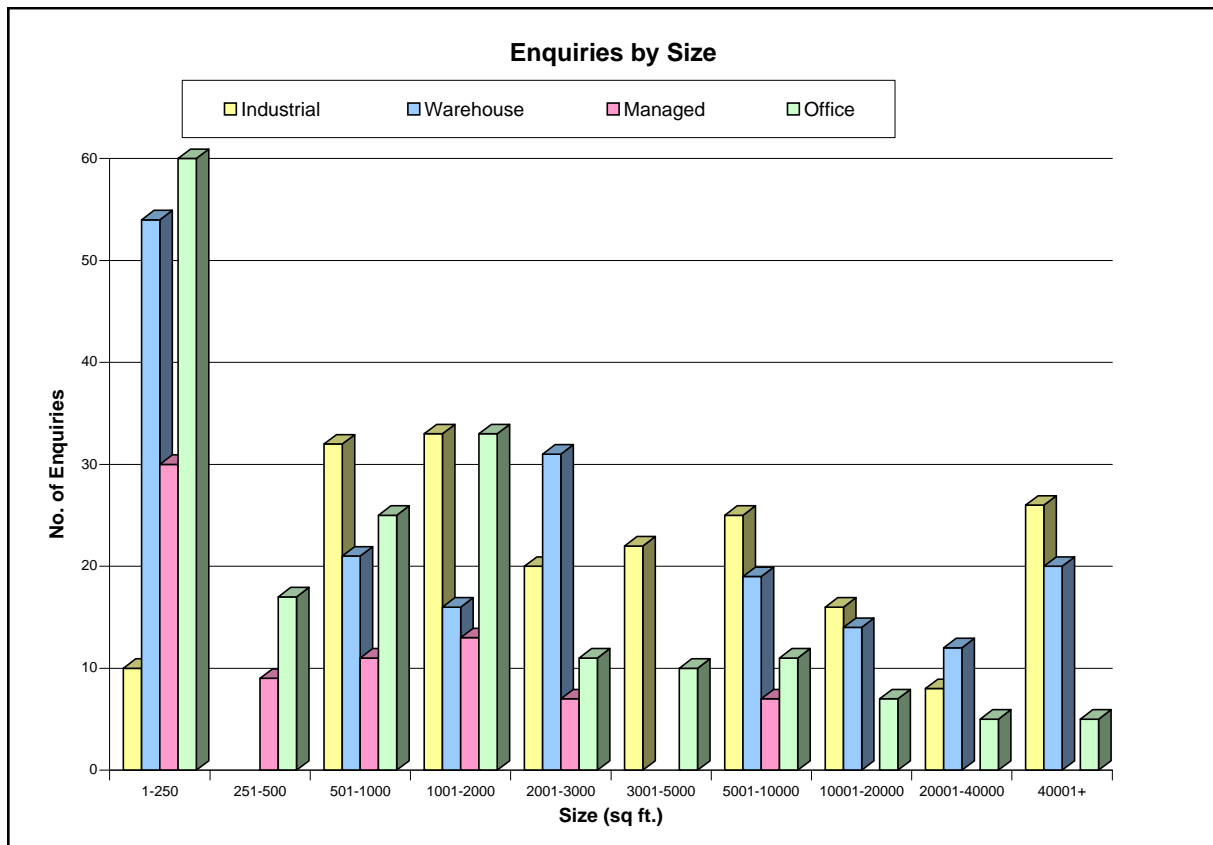
Figure 10 illustrates that requirements for industrial units are dispersed fairly evenly across all size ranges. The most highly demanded industrial space is in the 501-1000 and 1001-2000 sq ft size ranges. With regards to warehouse units, there is a high demand in the 1-500 sq ft size range, which is the most popular.

Office demand peaks at the 1-250 sq ft level. Nearly a third of all enquiries are for offices between 1-250 sq ft. This category also sees an increase in demand for 1001-2000 sq ft size ranges, which was 28 in 2007/08 and 33 in 2008/09.

