

**INVESTOR SURVEY
RESULTS
2005**

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“What are the important local issues for companies who have recently invested in Solihull?”

Aims of the Survey

The Investor Survey was carried out to find out what attracts companies to Solihull and the strengths and weaknesses of Solihull as a business location, based on the views of companies that have recently located within the Borough.

The aims of the research were to discover:

- The important factors companies look for in a business location
- How Solihull rates for these factors
- If there are any serious threats to their future within Solihull
- Views of Solihull as a marketed ‘brand’
- How Solihull rates as a visitor attraction

Results will provide vital input into the development of future projects and actions and any issues raised will be addressed and dealt with where possible.

Methodology

The survey was sent out to 64 companies who had located within the Solihull Borough over the last two years.

Companies included those:

- Assisted by Advantage West Midlands
- In Council owned start-up units
- Within Blythe Valley Innovation Centre
- Assisted and identified by the Economic Development Team

Of these companies we received 10 responses, a 16% response rate, up from last year’s 11% response due to a more personal approach, using contact names, an initial phone call and personal visits to encourage companies to respond.

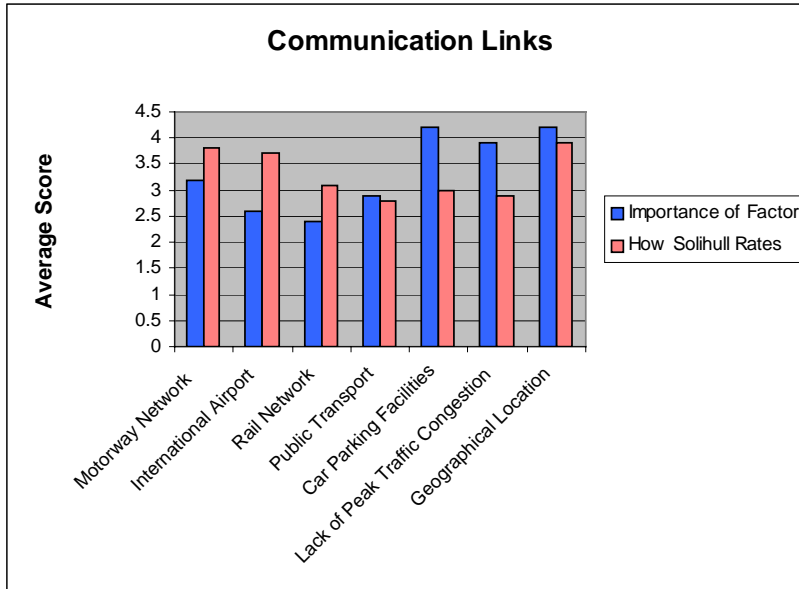
Section One: Investing in Solihull

Respondents were asked to rate various factors when locating their business in a particular area and also how Solihull rated on each factor to see areas of weaknesses in what Solihull offers and where the strengths lie.

Each factor was given a weighting of zero to five (zero being not important and five being very important) and then a score for how Solihull rates from zero (poor) to five (excellent)

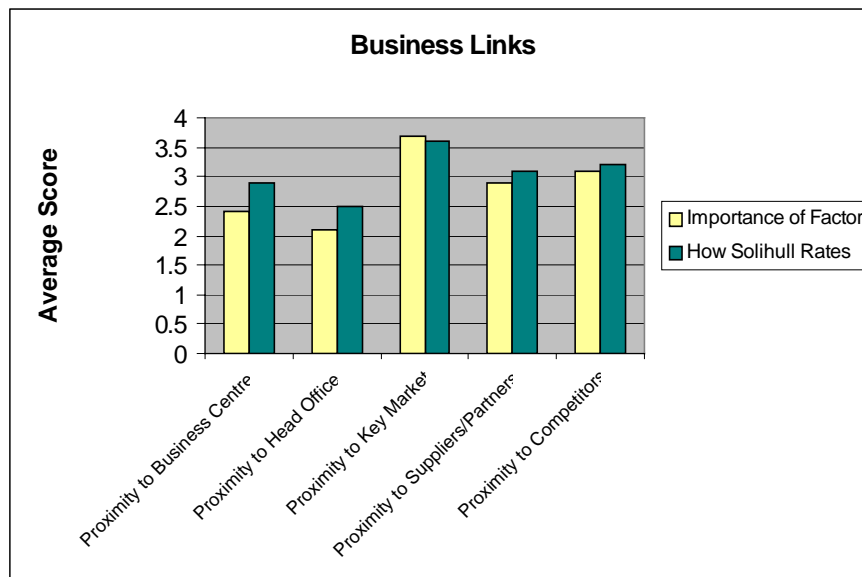
Based on the scores given for each factor from each company, an average was then calculated to give the following results:

