# Automotive Council Technology Group Technology Group Work Stream 3

# **OEM and Supplier R&D Inward Investment**

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Technology Road Maps and Test Bed	Strategic Activities	Low Carbon Infrastructure	Supplier Development	Funding and Academic Partnerships	
Tite Hale Sombustion				$\square$	
Energy Storage and Energy					
Management Lightweight Vehicle and Power Train		#2			
Structures Power Electronics and Electrical					
Machines					_
Emerging					
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## Objective

- □ To become the conduit for information sharing between the Automotive Council's Technology Group and the Supply Chain Working Group
- Develop the supply chain to develop the four strategic technologies
- Develop solutions to enable successful R&D investment from OEM/Tier 1 suppliers for the four strategic technologies:-
  - Internal Combustion Engine
  - Energy Storage & Energy Management
  - Lightweight Vehicle & Powertrain structures
  - Power Electronics and Electrical machines

### **Current situation**

Global OEM's:

- Established R&D centres based on founding company location and actual or legacy market location/ manufacturing footprint.
- Multiple R&D centres with some strategic alignment but competing internally for new technology lead to various degrees.
- □ For established UK R&D centres how do we foster inward investment in strategic technology areas?
- □ For OEM's with no UK R&D footprint is there opportunity to attract small scale satellite facilities based on co-location to technology supply base, then how do we nurture supply base such that satellite facilities grow with technology expansion/adoption?





Tier 1 Supply base:

- Established R&D centres based on founding company location and primary OEM customer locations (global).
- Perception that UK has limited tier 1 supply base and this leads to inability of tier 2 suppliers to compete effectively except via technology start-up initiatives etc. [Need Data]
- Benchmark UK competition [Need Data]
- Establish Target Suppliers & develop "Why Buy" UK on case by case basis for target suppliers?

**Tier 2 Suppliers** 

- □ Less established R&D footprint and opportunity to attract based on incentives and tier 1/OEM customer base
- □ Perception UK based suppliers struggle to compete in Global market given limited tier 1 footprint
- Develop "Why Buy" case matrix of UK strengths per technology category

	Internal Combustion Engine	Energy Storage & Energy Management	Lightweight Vehicle & Powertrain structures	Power Electronics and Electrical machines
Environment				
Skills base				
Manufacturing				
Customer base				
Government support				
etc				



#### **Next Steps:**

- Develop Work Group Charter & define problem statements: Challenges for the UK 1. - Complete current situation analysis including substantiation of perspective with industry data analysis
- 2. Initial Meeting with Supply Chain Working Group
  - Establish Relationship, expectation and needs of both groups
  - Mechanism for interaction & alignment
- 3. Establish interactions, expectation and needs of other working groups
- 4. Develop:-**Proposed Target**

**Gap Analysis** 

**Root Cause Analysis** 

#### Strategy proposal and control items for the objective

- Governmental level
- Industry level
- Academic level