

NVN's CR&D Plans for FY1415

Rob Anderson





2014 Niche Vehicle Competition Briefing

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The Niche Vehicle Network

- **Since 2004** – started as a regional (Advantage West Midlands funded) network and expanded across the UK since 2011.
- **Since 2011** – funded by Technology Strategy Board, OLEV and BIS; part of the Technology Strategy Board Low Carbon Vehicles Innovation Platform
- **Purpose** – to promote collaboration between niche vehicle manufacturers, niche suppliers and specialist design-engineering companies
- **Business Model** – free membership, free events, funding by public sector sponsors wishing to promote innovation & economic growth of the sector
- **Support Mechanisms** – providing grants for collaborative R&D projects, hosting networking events, showcasing successful projects at industry events, providing help/advice to members
- Membership now stands at over 500 companies

NVN Activities

- Regular networking events
- NVN Annual Symposium
- Stands at shows & exhibitions

- Collaborative R&D projects
- Other funding activities
 - Wind tunnel

- Website with members' area
- Niche Supplier Directory
- Niche Vehicle Design Guide

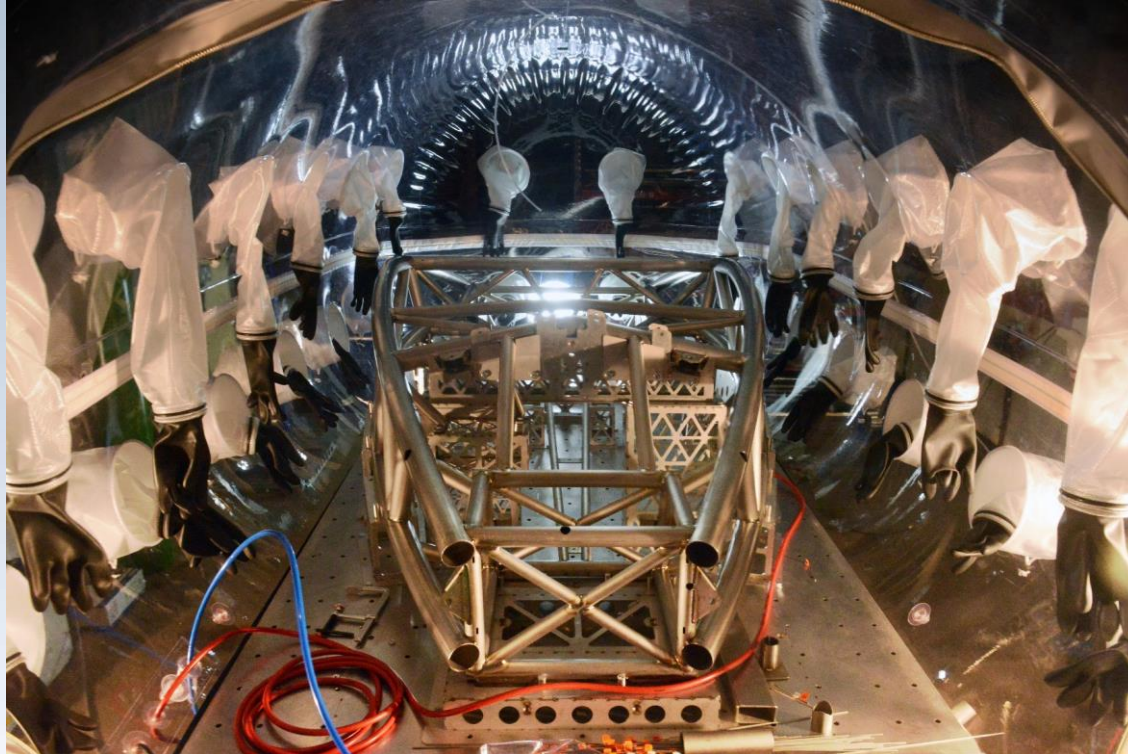


Previous R&D Projects