Communication Links



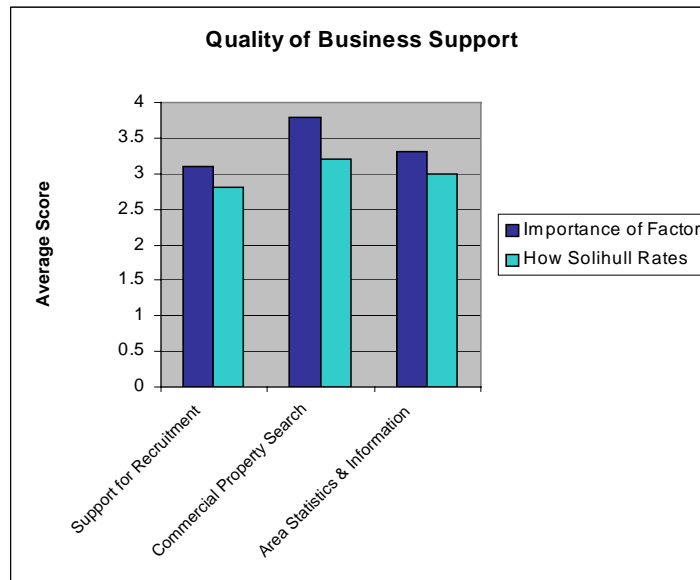
Solihull has obvious strengths in transport links, being at the heart of the motorway network, it's proximity to Birmingham International Airport and linked to two train lines running from Birmingham to London. Weaknesses include important factors such as car parking and traffic congestion, which were found from the last survey in 2004.

Business Links

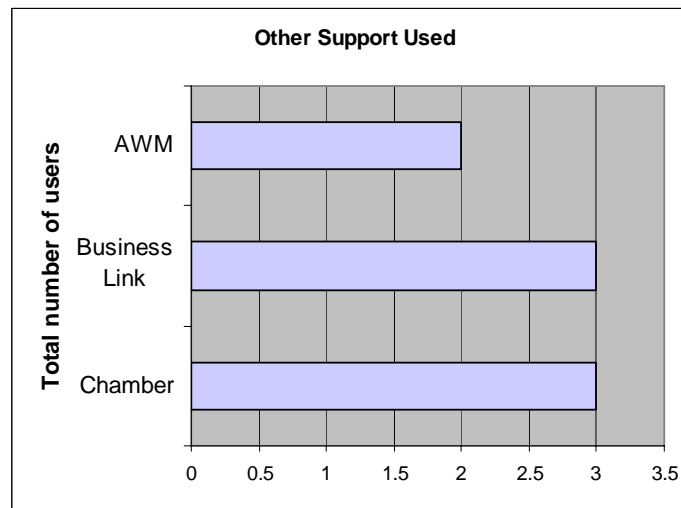


Solihull rates well in all areas including proximity to the business centres of Birmingham and London, key markets, suppliers and competitors - all considered important factors. This can be linked to the various communication links found above and the affluent market that provides an excellent business opportunity for many companies.

