PURPOSE OF REPORT

The purpose of this report is to update the LEP Board on the progress of the Manchester India Strategy; provide details on the launch of the Manchester India Partnership and advise on next steps.

THE MANCHESTER INDIA STRATEGY

Further to the recommendations of the GM Internationalisation Strategy in May 2014 the GM LEP requested that a Manchester-India strategic review be undertaken. MIDAS led the review and commissioned the UK India Business Council (UKIBC) to undertake the study, which was published in December 2014.

The LEP accepted the recommendations of the review and requested the creation of a business plan, which in-turn led to the creation of the public/private GM-India Steering Group in 2015, to advise and facilitate the delivery of the strategy. Both GM LEP and MIDAS have provided short-term capacity funding to create an initial ‘India Desk’ with a full-time person in India and Manchester. To date the LEP has committed circa £120K of support to the GM-India agenda, with MIDAS also providing significant financial and organisational support to the initiative.

Key recommendations from the Strategy Report were:

**A direct Manchester-India air route:** Manchester Airport already has Europe’s 6th largest India air passenger market and the UK’s 2nd, but all 267,719 passengers (pa) currently travel through indirect routes. Manchester’s indirect traffic to Delhi and Mumbai is higher than Madrid, Rome Vienna and Istanbul combined; these cities already have direct services to India.

**Addressing Manchester’s Profile in India:** It was clear from research undertaken by UKIBC that while Manchester was the 2nd best known UK city across India, it was largely regarded as a ‘football city’ and its image as a modern business city was out-of-date (i.e. references to industrial revolution and ‘Cottonpolis’).

**Make in India, innovate with Manchester:** This recommendation was a response to PM Modi’s ‘Make in India’ strategy and was aimed at partnering Manchester’s
world-leading science, innovation and education assets with Indian companies and research institutions to support the realisation of Modi’s vision.

**Supporting GM’s SMEs to succeed in India:** Research suggested that while many of Manchester SMEs are interested in the potential offered by the India market, it is regarded as ‘high-risk’ and therefore SMEs tended to focus on other markets. More support is required from national and local governments to support UK businesses in trading with, and investing in, India.

**A UK India Entrepreneur’s Bridge:** Supporting investment into Manchester by high-value, high-growth Indian technology companies seeking to enter the UK market.

The strategy also recommended that Manchester focus its India development activity on Bangalore in the state of Karnataka, for reasons of potential profile and engagement benefits as well as ‘economic fit’.

**PROGRESS TO DATE**

Over the subsequent two years the India agenda has gone from strength to strength. With a momentum being achieved in several areas, ranging from trade, investment, the direct air route and science & innovation. Highlights include:

**Direct Air Route:** MAG and MIDAS have made significant progress in successfully engaging Indian airlines and relevant Indian government ministries. Commercial discussions are underway with JET Airways, Air India and Spice Jet, with further engagement planned with Vistara and Air Indigo. A MAG/MIDAS delegation met with the chairman of Air India in August 2017 and Jayant Sinha, the Indian Aviation Minister in February 2018, with the minister expressing his support for the direct route.

**Investment:** The tempo of engagement with Indian companies has increased significantly resulting in a pipeline numbering 54 projects and 1,715 potential new jobs. During 2017/2018 India investment has realised 6 project successes, worth 108 jobs created, and 20 jobs safeguarded (See Appendix 1). Significant investment projects include: HCL (Digital Innovation Centre); Hero Cycles (Global Product Development Centre); 42 Gears (Enterprise Mobility Systems); and Tech Mahindra (Tech Services).

**‘The Entrepreneur Bridge’** MIDAS has partnered with Deloitte for last two years to support the Deloitte Fast Tech 50 programme in India, which recognises India’s fastest growing Indian technology companies. MIDAS offered a ‘Manchester prize’ to winners, which included a comprehensive soft-landing package, which has already resulted in the winners investing in Manchester. This year’s cohort of 5 winners will fly to Manchester in April for a Manchester familiarisation visit with a number already expressing a firm interest in investing in Greater Manchester this year.

**Combined Trade and Investment Delegations:** DIT/MIDAS led a Manchester life science delegation to India in February 2017 and did the same for NASSCOM Leadership Summit in Hyderabad (India’s largest Tech conference) in February 2018.

**University/India Collaborations:** University of Bolton & Karnataka State Higher Education Board have signed an MoU regarding a Train the Trainer Centre of Excellence. University of Salford & Biocon Academy are in advanced discussions regarding a drug design course. The University of Salford has also signed a
partnership agreement with the Indian Institute of Management Bangalore (IIMB), one of the top management schools in Asia.

