Wyn Jones,

Chairman Alcan UK, part of Alcan Inc

Materials IGT CHAIRMAN

Agenda:

11:00 An overview – Wyn Jones

11:20 Materials UK – Steve Garwood

11:35 Summary – Wyn Jones

11:40 Rt Hon Alun Michael MP, Minister for Industry & Regions

11:55 Panel – IGT Chairs and Secretariat

12:55 Conclusion

13:00 Lunch

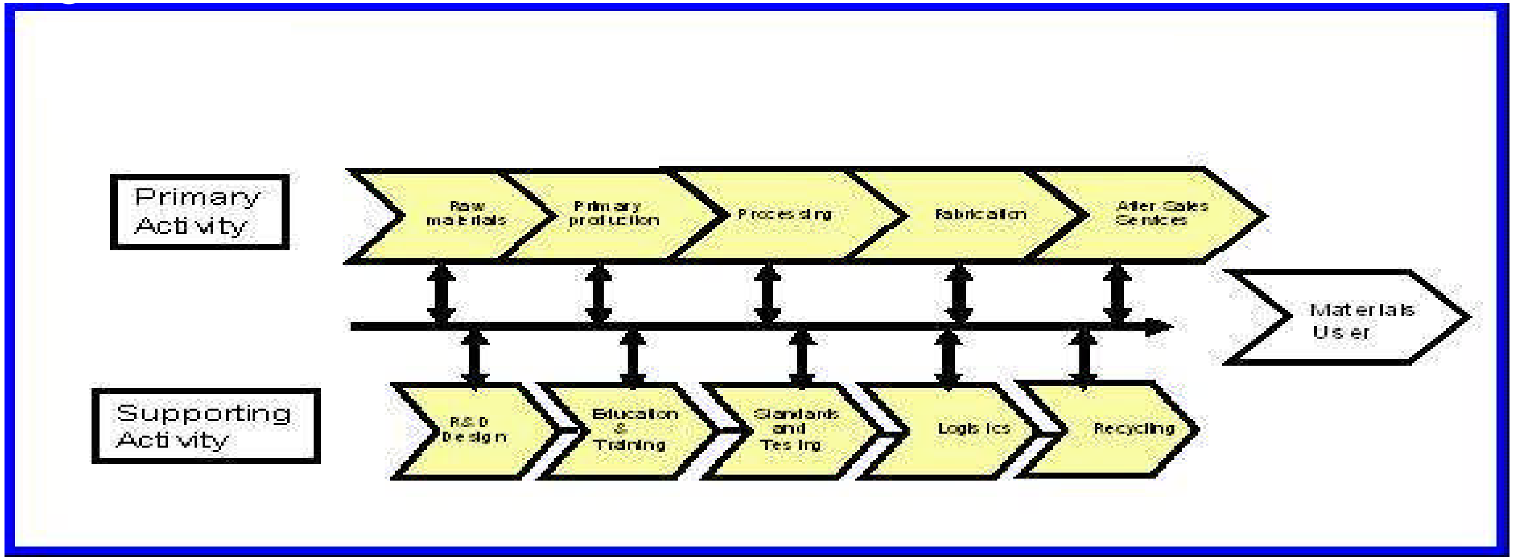
Terms of Reference

- Materials Strategy to optimise benefits for UK
  - 10, 20 year horizons
  - Future Requirements
- UK capability and gaps
  - Research Base and priorities
  - Skills Gaps
  - Best Practice
  - Infrastructure Issues
- Policy Implications
- How UK measures up

GDP : 15% Turnover : £200bn Employees : 1.5m (direct) supporting 4m jobs

What have we covered?

- All materials
- Production and downstream processing
- Supply chain issues
- Engaged end-users
- Policy stakeholders
- International/multi-national and global context



Level of Engagement

Total Number of Task Group Participants ~ 200

Number of Task Group Meetings ~ 40

No of Stakeholders Surveyed ~ 700 people in 500 companies

Advanced Materials Forum (now Materials Knowledge Transfer Network) Website used as discussion forums for each task group

No of web-site Interactions ~ 500

Monthly Newsletter Circulation ~ 20,000

Junior Version of Final Report to be Published June 2006

How have we been working?