Quality of Business Support

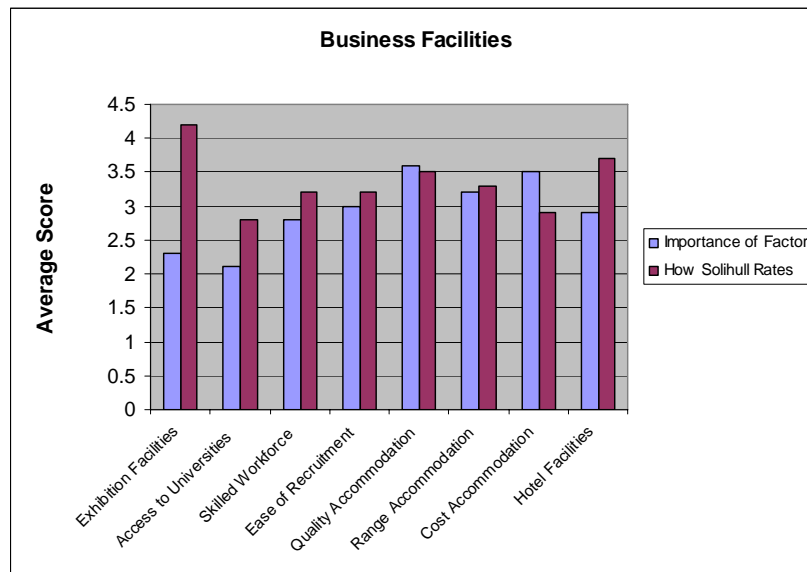


Business support is considered above average in terms of property searches and area statistics but could be improved. These figures may be a result of not being aware of the services the Economic Development team offers or, in terms of commercial property, enquirers having requirements that are not met by the market availability at that time.



Additional business support was used by 50% of the respondents. Two of the five used more than one form of additional support, highlighting the importance of our partnerships with these organisations and how referrals between bodies can provide a comprehensive support package.

Business Facilities



Solihull scored well on important factors including quality and range of accommodation and ease of recruitment, the only exception being cost of accommodation. This was recognised as an issue from the previous survey in 2004, however this is subject to external elements and we can only feedback the views found in this survey.

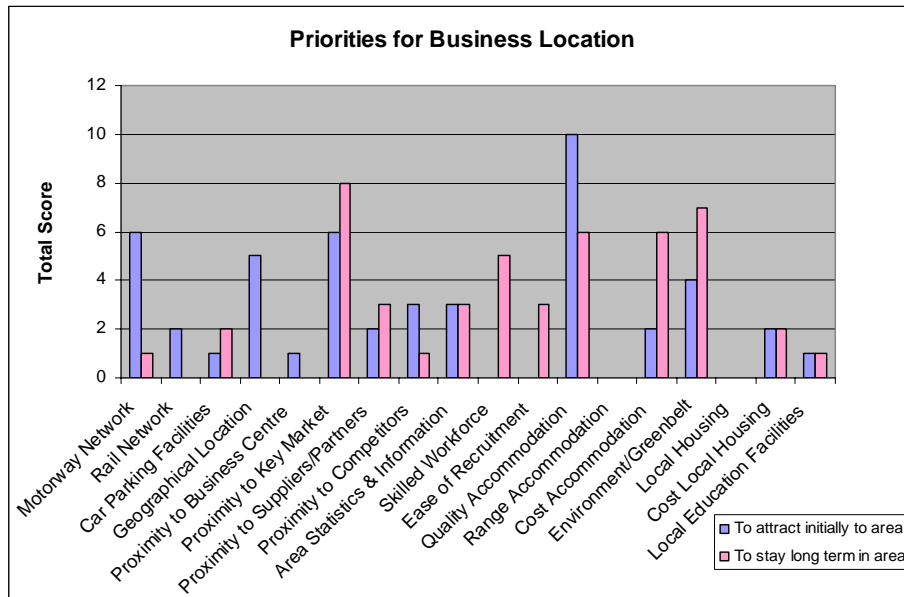
Quality of Life



Solihull rates higher than average in all areas of quality of life, which is consistent with what was found from previous surveys. Strengths include shopping facilities, incorporating the prestigious Touchwood Shopping Centre, and local housing, for which there is a range of quality accommodation and average house prices almost half that of Greater London¹. Local education facilities and the quality of the environment also rate highly, proving Solihull is an attractive location to both live and work.

¹ According to figures from HM Land Registry, Jan-Mar 2005

Priorities



Businesses were asked to rank their top three priorities from the previous factors, both to attract them initially to the area and to retain them in the long-term.