**Indian High Commission:** Manchester has hosted the previous Indian High Commissioner and has developed close links with the High Commission of India in London with multiple visits to Greater Manchester from HCI figures over the past 2 years. The HCI is supportive of appointing an Honorary Consul to Manchester and are currently in the process of identifying potential candidates.

**Events/Visits:** Co-sponsored several high-profile India events, including: 2017 Confederation of Indian Industry CEO summit in London – a high profile delegation of Indian CEOs that visit the UK annually; held ‘Make in India, innovate with Manchester’ events in Manchester, London and in India; supported an annual Diwali dinner in Manchester with Deloitte, bringing together existing and future investors in Manchester as well as GM businesses trading, or potentially trading with India.

**MANCHESTER INDIA PARTNERSHIP**

The Manchester India Partnership (MIP) is essentially the next stage of and the formalisation of the India Steering Group (IST) referred to above. It is intended to provide a sustainable public/private platform with which to take Manchester’s India agenda forward and very much follows the precedent of the ‘Manchester China Forum’ in format.

The MIP encompasses the full scope of country to city interaction: trade, investment, tourism science and innovation, connectivity and culture. The MIP leadership team will consist of senior representatives of Manchester’s business, university and public sectors; the intent being a joined-up and strategic approach to one of the UK’s most important international partners.

The MIP will have a permanent full-time team based in Manchester, Delhi and Bangalore and the inaugural Chair of the MIP will be Andrew Cowan, CEO of Manchester Airport. Founding partners of the MIP are: Manchester Airport Group (MAG); Deloitte; Squire Patton Boggs; Confederation of British Industry (CII); Greater Manchester LEP; and MIDAS (Growth Company).

The launch of the MIP took place on 1st February at the House of Commons in a joint event with the Confederation of Indian Industry (CII). Key speakers included: Baroness Fairhead, DIT Minister; Lord Jim O’Neil, Matt Hancock, Minister of Digital, Culture and Sport, David Landsman, UK CEO of Tata Group, Andrew Cowan, MD Manchester Airport and the High Commissioner of India to the UK, His Excellency Mr. Y.K. Sinha. Recent Manchester investors HCL, Hero Cycles, Tech Mahindra were also part of an ‘investor panel’, with Tech Mahindra announcing the opening of its new 65-person HQ in Salford. The audience consisted of over 100 senior business and political representatives, 36 of these were Manchester invitees.

Coverage of the launch was featured in UK and India publications including India Today, India GB News, Hindu Business Line, Asian News International and interviews on BBC Radio.

Following the 1st February launch, the MIP launched in Mumbai as part of the UK-India Createch Summit on 6th February. Manchester featured as a ‘Silver Sponsor’ with strong brand presence and profile throughout the event. Key government representation included Baroness Fairhead, supported by UK HC Sir Dominic Asquith and the new India Trade Commissioner Crispin Simon. Andrew Cowan led the
Manchester delegation, which included MIDAS, MAG, Deloitte and a Virtual Reality Trade delegation from The Landing, Media City. Both Andrew Cowan and Tim Newns had speaking opportunities during the Createch Conference, including a high-profile ministerial press conference, and MIP also co-sponsored the Tech Rocketship competition, targeted at high growth Indian tech companies which should result in further investment from high growth Indian companies.

Visit Britain also used the Createch Summit to launch its new India campaign during a gala event, which again the MIP co-sponsored. Indian Tourism is a major area of opportunity for the UK and GM, which HMG is keen to better engage (See next-steps section).

The launch of MIP has been complemented by sponsored content on LinkedIn, which is performing strongly in the target cities of Mumbai, Delhi, Hyderabad and Bangalore. The campaign has yielded 315,701 impressions, 2,515 clicks with an average CTR of 0.79 which is well above the industry benchmark of 0.34.

Finally, week commencing 18th February, MIP/MIDAS/DIT led a combined investment and trade delegation to the NASSCOM Leadership Summit in Hyderabad, followed by a visit to Bangalore and ultimately to Mumbai. MIDAS hosted an investment round table in Hyderabad promoting Manchester’s Digital Health offer to Indian technology and life science companies. In Bangalore there was a MIP Bangalore-Manchester Tech Partnership Reception; which was trade and investment focused, aimed at ‘match-making’ the trade delegation with potential local partners and promoting awareness of the two city regions tech capabilities and potential for collaboration.

This delegation has already realised success, with two of the delegate companies signing trade deals on the visit (one with Infosys, one of India’s largest IT companies) and another Altrincham-based company Inform Solutions winning a merit award at NASSCOM.

Following an open procurement process a PR agency has been selected to maximise the impact of the Manchester India Partnership in promoting the strong investment and trade stories as well as the wider key themes. The successful agency was International Projects Group (IAC) based in Mumbai with offices in Delhi, Pune, Bangalore and Chennai. Over the next 6 weeks they are tasked to achieve a series of hard-hitting business stories to further raise the profile of Manchester as an attractive destination for Indian companies to expand and grow their business.