Task Groups : Science & Technology
Assets & Infrastructure
Policy & Impact
Best Practice
People & Skills

Cross cutting : International Issues
Economics
Energy

Workshops : Sustainable Development (with DEFRA)
Construction Sector
Public Procurement
Contribution of Minerals
Engagement with RDAs

Strategic backdrop

1. **Energy & Environment**
   - Generation, Transmission and Conservation, Security
   - Regulation
   - Sustainable Production & Consumption
2. **Globalisation**
   - Strategic Materials Supply Chain Issues including availability
   - Innovative Solutions – Re-use Initiative
   - International Alliances
   - Harness Design Pull with technology push
   - Benchmarking and access to best practice tools
   - Validated sources of materials properties including life cycle analysis
   - Linkage to RDA and devolved administration materials strategies and initiatives.
3. **Demographics**
   - Focus on 11-14 age group to influence career choice
   - Vocational training via Manufacturing Skills Academy
   - Aging population
   - Threat of terrorism
4. **Image**
   - Raise profile and an appreciation of the value of materials in the UK
   - Users optimise choice based on whole life considerations

Overview

- Fragmented Community
- Mixed ability supply chains
- More structured engagement needed on policy and regulation
- Underutilised assets
- Other countries do things differently

- This has been a community effort
- Clearer perception of best practice
- Engaged on Sustainable Production & Consumption
- Strengthen Networking across supply chains, signposting, asset utilisation, skills, building on Materials Knowledge Transfer Network
- Focus for engagement on public procurement
- Ability to engage on strategic issues e.g. Energy, Olympics

Economic Goal

The UK will always be a major user of materials, so it is essential that we optimise the wealth creation opportunities from materials production processing, fabrication, use and recycling.

How the UK Measures Up

UK Strengths	Weaknesses
• Stable economy with low inflation • Long established academic reputation •World-class Engineering/Construction Steels, Float Glass, Aerospace, Automotive and Bio-Pharmaceutical manufacturing •World class and well-respected designers • Excellence in low volume, niche production •Attractive location for inward investment •Financial centre facilitating raising of capital	•Disparate Community •Decision-making is often taken outside UK for manufacturing, design and engineering •Investment levels not high • Recycling infrastructure is far behind established collection segregation and re-use schemes in EU •Productivity in fabrication and capacity issues •Status (image) of materials and manufacturing •Uncoordinated public procurement
Opportunities	**Threats**
•Make greater use of bilateral International joint co-operation agreements • Decisive energy policy could provide basis for UK to take world lead in materials for energy • UK to become an international hub for research and design in materials • Build upon low volume, high variety manufacturing •Develop or import the right skills •Enhance/address the image of Manufacturing	• Low-cost economies getting smarter • Access to raw materials/infrastructure for transport • Strong national strategies for Materials research and exploitation by rival countries • Lack of engineering and technician skills • Decision making / influences outside UK • Lack of recycling infrastructure is becoming a burden to business •Strong national facilities, e.g. Japan, Singapore, Germany

Priorities for the UK

1. Knowledge Transfer

2. Raising Awareness

3. Accelerating Innovation

4. Improving Skills & Knowledge

5. Better Environment for Business

Bringing it together

Fragmentation

Supply chain focus

Global challenges

Efficient and effective engagement with all stakeholders

Clear business agenda

UK best place to do materials business

How do we take this all forward ?

MATERIALS UK

Steve Garwood, Rolls-Royce
Vice-Chairman, Materials IGT

Materials UK (MatUK)

What Is Materials UK?

Provide a mechanism for delivery of the recommendations of the IGT

Provide a UK focus for materials

Materials UK (Mat UK)

Vision: The UK will continue to be one of the foremost advanced technological societies in which world-class materials expertise underpins sustainable growth.

Mission: The mission of MatUK is to enable the UK to pursue and benefit from opportunities for materials in the global economy, through: -

- **Leadership**
- **Strategic guidance and direction**
- **Engaging stakeholders**
- **Working with Government to make UK the best place in which to do business**
- **Recognising the importance of materials to society's needs**

