

# Press release: £130 million international investment in UK automotive sector

- 4 new automotive plants are opening across the country, creating 500 new jobs
- Investment Minister Graham Stuart welcomes the news and £130 million foreign direct investment into the UK
- UK automotive sector exported £41 billion worth of products in 2017

Minister for Investment Graham Stuart today (Tuesday 3 July) welcomed £130 million of foreign direct investment (FDI) into the UK automotive sector, creating nearly 500 jobs in four new plants across the country.

The news comes following a report from EY which found the UK remains the number one destination for FDI in Europe in 2017 to 2018.

Thanks to support from the Department for International Trade, 4 separate companies from across the globe – including Steel & Alloy, Polytec and Magna – have all chosen to invest in the UK and open new automotive-related plants this month.

As the UK forms its own trade and investment policy for the first time in 4 decades, this marks the latest boost for a sector which exported £41.3 billion of products, including 1,340 000 vehicles, in 2017 – up from £37.8 million on 2016 – to over 160 international markets. According to SMMT, more than 137,000 new vehicles rolled off the UK's production line this May.

This includes lucrative emerging non-EU markets such as China, to whom the UK exported £4.2 billion of automotive products last year – growth of 16.7% on 2016.

Minister for Investment, Graham Stuart said:

The opening of these 4 new plants is a fantastic example of investment pouring into the UK from around the world, which I witnessed in Oldbury. This is a clear sign of confidence in the strength of the UK's automotive sector, which remains one of the most competitive in the world.

As an international economic department, this is an excellent example of the work that DIT – with its sector-specific expertise and capability – is doing to create jobs and prosperity for communities up and down the country.

The new factories across the country include:

- Magna International Inc: A new aluminium-casting factory in Telford to support Jaguar Land Rover, the £77.6 million investment from the Canadian company will create 295 jobs when at full capacity
- Polytec Ltd: A new facility in Telford will build bumpers and accessories for car manufacturers, including Jaguar Land Rover. Austria-based Polytec have invested £18 million in the project, which will create 100 jobs
- Steel & Alloy Ltd: £26 million investment by S&A's Spanish parent company Gonvarri to build a steel processing plant in Oldbury, creating 60 jobs. Customers include Ford, JLR and BMW

The new openings are a further confirmation that the UK's automotive sector remains one of the strongest of its type in the world, offering the highest value added per employee in car manufacturing of any European country, with competitive labour costs and low corporation tax.

- investors will be able to count on the UK automotive sector remaining as one of the most innovative in the world in years to come, with the government having committed to increasing public R&D spending to £12.5 billion by 2021 to 2022, and 2.4% of GDP by 2027 – the most significant increase of public R&D funding ever
- EY's [UK Attractiveness Survey 2018](#) shows that the UK leads Europe in FDI and is third in the world for inward FDI stock