It is clear to see that the greatest demand in general is for smaller premises. This reiterates that inward investment is changing from large-scale investors to the smaller investments, particularly new start ups, as suggested by Figure 2 and Figure 6 earlier in this report.

In the retail & leisure category, figures are significantly lower than last year (2007/08: 331) but higher than the previous year (2006/07: 185). Table 10 also now shows the serviced office category separate from the managed workspace category.

Figure 10



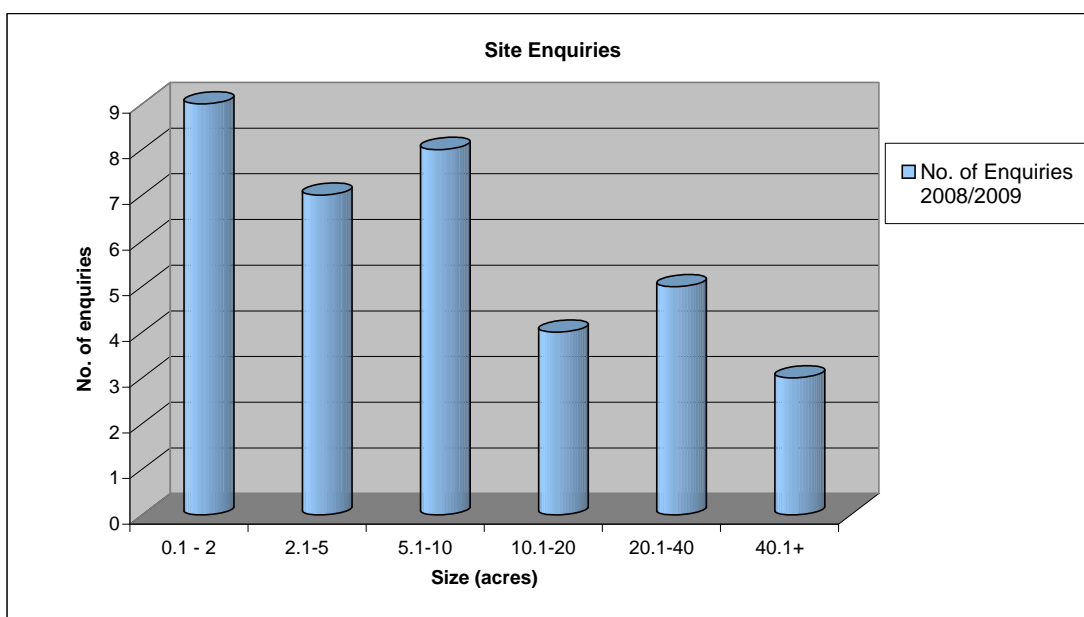
* Please note figures for industrial and warehouse in the 1-250 sq ft column also account for the 251-500 sq ft column.

Site Enquiries

Table 11

Site Enquiries Acres	No. of Enquiries 2008/2009	No. of Enquiries 2007/2008
0.1 - 2	9	8
2.1-5	7	16
5.1-10	8	6
10.1-20	4	16
20.1-40	5	6
40.1+	3	8

Figure 11



There has been a decrease in the amount of land enquiries over the last year, and Figure 11 shows how these enquiries are distributed across size requirements. The majority of land enquiries are for smaller areas of land up to 10 acres.

Table 12

Land	North Warwickshire	Nuneaton & Bedworth	Rugby	Stratford on Avon	Warwick
0.1 - 2 acres	3	5	6	3	5
2.1 - 5 acres	1	3	2	3	5
5.1 - 10 acres	6	10	5	6	5
10.1 - 20 acres	1	1	1	2	2
20.1 - 40 acres	5	5	5	5	5
40+ acres	2	2	2	3	2

Table 12 shows how the searches are fairly evenly distributed across the County. This is mainly due to the fact that most enquirers specify a county-wide search rather than specific boroughs and districts. The highest demand is plots of land between 5 and 10 acres in Nuneaton & Bedworth with a total of 10.

Vacant Premises

Due to the current economic climate, the Partnership has seen an increase in the number of commercial properties available on Evolute from 319 as of 31st March 2008 to 536 on 31st March 2009, which is an increase of 68.9%.