PROPOSED NEXT STEPS

The first MIP leadership group meeting met on March 8th, 2018. Immediate key activity will include:

- **Strategy Refresh**: The MIP intends to undertake a quick strategic review, to ensure the 2014 work is still relevant, especially with upcoming Brexit considerations.

- **University Engagement**: The Universities are a key element of the GM-India opportunity. While all four GM institutions are supportive of the MIP, most prefer to take a case-by-case approach to supporting it financially – based on specific activity or events. The intent therefore is to look at commissioning an India-Manchester universities review, aimed at creating a pan-GM engagement plan.
Once scoped, it is hoped the universities will individually support the study and by association the MIP.

- **Bangalore**: Significant progress is being made in building relationships with the state of Karnataka (Bangalore) at a ministerial level. The intent is therefore to seek ways to formalise and deepen the relationship between the Bangalore and GM.

- **Honorary Consul**: The HCI is supportive of the need for a consular presence in GM. The MIP has been asked to submit a list of potential candidates with the view of making an appointment later this year.

- **High-Profile Activity**: The MIP will apply for GREAT funding to support a significant GM-India event linked to the upcoming England-India T20 cricket match on July 3rd. A request will also be made that the funding application will support a return-trip from GM leadership, most likely to Delhi and Bangalore later in the year (See Appendix 2).

- **MIP Funding/Partners**: The intent is to increase the membership beyond the launch partners to include other professional services companies (e.g. bank/PR company) on a paid-for basis. Other partners will be considered based on influence/commitment as well as cash contribution. The GM Universities remain a key target group. The LEP has confirmed circa £25K of funding for the MIP in 2018/2019.

- **Tourism**: The MIP partners are keen to explore the fast-growing India tourism market, which will increase by 20% per annum between 2017 and 2020 to 50 million tourists. However, France has overtaken Britain as the preferred European destination; with the UK’s market share decreasing from 4.4% in 2006, to 1.9% in 2016; 600,000 Indians visited France versus 415,000 to the UK. UK Visa restrictions are regarded as being a primary contributory fact; UK visa competitiveness has declined from 22nd to 108th in global rankings since 2012.

**Conclusion**

In summary, the GM India Strategy commissioned by the LEP has been implemented successfully, resulting in the creation of a long-term sustainable organisation – the Manchester India Partnership – to continue to steer the agenda in the future. The next steps are to review the strategy, which is now approaching 4 years of age, build the partnership and its financial sustainability and continue to deliver high-value partnership activity that makes continually greater impact.

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APPENDICES

1.0 Indian investment successes:

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<th>Jobs Created</th>
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Key Investment Projects:

**Vistaar Entertainment**: Opened its Bollywood movie post-production facility in Media City Salford.

**HCL**: Opened its state-of-the-art United Xperience Lab at Old Trafford stadium to explore revolutionary ways, which will make it uses technology to create a unified fan experience for supporters.

**HERO Cycles**: Created its global R&D Centre in Manchester.

**42 Gears**: A leading enterprise mobility management technology business and one of India’s fastest growing technology company’s set-up in Manchester in 2017. 42 Gears was winner of the Deloitte Fast 50 ‘Manchester Prize’.

**Tech Mahindra**: Will open a 65-person Innovation and Digital presence in Salford Quays, during March 2018.

**Other areas of progress**:

2.0 Upcoming GM - India Activity/Events:

**22nd/23rd March**: MAG/MIP in Delhi to meeting Air India (Chair); Jet Airways; Vistara (CEO); and hopefully Indigo.


**22nd-24th April**: Fast 50 Winners Visit to Manchester. 3-day itinerary introducing the 5 ‘Manchester prize’ winners to the digital eco-system in GM. The visit will be sponsored by Emirates Airlines, Principal Hotel and other GM partners.

**12th -15th June**: Tech Rocketship Winners will visit Manchester as part of MIP’s co-sponsorship of this important UK-India programme.

**20th June**: International Festival of Business (Liverpool): CII and UKIBC will be running an ‘India Day’ as part of IFB. The event will involve the Indian High Commissioner and will be attended by the annual high-profile CII CEO delegation.
Discussions currently underway re the creation of a Manchester dimension to this activity.

**2nd-3rd July:** England-India T20 Cricket: Leveraging MIP partner funding and a GREAT funding bid, the intent is to use this event to attract various stakeholders to the city from travel trade, business, culture and civic relationship. The event also presents an opportunity for visit by the Indian High Commissioner; formalisation of relationship with state of Karnataka/Bangalore; and awarding of a Manchester Honorary Consul.