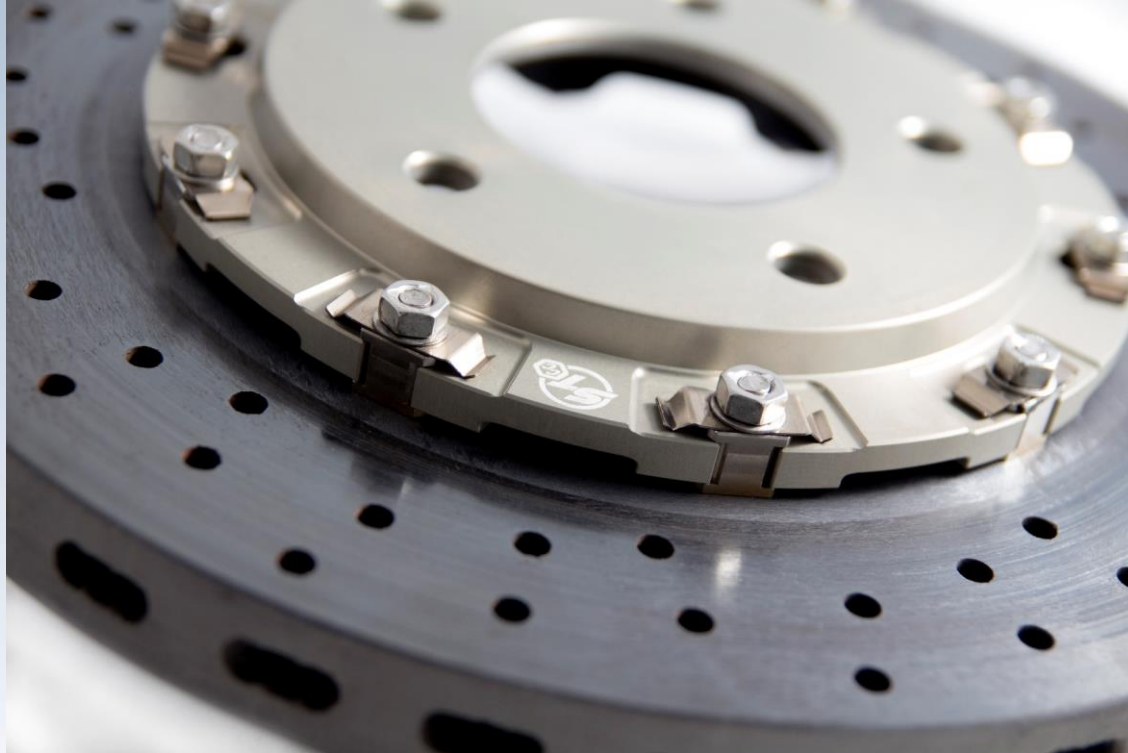
Morgan – Plus E



Ariel Atom – Ti Chassis



Surface Transforms – Lightweight Carbon Ceramic Brakes



How does collaborative R&D work?

- Small groups of companies working together as a 'consortium' to develop a new and innovative product or technology, to the stage where it can be demonstrated
- One company takes the lead role in developing and managing the project, the other companies work in partnership
- The types of organisations that can participate include niche vehicle manufacturers, system and component manufacturers, design and engineering companies, test and development specialists, universities and vehicle converters
- Each organisation pays their own R&D costs and claims 50% back in grant funding

2014 Niche Vehicle Competition

- The Technology Strategy Board and OLEV are joint sponsors
- Up to £1,200,000 to support innovative R&D projects
- Open to all UK companies active in the niche automotive sector
- Successful projects get the opportunity to demonstrate their success at various events and shows



Technology themes / scope

Projects must be **primarily applicable to road-going niche vehicles**, with demonstration at vehicle or system level, and align with one or more of the following technology themes:

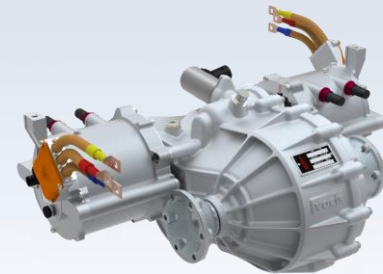
Improved Fuel Efficiency & Carbon Reduction

- Electric vehicle/system development
- Hybrid vehicle/system development
- Use of alternative fuels
- Reduced emissions from IC engines
- Aerodynamics development



Weight Reduction & Recyclability

- Vehicle/chassis/BIW structures
- Body panels, closures & interiors
- Powertrain systems
- Ancillary systems
- Safety systems



Guidelines & constraints

- R&D must be undertaken in the UK
 - Consortium must include a niche vehicle manufacturer
 - Clear 'route to market' for the end-product must be identified
 - Lead partner must be a UK company active in niche sector
 - Lead partner cannot be a 'micro' business
 - Universities / University Group Companies cannot lead
 - Lead partner submits the bid and manages the project
 - Organisations cannot lead more than one bid
 - Organisations cannot participate in more than 2 bids in total
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- Concessions apply for system-level R&D projects

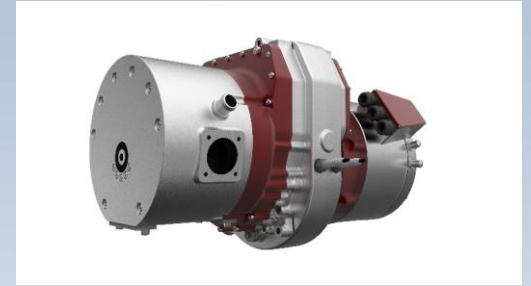
Vehicle-level projects

- Maximum grant per project: £150k
- Minimum grant per project: £75k
- Share per partner: 10% to 50% of total project grant
- 50% intervention rate
- Minimum number of partners (including Lead) per project: 3
- Project duration: up to 7 months (inc 1 month wrap up)



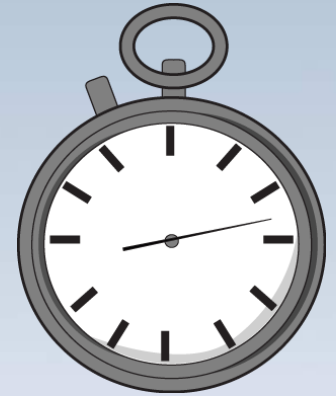
System-level projects

- Maximum grant per project: £75k
- Minimum grant per project: £50k
- Share per partner: 20% to 70% of total project grant
- 50% intervention rate
- Minimum number of partners (including Lead) per project: 2
- Project duration: up to 5 months (inc 1 month wrap up)



Competition timing

- Competition Opens: 1st May 2014
- Application Pack Requests: Noon, 13th June 2014
- Proposal Deadline: Midnight 3rd July 2014
- Panel Presentations: W/C 4th Aug 2014
- Winners Informed: W/C 11th Aug 2014
- Projects Start: 1st Sept 2014
- Projects Workshop: 10th & 11th Sept 2014
- Last Projects Close: 27th February 2015



Application Process

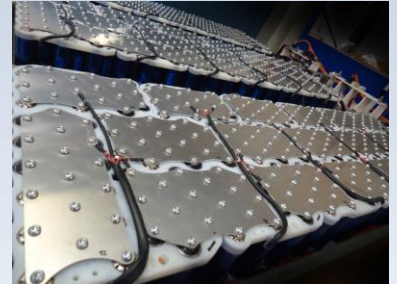
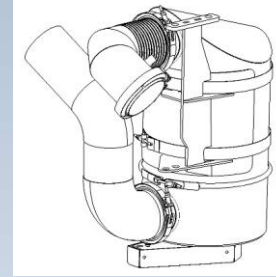
Request application pack

nvn@cenex.co.uk

- Application Pack Requests: Noon, 13th June 2014
 - Proposal Deadline: Midnight, 3rd July 2014
1. **Guidance notes in PDF**
 2. **Application form in MS Word**
 3. **Annex A in MS Excel**
 4. **Collaboration Agreement**
- You will receive a Unique Identification Number
 - This must be quoted in all communications