Top factors for initial attraction included quality business accommodation, motorway network links and proximity to key market, all three of which Solihull scores particularly well upon from the previous findings. Also important were geographical location and the environment, again found as strengths of the area.

To stay long term in the area, businesses looked for proximity to key market, the quality of the local environment/greenbelt and cost and quality of business accommodation. These are equivalent to the factors that would initially attract them, except for cost of accommodation, identified previously as an issue for Solihull.

Summary

Strengths of Solihull as a Business Location

Based on total scores for how Solihull rates on each of the previous factors given, the following top five strengths of Solihull as a location to invest can be summarised.

2005	2004
1. Exhibition Facilities	1. Access to Motorway
2. Geographical Location	2. Quality of Business Accommodation
3. Shopping Facilities	3. Value of Business Premises
4. Motorway Network	4. The Local Environment/Greenbelt Setting
5. Hotel Facilities	5. Access to the Airport

In comparison to the previous year, factors that remain constant strengths include access to the motorway network and geographical location which can incorporate airport access and the quality of the local environment.

New factors viewed as key selling points for Solihull were exhibition facilities (due to proximity to the National Exhibition Centre), shopping facilities (incorporating the prestigious Touchwood centre) and hotel facilities (a wide range can be found both in the town centre and around the airport and NEC complex).

Weaknesses of Solihull as a Business Location

2005	2004
1. Public Transport	1. Traffic Congestion
2. Peak Traffic Congestion	2. Car Parking
3. Access to Universities	3. Cost of Accommodation
4. Support for Recruitment	4. Recruitment Problems
5. Cost of Accommodation	5. None given

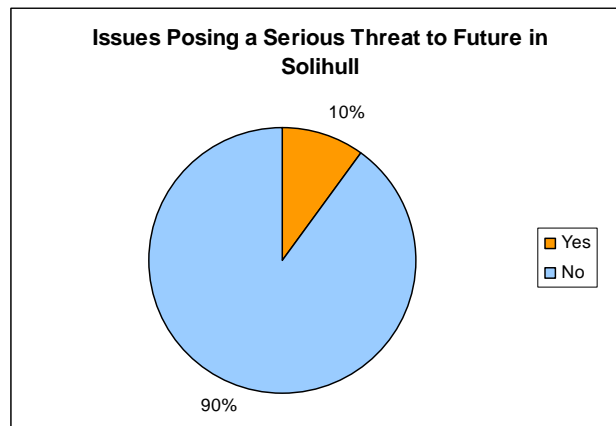
As the previous year, major issues for Solihull include traffic congestion and public transport provision, incorporating the lack of car parking facilities for new business developments that has been a result of national planning regulations. This matter is being addressed by the Economic Development team through investigating possible public transport initiatives to commercial areas such as the Cranmore estate to enable greater accessibility for workers.

Recruitment issues are still present, but following new initiatives and support the Economic Development team has for assisting new businesses to recruit the right staff, this signifies a lack of awareness of the services we offer. This will be addressed within a new marketing campaign to promote both Solihull as a location to new investors and the support available to assist the process.

Recruitment problems tie in with access to universities and a skilled graduate base, but again represent a lack of awareness of what is available in the area. Five universities can be found within a 20 km radius, including Warwick, Birmingham and Aston, supported by a free service available to companies trying to recruit graduates within the West Midlands Graduate Advantage (www.graduateadvantage.co.uk).

Cost of Accommodation, as identified within the previous section, is a recognised issue when compared to costs within other areas of the West Midlands, but is out of the control of the Economic Development team.

