



Industry 4.0: the opportunity for UK manufacturing

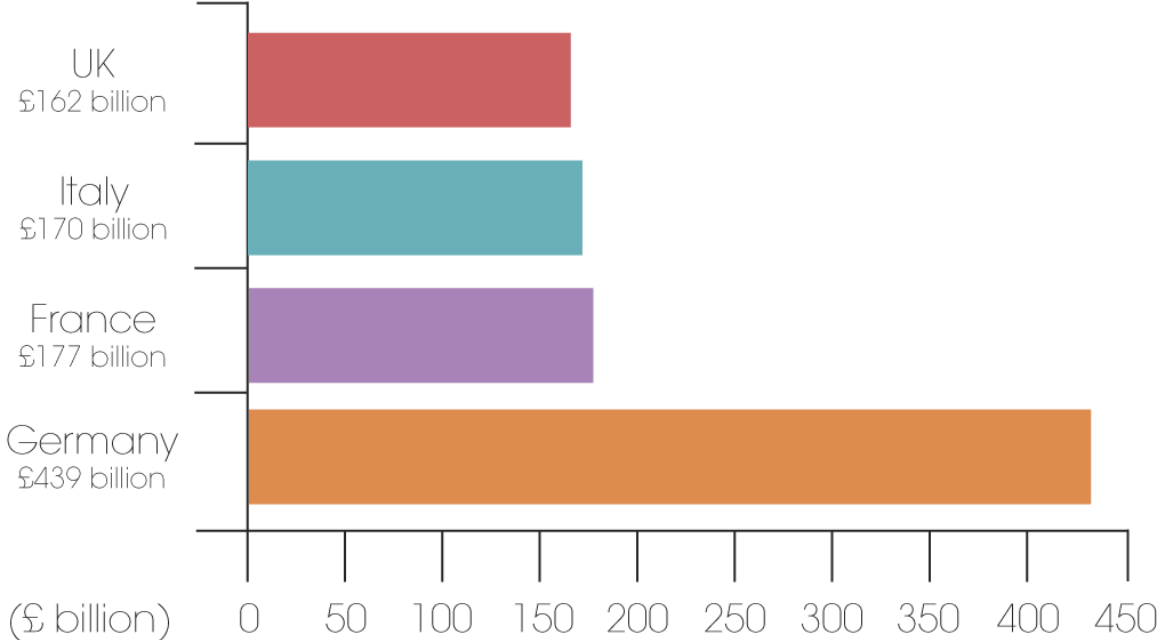
THEManufacturer

GAMBICA

COMPARISON

German Manufacturing Industry is 2.7 times larger than the UK...