In particular, there has been an increase in available retail premises, the majority in town centres, from 43 as of 31st March 2008 to 96 on 31st March 2009, which is an increase of 123.3%.

Annual Targets and Successes (April 2008 - March 2009)

The following table highlights the achievements of Warwickshire Investment Partnership over the last twelve months. 65 investments have been made in the County this year creating 486 new jobs and safeguarded / relocated a total of 261.

The following are the companies that have invested in Warwickshire over the last 12 months that have been helped by the Partnership. Companies are listed according to the District they have relocated to, set up or expanded within.

Nuneaton & Bedworth Borough

9753	Construction company moved out of Coventry onto Bayton Road Industrial estate. 2 new jobs created.
10398	Company moved into Centenary Business Centre. 6 jobs safeguarded
8580	10 new jobs - expansion of existing facility. In addition to the 60 jobs reported in Quarter 4 2007/08.
10561	CAD design shop fitting company expanded their operations into EPIC . 7 new jobs created.
10854	Energy company downsized within the Centenary Business Centre, Nuneaton. 1 jobs safeguarded.
10391	Expansion, moved to Centenary Business Centre, 3 jobs safeguarded
HBC 1	Lawn care franchise moved into Hammond Business Centre. 1 job created.
10853	New start up company provides energy performance certificates to domestic markets as part of HIPs pack. 1 new job.
10682	Transport company relocated within Warwickshire, moved into the Centenary Business Centre in Nuneaton. 4 jobs safeguarded.
CBC 1	Expanding IT company moved to Centenary Business Centre, 1 job safeguarded
10693	Fascia and roofline renewal company, new start up moved into the Centenary Business Centre in Nuneaton. No job figures
10851	Courier service downsizing, based at the Centenary Business Centre in Nuneaton. Safeguarding 1 job.
10860	Tooling maintenance company downsizing, moved into Hammond Business Centre, Nuneaton. 1 job safeguarded.
7972	Organisation expanded their operations into Nuneaton on Eliot Business Park. No jobs created.
10861	Electronic control systems manufacturer within the marine industry expanded within Pool Road Business Centre.
10858	New start up moved into Eliot Park Innovation Centre, 2 jobs safeguarded
10017	Moved to Centenary Business Centre, 2 jobs safeguarded
CBC 2	Moved to Centenary Business Centre, 10 jobs safeguarded
10242	Expanding company moved to office premises in the town centre of Nuneaton. 1 new job created.

Jobs Created	Jobs Safeguarded	Jobs Relocated
22	31	0

Rugby Borough

RBC 4	Large supermarket chain located in a new purpose built store in Rugby. 350 jobs created.
9608	Temporary site taken on Somers Road for building company in Rugby. 6 jobs safeguarded.
10382	IT company further expanding in Rugby, 2 new jobs

Rugby Borough continued

10399	Company moved into Sir Frank Whittle Business Centre. 2 jobs safeguarded
RBC 1	New start up nursery in Rugby. 7 new jobs.
RBC 2	Specialist Home Delivery Company started up in Rugby. 2 new jobs.
RBC 3	Expansion of existing office based company in Rugby. 8 safeguarded jobs. 4 new jobs.
9560	Waste management company set up a recycling facility at Hunters Lane in Rugby. 1 job safeguarded.
10780	Bio-testing facility (non destructive) set up in Sir Frank Whittle Business Centre. 3 jobs safeguarded
9412	Food manufacturer and distributor relocated within Rugby. 4 safeguarded jobs.
10035	Suppliers of spares to the mining industry, expansion, moved to SFWBC. 4 jobs safeguarded.
10564	Company moved into Sir Frank Whittle Business Centre. 2 jobs safeguarded