Section Two: Your Future in Solihull

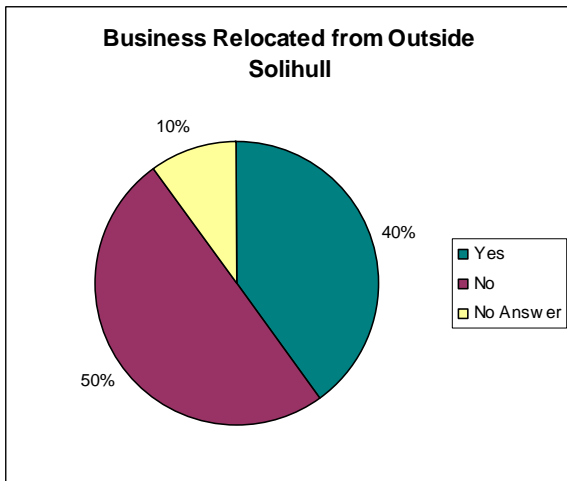


In response to asking if there are any issues that pose a serious threat to their company's future in Solihull only one company said there was a problem, namely, '*The food stalls on all the markets Solihull have*'. This comment came from a food retailer and is obviously an individual issue.

These results show a positive response in comparison to the same question asked in previous years. In 2004 only 84% admitted to not having any serious issues with Solihull, falling to only 66% in 2003.

Section Three: Marketing Solihull

To promote Solihull as a prime location for business, a new marketing campaign has been proposed by the Inward Investment team. To support this project, the survey provided a useful tool to research current perceptions of Solihull and companies themselves would promote the area as a 'brand'.



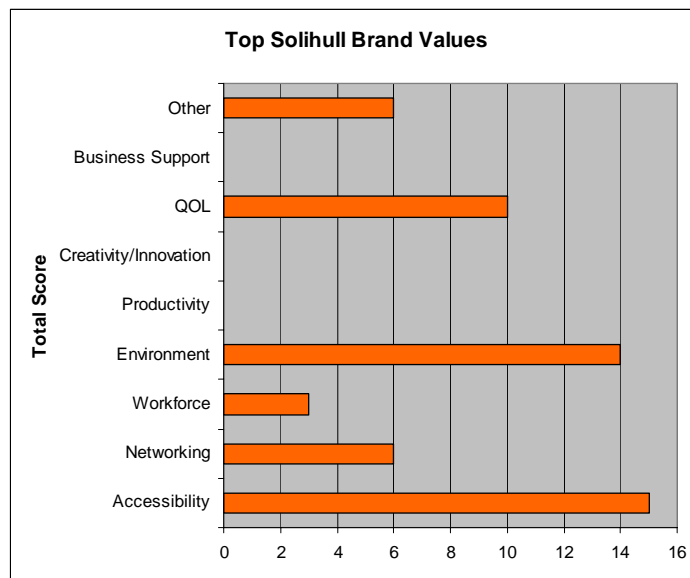
If no, what factors made you stay in the Borough?
Live in the Borough
Clients
Business Accommodation
Location
Lease Terms
Established base

If yes, perceptions of Solihull....	
Before moved	After Moved
Quality area with high net worth clients to sell products to.	Exactly what expected
Good location/access to motorways/airport etc	As expected
Affluent area that catered well for smaller businesses	As expected

A relatively even split was found between companies who had relocated from outside of the Borough and within the Borough, giving a range of perspectives concerning perceptions of the area.

Companies that had remained within Solihull gave reasons that matched those factors identified as strengths of the area. These included the quality of business accommodation, geographical location and proximity to their key client base. Obvious factors such as living in the region and favourable lease terms were also given.

For those that had relocated, perceptions before and after moving remained the same, proving that Solihull has strong messages associated with it already and they are well communicated. Again, these messages replicate the assets of the Borough previously identified, including key markets, geographical location and accessibility.



Following their perceptions of the area, when respondents were asked to rate their top three brand values for Solihull, the results mirrored previous findings. Most popular responses included accessibility, the quality of the environment and quality of life. These factors will be taken into account when proposals for the new marketing campaign are drawn up.