Project assessment criteria

- Alignment with technology themes
 - 'Added value' of the grant
 - Technical approach
 - Innovation
 - Consortium capabilities
 - Market opportunity
 - Project risks
 - Value for money
-
- The project application form covers the above criteria
 - You also need to write an abstract (project summary)
 - The Project Plan and a financial spreadsheet are in an Annex



A) Alignment with technology themes

In section A of your bid, you will need to:

- Explain how your project (or the end-product) aligns to one or more of the competition's technology themes
- Flag up any potential environmental benefits the system may deliver, such as reduced carbon emissions, weight reduction or improved recyclability

Question A is a 'gateway' – this means you must, as a minimum, show alignment to the themes of the competition and flag up potential environmental benefits.

B) Added value

In section B of your bid, you will need to:

- Explain how our funding will increase your total (UK) R&D expenditure, including the investment you and your partners are making within your project
- Indicate why our funding is needed to enable the project to proceed, how it will help
- Identify any likely further R&D expenditure which is a consequence of the project, but not included within it

Question B is a 'gateway' – this means you must, as a minimum, show that the grant will increase R&D expenditure.

C) Technical approach

In section C of your bid, you will need to:

- Show that your technical approach to R&D is likely to deliver your project objectives
- Refer to your Gantt chart and explain why you believe it is appropriate and realistic
- Demonstrate that the project will be completed within the specified time limit

D) Innovation

In section D of your bid, you will need to:

- Show that your project is developing new technology **OR** is developing a new application for existing technology
- Clearly identify the innovative elements of your project
- Where appropriate, explain how the innovation aligns to the needs of the niche sector, or why it will be of benefit

E) Your consortium

In section E of your bid, you will need to:

- Explain how the members of the consortium have complementary capabilities
- Describe how collaboration will be mutually beneficial
- Identify relevant skills & experience
- Include any track record of working together (if applicable)
- Show how partners in the consortium will be able to exploit the outcomes or results of the project
- Name any subcontractors and explain their role
- Show that you can provide a suitable project manager

F) Market opportunities

In section F of your bid, you will need to:

- Describe current market conditions and dynamics
- Describe the market opportunity and its potential scale
- Provide evidence that there is likely to be demand
- Specify the 'route to market'
- Explain – and where possible quantify – potential commercial benefit to consortium members and beyond
- Outline the return on investment and related timescale
- Outline how the consortium will manage and protect any new IPR resulting from the project

G) Risk management

In section G of your bid, you will need to:

- Identify the main risks and categorise each of these as primarily technical, commercial or managerial
- Explain how these risks will be managed and, where possible, mitigated
- Show that any significant risks are justified by the potential returns
- Pay particular attention to any risks which might undermine the project or your business strategy
- Explain how risks will be managed through the project
- Explain how you will manage the risk of over-running

Annex A – Finances

- Must include **all** the eligible costs incurred by all partners
- Grants paid on the basis of **actual** eligible costs incurred.

Eligible Costs

- Labour
- Overheads (up to 85%)
- Materials Consumed
- Capital Equipment
- Subcontracts & Consultancy
- Travel and Subsistence
- Software

Ineligible Costs

- VAT
- Interest
- Advertising and marketing
- Profit
- The value of existing assets
- Project audit/legal fees

Bid assessment

- 2 stage process
- Independent assessment
 - Project ranked
- Presentation to Assessment Panel
 - Project presentation
 - Q&A session
- Winning projects informed W/C 11th August

Live projects

- Projects start: 1st September 2014
- Projects end: 27th February 2015
- Quarterly monitoring meetings (face to face)
- Monthly progress reporting
- Final project report
- Quarterly grant claims, in arrears
 - Individual partner invoices
 - Paid individually

Thank you

Any Questions?