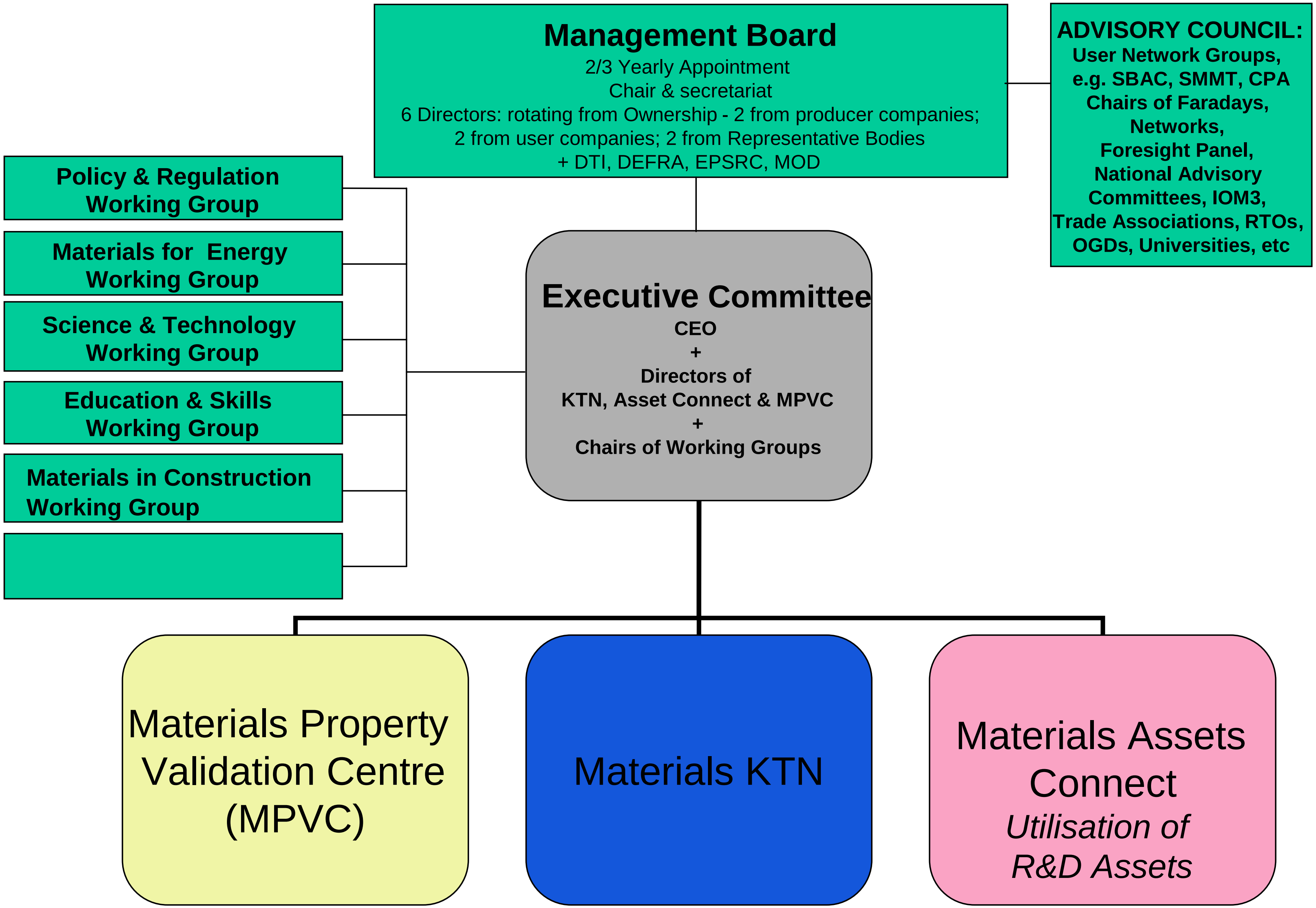
Materials UK (Mat UK)

Aims & Objectives :

1. Enhance work of existing bodies
2. Optimise UK materials R&D base
3. Ensure UK materials community can react quickly
4. Informed and coherent views from the UK materials community
5. Influence key parts of HMG including Research Councils, Technology Strategy Board, MOD, Treasury
6. Deliver IGT's strategy through KPIs

Materials UK (Mat UK)

