

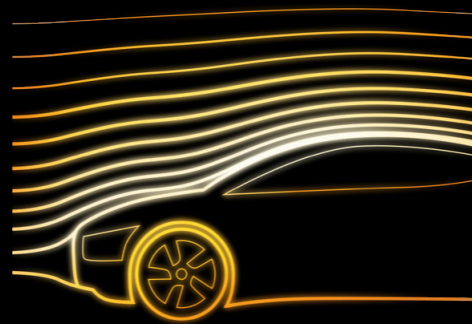
Automotive Business Opportunities

How businesses can gain commercial benefit from new opportunities in the automotive industry



Achieving commercial benefits from the rapidly changing automotive industry

The automotive industry is changing at a faster rate than at any previous time in its history. This offers opportunities for existing automotive supply chain companies (where carrying on with 'business as usual' simply isn't an option), but also for companies that currently don't supply into automotive – from sectors such as energy and technology. Businesses introducing innovative disruptive technologies, as Tesla has proven, have a real chance to break through into the mainstream. And small technology companies have greater opportunities to work with the big OEMs, as car manufacturers can no longer have all the expertise needed in-house.



Petrol and diesel vehicle optimisation

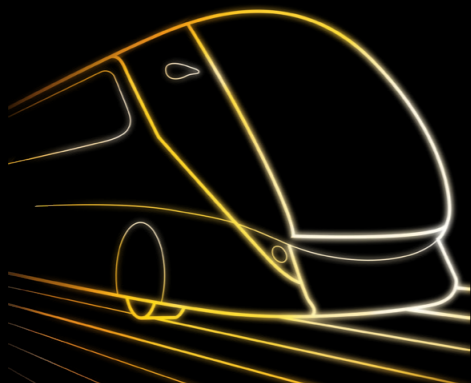
Until we have made the transition to an all-electric future, manufacturers will have to lower the emissions of cars with petrol and diesel engines. Suppliers can assist the OEMs in many areas, such as lightweighting and aerodynamics.

modules, and are built into a pack. There are many other components that make up the finished battery pack, including elements such as the battery cases which are made from steel. There's a big opportunity for a Tier 1 battery supply chain to emerge in the UK, and thousands of people will need to be trained in dealing with this new technology – including in the areas of design, engineering, sales, after-service and recycling.

As well as battery electric vehicles, there are also many opportunities around hydrogen.

Vans, buses & trucks

There's also huge pressure on vans, taxis and buses to become cleaner, with electric and plug-in hybrid technologies now being introduced, as well as the retrofitting of older diesel buses to upgrade them to the latest Euro standards. Most HGVs are unlikely to adopt electric powertrains; hydrogen, gas and sustainable biofuels are seen as possible solutions. And let's not forget about motorbikes.

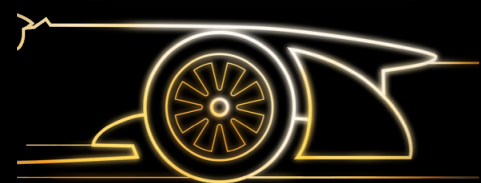


Emissions & the move to electric vehicles

As well as climate change, air quality in the world's growing urban areas is now a major political issue, and to tackle this, cleaning up vehicle emissions is seen as an easy win.

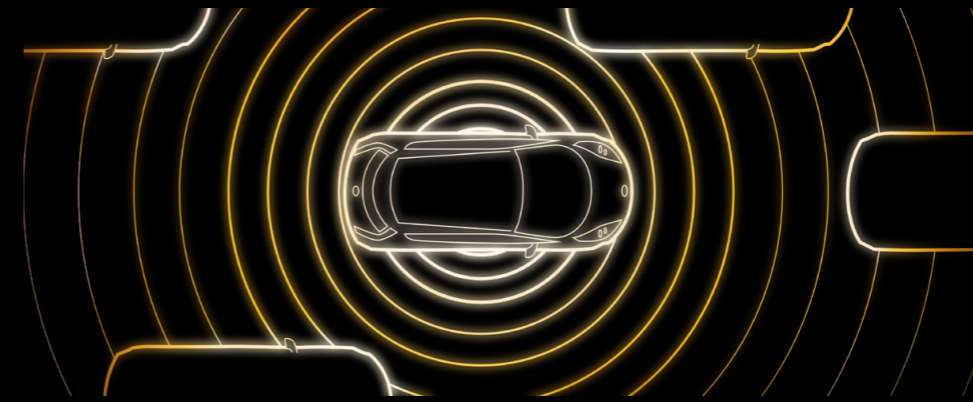
This has led to a number of outcomes, including the UK government recently announcing the ban on petrol and diesel cars and vans sold in the UK from 2040. The industry was heading towards an electric future anyway, but this news has focused minds about electric vehicles being the way forward. There are many opportunities for supply chain companies in areas including batteries, electric motors and power electronics.