If you were to recommend Solihull to a colleague, how would you describe it?
"Easily accessible quality town"
"Quality business environment without the city fuss"
"Quality customers with the ability to transact high levels of purchasing power"
"Excellent business location with easy access to transport system"
"Easily accessible and provides an excellent working environment"
"The facilities of Birmingham but without the overcrowding"
"Very good quality of life and very easy to get to and from Town Centre"

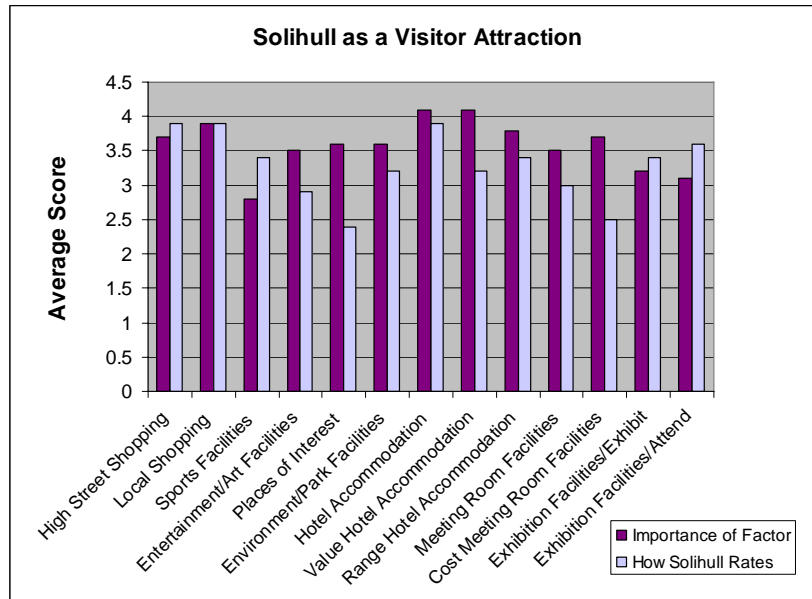
Recommendations for Solihull again replicate previous findings, with key factors being accessibility, quality of the working environment, range of facilities and a good quality customer base. These too will be considered within the messaging of the new marketing campaign.

What challenges do you consider Solihull faces?	Solution?
"Competition from other big retail shopping centres"	"None at present"
"Outside of the main business and networking loop of Birmingham"	"Joint initiatives to promote integration"
"Solihull is stuck in their ways"	"Time"
"High Rents"	
"Age profile of residents due to price of property excludes under 30s"	"Not really"
"Space, parking, cost of living here"	"Integrated public transport-cycle lanes; broadening the definition of 'key workers' to include industries that employ a large percentage of local staff and thus need incentives/support too."
"City centre parking facilities and dealing with increased traffic to the area"	"No"

Issues raised as challenges to Solihull as a business location were wide ranging and mainly outside the control of the Economic Development team. Factors such as competition for retailers, the price of housing and being 'stuck in their ways' are part of the wider economic environment and are largely uncontrollable.

Other issues reflected weaknesses identified from the previous section, including car parking, traffic congestion and the cost of business accommodation. Also, being considered outside the 'business loop' of Birmingham identified the need for communication between local areas. In terms of the work of the Economic Department this includes, maintaining joint initiatives with other regions and awareness of what is happening within the wider area.

Section Four: Solihull as a Visitor Attraction



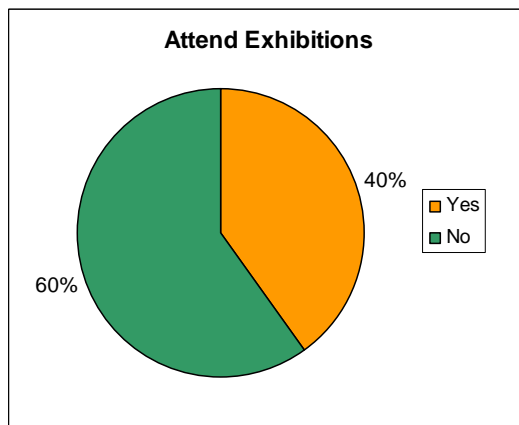
Solihull scored highly for many visitor attraction factors including the quality of hotel accommodation, local and high street shopping facilities and exhibition facilities to both exhibit and attend. This can be attributed to the wide range of hotels both within the town centre and around the NEC and Birmingham International Airport complex that also provides an excellent exhibition and conference facility. Shopping and entertainment facilities are also available within the prestigious Touchwood complex that attracts visitors from outside that area.

Areas considered to be important, but for which Solihull has a gap include; quality of environment and park facilities, places of interest and the cost of meeting room facilities.