Materials IGT



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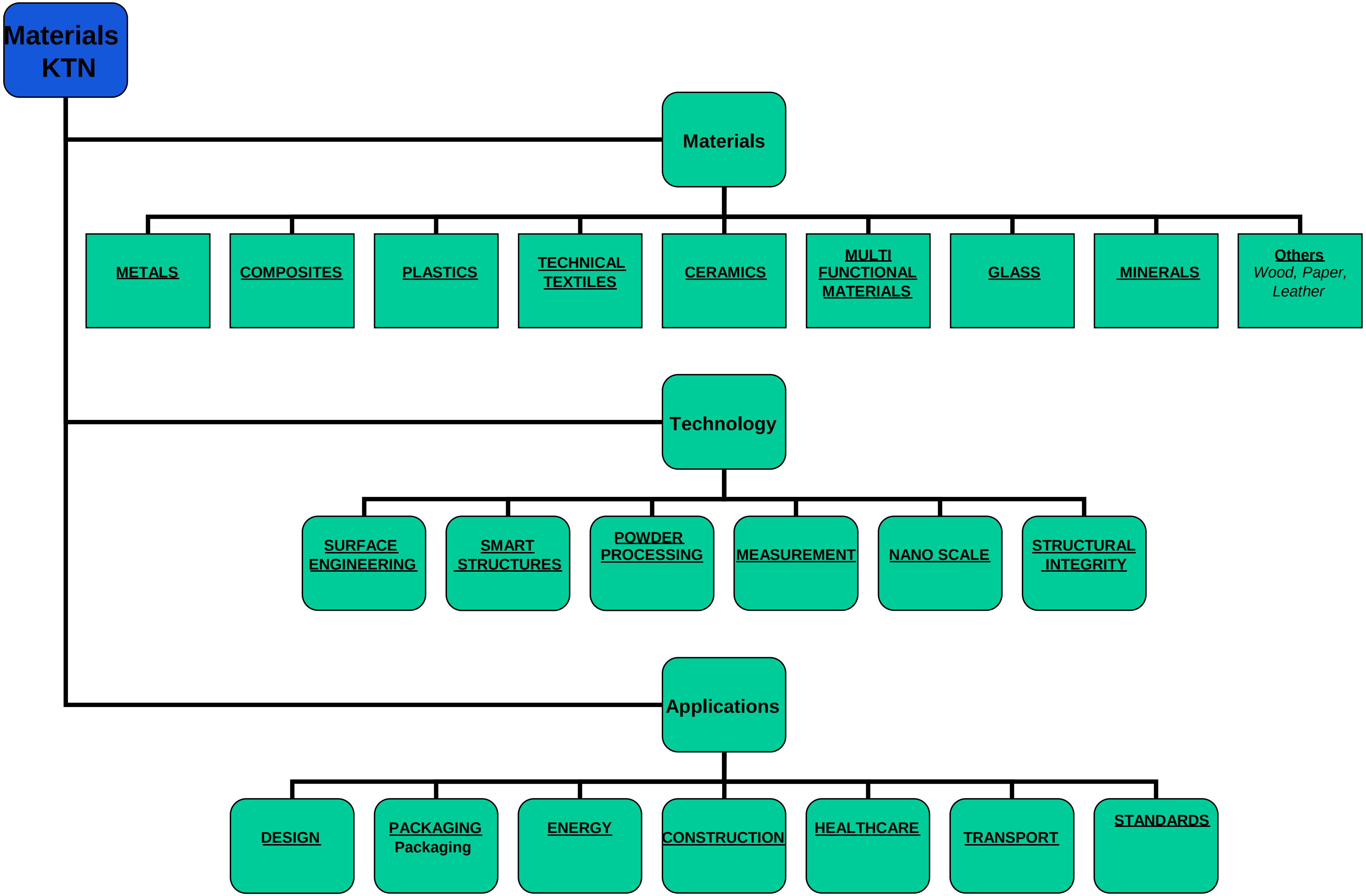
Materials Knowledge Transfer Network (KTN)

Materials IGT



Materials UK (MatUK)

Recommended actions - agreed and honed through consultation

Ownership of Materials KTN, Assets Connect, Materials Property Validation Centre

Company Secretary : IoM3 **CEO : being Advertised**

Key Performance Indicators : Full List In annex 2

Highlights :	Company limited by Guarantee -registered by September	2006
	Youth Report	June 2006
	S&T Reports	June 2006
	Materials Assets Connect	Dec 2006
	Materials Property Validation Centre	Dec 2006

WAY FORWARD

Wyn Jones,
Chairman Alcan UK, part of Alcan Inc

Materials IGT CHAIRMAN

The Way Forward

- Need to maintain momentum
- Implementation phase
- Essential YOU continue to engage
- Active, time limited, Working Groups
- Support the CEO, Company Secretary (IoM3) and DTI Secretariat Team by advising issues that need to be addressed
- Monitor and interact with activity and progress reported on website

MATERIALS UK : www.MatUK.co.uk

Who was involved?

Chair : Wyn Jones, Alcan

Task Group Chairs

David Pulling, GKN
Duncan Pell, Corus
Jack Brettle, Pilkington
Bob John, TWI
Ebby Shahidi, ACG
Bernie Bulkin, SD Commission
Bernie Rickinson, Institute of Materials
Graham Davies, Birmingham University
David Bott, Consultant *
Jason Wiggins, SEEDA
John Wood, CCLRC

* Served on another IGT

Secretariat

DTI: Gerry Miles, Robert Quarshie, Nick Morgan, Julian Thompson, Sagitta Fernando

IoM3 : Jackie Butterfield

Vice Chair : Steve Garwood, Rolls - Royce*

Advisory Group

Martin Temple/Ian Rodgers, EEF
John Wand, EPSRC
Derek Allen, Alstom
Ulf Linder/Gordon McColvin, Siemens
Michael Walsh, Community
Peter Arnold/David Farrer, Smith & Nephew
Alan Begg, Automotive Academy
Anne Glover, Amadeus
Cameron Harvie, Heathcoate
Jon Heffernan, Sharp Electronics *
Chris Leach/Richard Jones, MOD
Terence Ilot/Bernie Walsh, DEFRA
Caroline Barr, Treasury
Kamal Hossain/Graham Sims, NPL
Mindy Wilson, CBI
Scott MacDonald, Corus
Ray Newall, EMDA

Rt Hon Alun Michael MP

Minister of State for Industry and the Regions

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