Taking the example of batteries, do you need to be an expert in battery chemistry to be part of the battery supply chain? No. Batteries are comprised of cells, which form



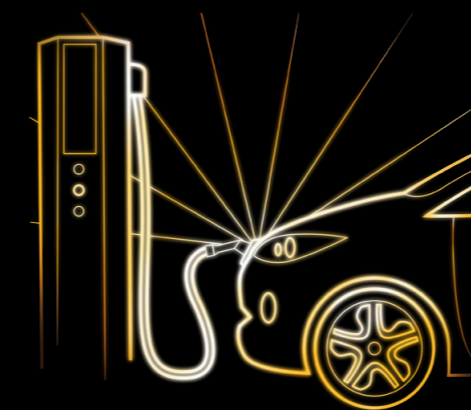
Motorsport

Even motorsport is finally heading down a genuinely low emission route. Formula E has been more of a success than many commentators expected, with the result that a number of manufacturers are now abandoning traditional forms of motorsport and are flocking to Formula E. Many UK companies have already taken advantage of supplying their technologies into Formula E. And yes, even autonomous racing is expected to happen.



Connected & autonomous vehicles

Just as the automotive industry needs to work with the energy sector, it also needs to work for the first time with a whole variety of other sectors. For example, the move to increasingly connected, and ultimately autonomous vehicles (as well as, for example, the increasingly serious proposition of flying cars), requires a wide range of organisations that have probably never supplied into automotive. Technology companies – and academic institutions – are needed in many areas such as software, processors, sensors, data, infomedia systems, satnav etc. And much smarter, joined-up thinking is still required to bring about the successful integration between vehicles and the built environment.



Electric vehicles and the grid

Traditionally the automotive industry and the energy industry have both worked in isolation. This is now all changing as the electricity industry has to provide the energy to power electric vehicles. There are many opportunities within the area of charging and associated infrastructure, as well as management of smart charging, energy storage and vehicle to grid systems, along with associated new revenue streams.

Finance

The next big disruptive automotive start-ups will need finance. Who are the investors that will support the next Tesla? There's a huge gap in UK small business finance. There are great opportunities for more localised, peer-to-peer business lending, and for brokers to bring the investors and the innovators together.



Digital

Vehicle manufacturing is entering a new digital phase, from the design of new cars using immersive virtual reality, to Industry 4.0 and engineering processes being connected by the internet of things. Companies with a specialism in fields such as artificial intelligence and machine learning have key skills to offer the automotive industry.

Testing

With the transition from the NEDC to the WLTP fuel economy test, in conjunction with the introduction of an increasing range of new vehicle technologies, there is an increasing demand for testing, and in particular for solutions that are quicker and more cost-effective than traditional approaches.

Services

There are opportunities for service businesses as well as supply chain companies. We're due to move to a world where people increasingly don't own a car, but instead pay for mobility services, such as car sharing; someone needs to provide the intelligence behind these and other solutions.

Global markets

There are plenty of challenges facing the UK automotive industry that need bright ideas to solve them, but there's also the global automotive market. Governments around the world are introducing stricter legislation to address the problem of air quality, but there are also significant variations in the regional situations and in the speed that individual nations are moving. Expertise from UK automotive is successfully exported internationally today, new smart solutions will equally be in demand globally.



What next?



How do you get from where you are now to supplying the automotive industry with products for tomorrow's vehicles? Automotive Comms in partnership with the NAA can offer market intelligence, project management, and the marketing and communication expertise needed to enter new automotive markets and achieve high growth.



Automotive Comms

Automotive Comms is a marketing and communication consultancy that specialises in the automotive industry, with unrivalled knowledge in the area of low emission vehicles.

The company has an extremely successful track record of delivering effective projects which result in significant business growth. Automotive Comms delivers marketing and communication direction and strategy, branding, website design, e-marketing and multimedia, design for print and exhibitions, photography and video, writing and PR. Automotive Comms is a division of Promote, which has been established for over 26 years, and which also founded www.GreenCarGuide.co.uk, the UK's original green car news site, in 2006, resulting in over 10 years of expert knowledge about the latest developments in low emission vehicles.



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Alliance

The Northern Automotive Alliance (NAA) is an independent, not-for-profit company which provides a membership service combined with a project and contract management delivery function to the automotive community across the North West, Yorkshire & Humber.

The NAA supports micro-companies through to the local global vehicle manufacturers in areas including training, events, funding applications plus strategic, business and technical advice. The NAA supports innovation and has been involved in many R&D projects. It facilitates collaboration, working with a wide variety of UK automotive and government organisations, providing signposting to other sources of support as required.

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