Manufacturing Output

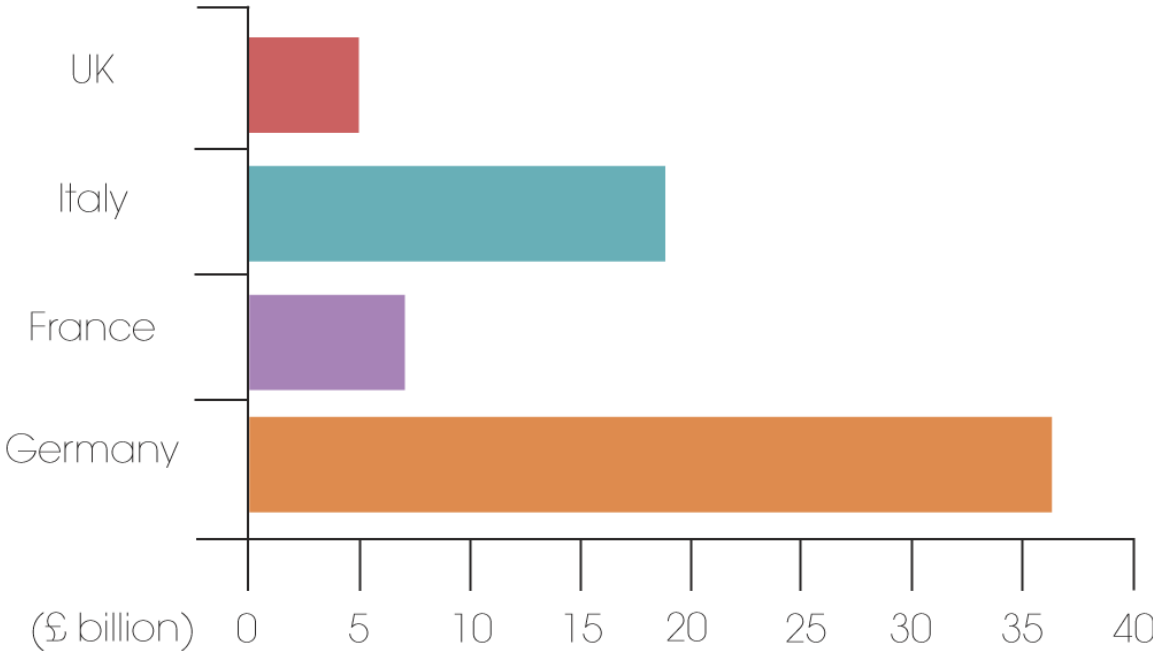


Source: House of Commons Briefing Paper Number 05809

COMPARISON

... However Germany invests 6.6 times more in automation than the UK

Index of Automation Investment



Source: GAMBICA

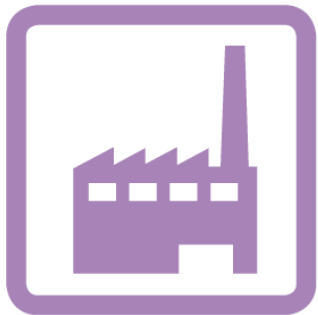
INVESTMENT

Germany plans to invest additionally in Industry 4.0...



€200m (£144m)

Planned investment by German Government by 2017



€40 billion (£29 billion)