The park issue is currently being tackled within Solihull Metropolitan Borough Council within the proposed improvements to Tudor Grange Park.

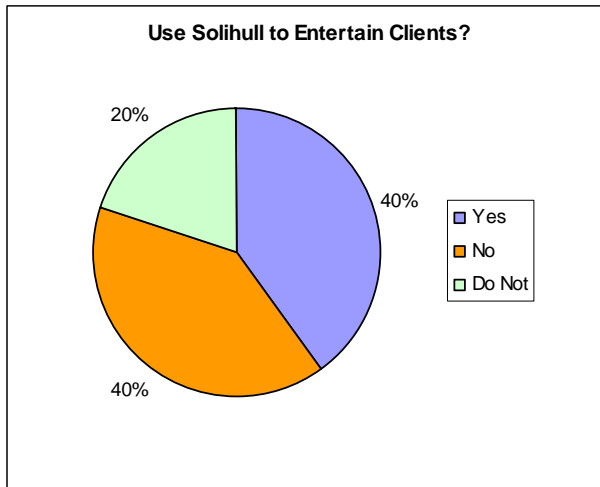
The lack of places of interest within the Borough in comparison to Birmingham and Warwickshire is accepted, but there are some which may not be considered part of 'Solihull', including Berkswell Windmill and Meriden, which again may need extra promotion.

The cost of meeting room facilities are a reflection of the high standard of hotel and exhibition facilities available and are out of the control of the Economic Development department.



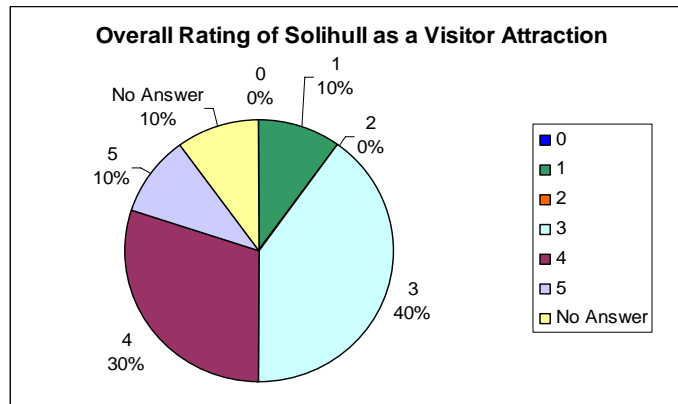
Type of Event	Times Per Yr Attend
Home/DIY	Once/Twice
Food/Catering	Fair
Computer Show	Once
Gift Fair	Five

A larger amount of respondents this year attended exhibitions - 40% compared to around 24% in 2004. Obviously this will depend on applicability to the type of company; those that did not attend included a computer service company, a building society, two search consultants and two retailers. Most of these have head offices elsewhere and therefore may not be involved in events locally. Those that did attend, did so more at least once a year, proving the value of the facilities.



If not, where?
London
Home/Local Restaurant
Birmingham

An even split was found between those that entertained in Solihull and those that did elsewhere, showing that although Solihull has a range of facilities available for business clients (including the hotels, restaurants and entertainment facilities), it's proximity and accessibility to Birmingham and London gives a wider range of entertainment options.



Overall rating of Solihull as a visitor attraction	
Score	Reasons for answer
1	"Nothing but lots of shops that are in no way unique. A smaller version of any city but looks nice."
3	"Not much to do after meetings in the evening for business clients."
3	"Looks nice but generally you'd head south/east/west to the attractions located at Stratford/Warwick etc"
3	"Pleasant town, good shopping."
4	"Pleasant town to visit."
4	"Good hotels, reasonable cost, good choice of restaurants."
5	"Everything you need is within the Town Centre."

The overall rating of Solihull as a 'visitor attraction' came out as 3 to 4, above average. When asked to give reasons for their score, positive factors included shopping, hotel and restaurant facilities and a pleasant environment. Negative responses included a lack of shopping facility individuality and travelling out of the area for attractions, linking to the places of interest issue identified previously. Again, this issue together with the lack of evening entertainment may be combated through a greater awareness of the facilities available within Solihull.