



DRIVE

Newsletter

Winter 2021



Welsh Automotive Forum
Fforwm Modurol Cymru



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Rob's Sector Round-Up

The sector continues to face significant disruption from a number of headwinds including the global shortage of semi-conductors which has decimated OEM production plans throughout 2021. The international shipping crisis, inflationary pressures on raw materials as well as rising energy costs also continue to have a detrimental impact on overall competitiveness.



Prior to the cessation of the beneficial furlough initiative, WAF continued to lobby into UK Government for additional sector specific support (as per the packages available in France and Germany) to assist the supply chain which is severely troubled by production stoppages at OEM's, and at the recent bi-annual sector meeting with the automotive teams from BEIS (Department for Business, Energy and Industrial Strategy) and DIT (Department for International Trade) our concerns and timely intelligence were yet again conveyed. We have also continued to escalate into the UK Government Department for Transport the requirement for an intervention and resolution to support key UK ports who are experiencing extreme quayside space constraints due to a significant number of empty and laden containers that have not been collected.

The Chancellor's Budget provided some optimism for the sector by supporting the Net Zero Strategy with an investment of £620m for charging infrastructure in addition to targeted low emission vehicle grants. In advance of the budget announcement, there was encouraging news for the supply chain with an additional £350m funding commitment for the Automotive Transformation Fund.



Latest UK Car Production figures

At the end of November, The SMMT published its latest production data for October 2021, reflecting a 41.4% (year on year) reduction which was the worst performing October data set since 1956. This reduction was mirrored earlier in November by WAF workstream intelligence which had indicated that October was an extremely disappointing and challenging month, with some members deviating from plan by 40%.

The year to date figures compared with 2019 reflect a 35.8% downturn and dramatically over -44% when compared with the five year pre-pandemic average. On a positive note and as the sector continues on its journey towards zero emission mobility, October production of the latest battery electric (BEV), plug-in hybrid (PHEV) and hybrid (HEV) accounted for just under one third of all cars made.



Latest UK Car Registration figures

The SMMT's latest registration figures reflected a 24% reduction in October 2021 compared with the previous year. The transition of the sector continues at pace with more than a quarter of market share in 2021 taken by BEV, PHEV and HEV.

Sector report: " UK EV Battery & Supply Chain Opportunities for Wales"

This report, commissioned by the WAF and compiled by Ian Henry, Managing Director of AutoAnalysis, provides an excellent insight into how UK OEM's are likely to position themselves as the sector transitions to net zero emission mobility solutions.

To view the report please follow the [link](#)

Europe's electric car boom is at risk of stalling, jeopardising the sales of 18 million battery electric vehicles, new data shows.

EU clean car rules have driven plug-in vehicle sales to almost one-fifth of the market. But weakened targets between 2022 and 2030 will not require carmakers to deliver on their EV production plans and could result in 55 million extra tonnes of CO2 pollution – more than the annual emissions of all the cars in Spain, according to Transport & Environment analysis.

The EU's 2025 target for carmakers is so weak it will be realised two years earlier, the analysis finds. While many EU countries have to almost halve their total emissions by the end of the decade, car manufacturers won't contribute much to this.

T&E said that without setting more ambitious carmaker targets from 2025 onwards – including an intermediate goal in 2027 and an 80% car CO2 cut in 2030 compared to today – it will be very hard for member states to reach their proposed national climate goals by 2030.

Toyota stepping up development of hydrogen power units

In November, Toyota announced that it is stepping up development of hydrogen power units tested in an adapted Yaris ICE which could be as ground-breaking as it was when it revealed its Mirai fuel-cell vehicle a few years ago.

WAF TEAM NEWS

We were thrilled recently to welcome new colleagues to our WAF Team.

Richard Leonard – Future Mobility Manager

I joined WAF in September, after thirty years in the steel industry and five in the professional services side of academia. The first few months have been, as I always knew they would, a steep learning curve, as I get to grips with an automotive sector in the midst of possibly the largest transition in its history.

The team and our existing members have been extremely welcoming, as have our colleagues in the various governmental divisions we work with. I'm still in the process of picking everyone's brains, which I know will continue for some time.