Jobs Created	Jobs Safeguarded	Jobs Relocated
365	30	0

Warwick District

10016	Recruitment agency expanded their operations from London to Leamington Spa. 1 new job created.
6996	Relocation within Warwickshire, moved to Abbey Park, 30 new jobs and 25 jobs safeguarded.
10259	Plumbing company moved to Budbrooke Industrial Estate, 10 jobs relocated
8643	Expanded in Warwick, 8 new jobs, 30 jobs safeguarded
9033	ICT company relocated within the district to Heathcote Industrial Estate. 10 jobs safeguarded.
10263	Wholesale company relocated within Warwick, at Honiley Farm Business Park. 2 jobs safeguarded.
10229	Events company moved to new offices in Leamington Spa. 2 new jobs created.
10421	Specialist lighting company relocated within Warwickshire, moved to Warwick. 3 new jobs created and 5 safeguarded jobs
10397	New start up gift shop moved to Warwick, 3 new jobs
9881	Packaging company relocated within Warwickshire to Burnt Heath, Leamington Spa. 1 new job.
10449	Bathroom specialist relocated within Leamington Spa. 6 jobs safeguarded.
10554	New start up Australian company relocated from Coventry to Warwick. 1 new job created 1 job relocated.
10292	Nursing agency relocated from Coventry to Leamington, 2 jobs relocated
10373	Office fit-out company relocated within Warwickshire to Athena Court Tachbrook park. 20 jobs safeguarded.
9579	Chartered accountants relocated within the district to Leamington Spa. Safeguarding 22 jobs
10407	The UK IT Association relocated from Solihull to Warwick Innovation Centre. 1 job relocated.
10242	Expanding company, second office in Leamington Spa. 1 job safeguarded.

Warwick District continued

- 9859** New start up dentist surgery in Leamington Spa. 11 new jobs created.
- 9828** Sound studio relocated within Warwickshire to office in Leamington Spa. 2 jobs safeguarded.
- 10706** French wholesale company moved to Heathcote Est in Warwick. 5 new jobs created.
- 10794** Existing theatre company required additional storage and rehearsal space in Warwick. No jobs created or safeguarded.
- 10651** Construction company expanded operations into Warwickshire. Moved into offices in Leamington Spa. 1 job relocated.
- 10627** Registered Charity acquired new premises in Warwick. No job data given yet.

Jobs Created	Jobs Safeguarded	Jobs Relocated
65	123	15

Stratford on Avon District

- SBC 1** Company relocated to Smallbrook business centre. 5 jobs relocated from Birmingham.
- 9919** Taken storage unit at Smallbrook Business Centre.
- 10290** Expansion of existing dental practice in Stratford. 12 jobs safeguarded and 4 jobs created.
- 10049** Commercial vehicle dealership relocated to Wellesbourne Business Park, 4 new jobs, 20 jobs safeguarded
- 10715** Existing vehicle recovery company expanded operations into Southam. 7 new jobs created.
- 10257** Dental practice expanded into Southam. 5 new jobs created.

Jobs Created	Jobs Safeguarded	Jobs Relocated
20	32	5

North Warwickshire

- 8904** New start up in Ansley creating 2 new jobs
- 8214** Minibus transport company have relocated within North Warwickshire within a youth centre in North Warwickshire. 4 jobs safeguarded.
- 10385** Vehicle hire company have set up in Marston, North Warwickshire. 2 new jobs created.
- 10454** Software and consultancy company relocated to Coleshill. 20 jobs relocated, 10 new jobs over next 12 months (from January 2009).
- 10692** Dry cleaning company opened in Coleshill. 1 full time job relocated.
- 10108** Bookshop required further storage in the Ansley area. No jobs created

Jobs Created	Jobs Safeguarded	Jobs Relocated
14	4	21

Sub Regional Success (Coventry and Solihull)

9988	Exhibition and conference organisers moved to Coventry
10268	Managed office in Coventry
9625	Automotive company moved to Aldermans Green Industrial Estate, Coventry
10303	Software company moved to Coventry Techno Park
10237	Advanced manufacturing company moved to University of Warwick Science Park
10448	Business consultancy moved to Electric Wharf
9543	Australian company moved to Warwick Science Park (since moved to Technology Park in Warwick)
9688	Civil engineers moved to Ricoh Arena
6382	Construction company moved to Elmdon Trading Estate in Solihull