



# Process Industries



## Key Facts and Overview

- There are over 200 chemical, pharmaceutical, speciality and biotechnology companies in North East England employing 34,000 people creating £8bn of GDP and 33% of UK pharmaceutical GDP.
- 350 companies are involved in the supply chain of the above three industries combined and key companies include Baker Petrolite, BASF, Dupont, Elementis and Invista.
- The Tees Valley is home to the UK's largest petrochemical complex and has Europe's biggest hydrogen network making it a global centre for development of hydrogen technologies. It also has key pipeline infrastructure with BOC (had a £100m investment in this in the last three years) and the largest UK chemical handling port.
- Three key research platforms in the region (new products, new processes and new energy) with multicompany collaboration are attracting new industries to the region.
- There has been over £1bn of process industry investment in the last three years and this has created 1600 jobs. North East England has the largest biomanufacturing investment in the world in 2003-2004 (Avecia £70m), Europe's largest biofuels complex (Biofuels Corporation £38m) and the world's largest low density polyethylene (LDPE) manufacturing facility (Huntsman £200m).

## Research

- Regional universities have either the maximum 5\* or 5 (world-class) Research Assessment Exercise (RAE) rated research in: applied mathematics, biological science, chemistry, chemical engineering, electrical & electronic, general engineering, mechanical & manufacturing, physics, medicine and key activity in pharmaceutical, pharmacology and analytical sciences.
- Access to technologies in the region such as microtechnology, nanotechnology, super-critical fluids, flexible polymer electronics, hydrogen fuel cells, batch to continuous processing, bio-processing, bio-catalysis, chiral synthesis, catalysis, oxidations, reductions, pharmaceutical R&D, clinical trials.

## Industry Support

### Organisation

### Role in the Development of the Industry

North East Process Industry Cluster (NEPIC)	Membership of over 200 process industries companies in the region. Focused on technical and business development. Over 50 industry specialists leading programs and activities budgeted at £2m.
Centre for Process Innovation	A response to the need to stimulate applied R&D as an anchor for existing industry and to attract new investment. CPI is market-focused and built around three platforms: new products, new processes and new energy.
Process Industries Centre for Manufacturing Excellence	Tasked with improving productivity within the UK process industries.
The North East Productivity Alliance (NEPA)	Established in 2001 to take forward the North East region's manufacturing strategy, in particular through improving productivity and competitiveness.
Wilton Technical Centre	Around 40 global companies and 600 staff in one of the largest process industries R&D facilities in Europe.
Supply Chain	Key regional areas of activity: oil & gas, petrochemicals, base chemicals, inorganic chemicals, polymers, plastic additives. Surfactants, oil field chemicals, catalysts, flavour & fragrance, materials and coatings, colour & pigments, personal care, consumer products, paints & coatings, pharmaceuticals, bio-pharma, biotech.

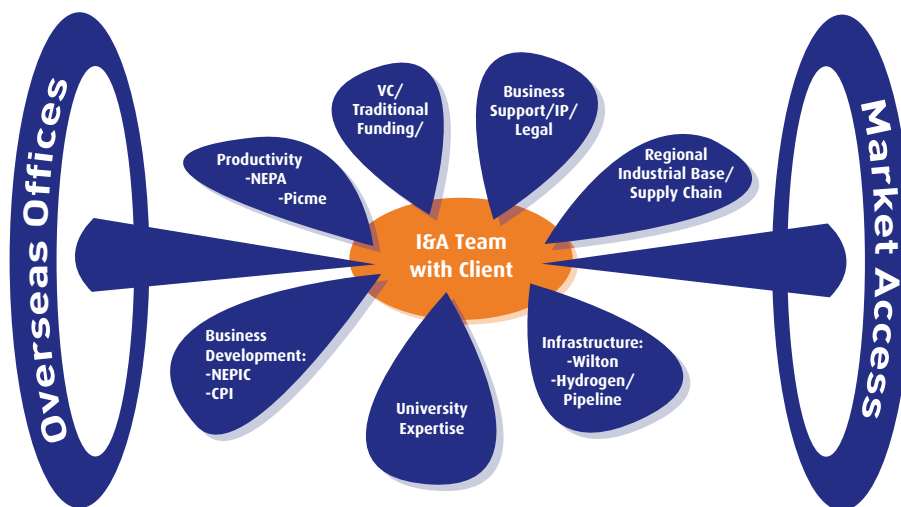


## Finance

There are many sources of finance and venture capital available to companies in the region. Unique in North East England is **Nstar** set up by One NorthEast. It focuses on high risk venture capital, and it partners with the commercial venture capital community to invest in new technology spun out of universities or created within the small to medium sized enterprise market. Nstar can create tailored supply chains for large corporations through this process. Nstar has total funding of £60m (\$108m) split into Proof of Concept Fund and Co-investment Funding.

## Market Access

The Model below demonstrates how all of the expertise and support organisations place North East England in a unique position to support companies in the commercialisation of research and getting new products to market. At the centre of the process is the Investment & Aftercare Team that will sit with you to understand your own individual requirements and come back with a tailored investment solution to include some or all of the elements below. From here in the UK or offices in North America, China, Japan, Korea, Australia, Norway and Germany, the team will help you get your products and services into the market.



## Case Study - Huntsman

In 2004, Huntsman announced the go-ahead for plans to build the world's largest low density polyethylene (LDPE) manufacturing facility, in the Tees Valley in the UK. The 400,000 tonnes per year plant, Huntsman's first venture into the growing European polyethylene market, will be built at the Wilton International site at a cost of around £200 million. It will create over 120 permanent new jobs and also help underpin the future of the Huntsman Cracker facility and the Aromatics business in the region. The new facility will significantly reduce the UK's need to import material to meet its low-density requirements, and will help turn the country into a net exporter of the product. It is anticipated that product from the new plant will be used primarily in packaging applications. Huntsman have also announced that a new single UK headquarters at Wilton is to provide support services to two of its major businesses - European Base Chemicals and Tioxide.

## Contact details

To discuss the service further, or to receive an initial response to an investment proposal, please make contact by phone, fax, e-mail or post today.

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