Planned investment by German Industry per year by 2020

Source: European Commission & PWC

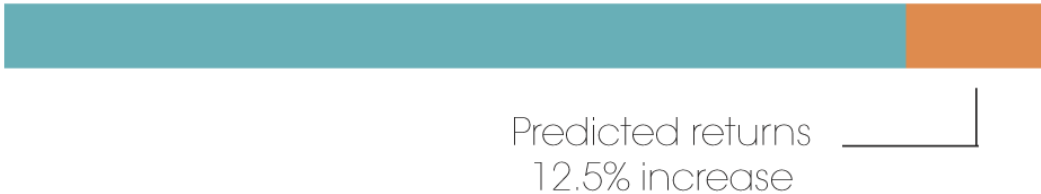
INVESTMENT

...with a significant return on the investment

Turnover



Revenue

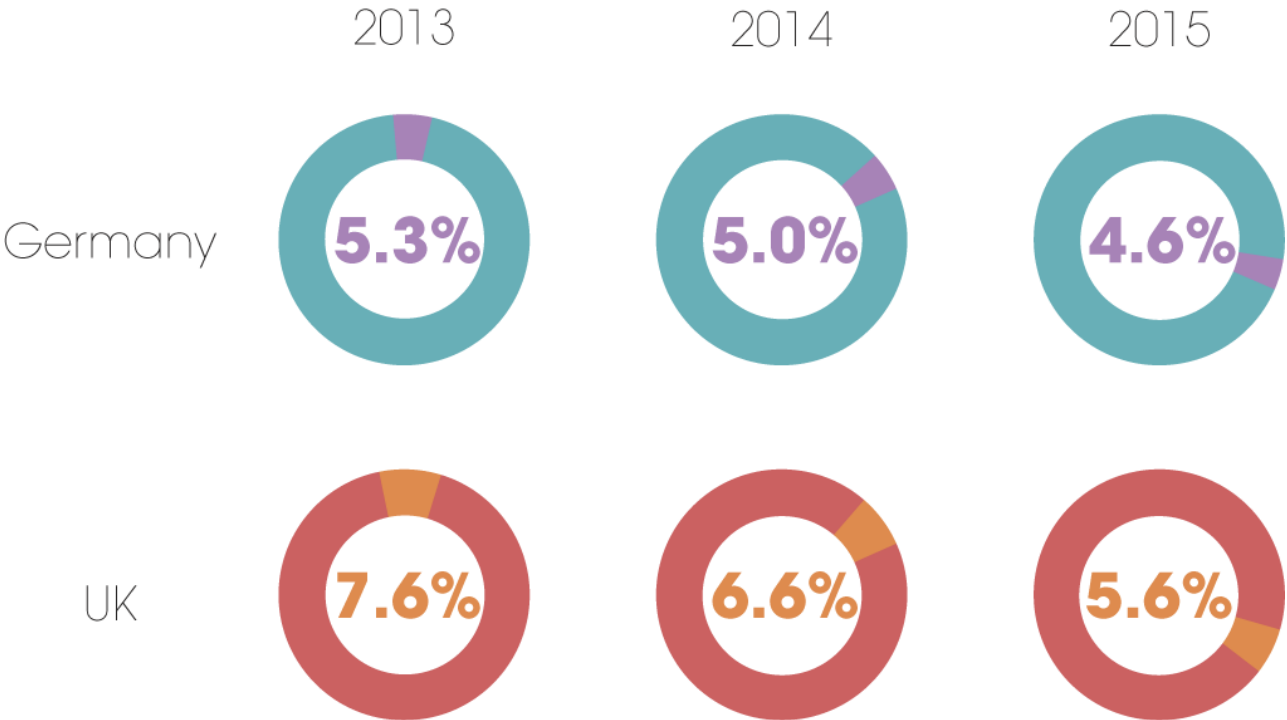


Equivalent to a **£20 billion increase** in UK manufacturing earnings

Source: PWC: Opportunities and challenges of the industrial internet

RESULT OF INVESTMENT

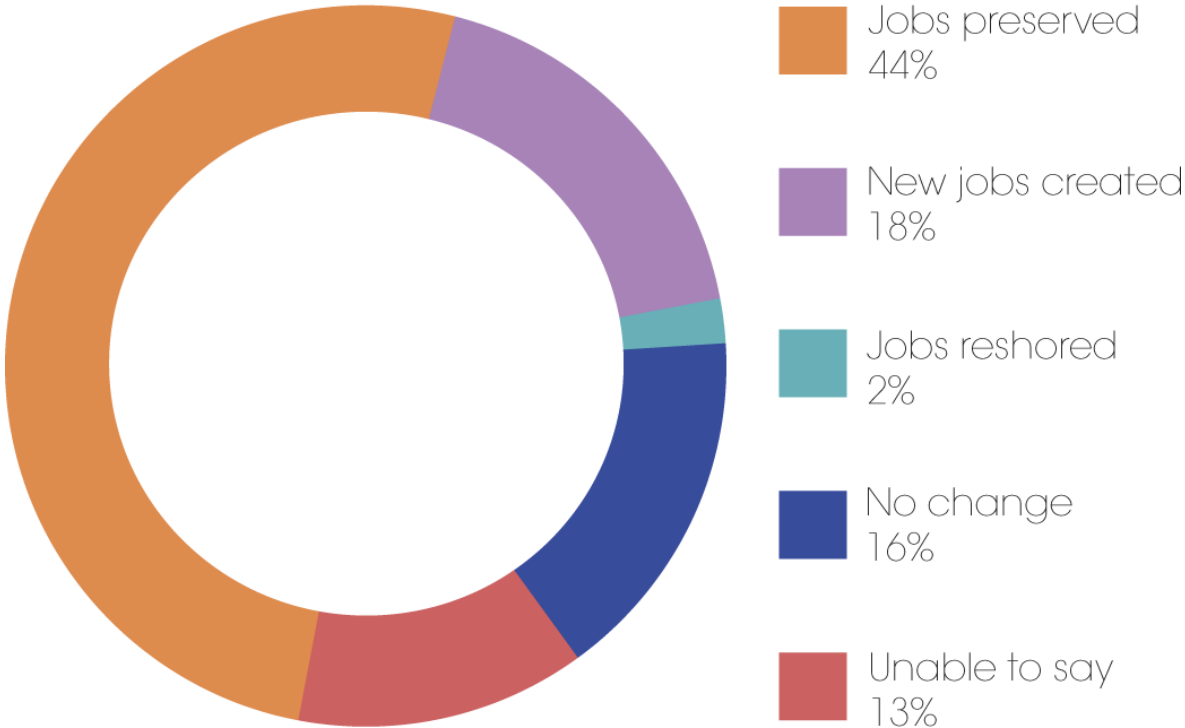
No negative impact on unemployment...



Source: Office for National Statistics / ZVEI

RESULT OF INVESTMENT

...backed up by UK manufacturer experience of automation



Source: The Manufacturer: Annual Manufacturing Report 2015

RESULT OF INVESTMENT

UK Manufacturers have positive experiences with automation

93%

of manufacturers report that automation projects met the objectives

94%

of manufacturers report their automation supplier met expectations

Source: The Manufacturer: Annual Manufacturing Report 2015

OPPORTUNITY

UK has an opportunity for Industry 4.0 to increase manufacturing productivity but co-ordination between government and industry is needed to give the confidence for manufacturers to invest

We need from government...

- Clear industrial Policy
- A benign investment environment
- A stable policy environment over the long term
- Engagement with all stakeholders from SMEs to multi-nationals
- Engagement with pro-active industry bodies