Most of the activity has been virtual, but now I begin the more pleasurable activity of visiting our member companies, and some non-member companies. So please be prepared for a request in the near future. Long term, my aim is to get companies to work together, contribute to building mini-clusters of businesses with similar interests in the future mobility sector, and eventually to help establish a 'green division' within WAF, all our which will strengthen the sector and safeguard jobs.

It's a huge challenge, I know, especially in these challenging times, but if you think you can help, or just want to make contact and let me know your views, please contact me at richard.leonard@welshautomotiveforum.co.uk.



Paul Tedstone – Industry Liaison Manager

I'm excited to have joined WAF in early October, having spent over 30 years working within the manufacturing sector here in Wales. WAF is well known to myself, as I was, until recently an active board member of this Automotive Forum and proud to have helped support its continued contribution to the automotive sector over recent years. It's fair to say since joining WAF, both the WAF team and the wider membership have been both extremely supportive and welcoming as I've experienced during recent member visits.



I, like yourselves appreciate the overwhelming challenges we face as a sector, not only now but in the years ahead as we prepare to diversify ourselves to support our future growth here in Wales. I will hopefully meet many of you in the weeks and months ahead as I reach out to visit the facilities within our member base and I would like to thank you in anticipation for your continued support. If you need to contact me, please feel free to reach out at paul.tedstone@welshautomotiveforum.co.uk.

Michael Straughan – WAF Board Member

In September this year, we were delighted to welcome Michael Straughan, Chief Operating Officer at Aston Martin to the WAF Board.



Michael has a wealth of experience in the automotive industry spanning over 30 years. After starting his career at Nissan Sunderland in the late 80's, Michael was appointed Production Director at Volvo Cars Uddevalla in Sweden. During his first period at JLR Halewood, Michael was accountable for the launch of the second generation Land Rover Freelander and following a stint in commercial vehicles at LDV, he returned to Halewood where he had overall responsibility for the Plant securing the Range Rover Evoque.

Michael's move into luxury manufacturing began with his appointment to the Board of Bentley Motors running all Manufacturing related areas. After 5 years at Bentley, Michael joined Sunseeker International, the luxury yacht manufacturer as Chief Operating Officer. Michael's is now actively contributing towards the Aston Martin Lagonda turnaround initiative as well as positioning the organisation as it embarks on new mid-engine sports car programmes and an electrified future.

On joining the Welsh Automotive Forum, Michael stated "I am extremely grateful for the opportunity to work with my fellow peer group on the Board and also gain a greater appreciation of how the forum and its membership can support potential localisation sourcing opportunities within the UK automotive sector. Furthermore, as the former Chair of the Northern Automotive Alliance trade association I would hope to provide future assistance and support on strategy and new operating models"

As a frequent visitor to the Aston Martin facility at St Athan, we look forward to meeting with Michael enabling us to develop a long and successful partnership. Welcome Michael

NEW WAF MEMBERS

WAF welcomes new members Analogue & Micro, Bot-Hive and Combined Engineering Services



Analogue & Micro Ltd
Telephone: 01633 863282
Website: www.analogue-micro.com

We specialise in schematic and PCB development for high speed digital design and analogue systems, to some of the toughest EMC, Environmental and Compliance standards in the world. Since 1996, we have been an industry leader in electronic design and embedded systems with Linux OS and toolchains for industrial markets. We have extensive experience in ARM and PowerPC microprocessor architectures using popular embedded platforms from NXP and Texas Instruments. We also develop FPGA based systems including VHDL and verification and offer a range of COTS modules or bespoke developments to meet customer requirements.



Bot=Hive

Bot-Hive
Telephone: 07493 042817
Website: www.bot-hive.com

Bot-Hive is a robotics and automation development company. We are building the world's first technical marketplace allowing organisations to source robotics and automation technologies in one online library. Our technical capability is designed to allow engineers and production line builders to interface unique technologies with one another, creating more agile and modular automation cells.



COMBINED ENGINEERING SERVICES

Combined Engineering Services
Telephone: 01495 310212
Website: www.combined-engineering.co.uk

Combined Engineering Services Limited (CES Ltd) are a design and manufacture company who offer complete solutions designed and built under one roof. Our products can vary from a one-off tool, through intelligent fixtures to complete robotic assembly and test cells. Our strength lies in our capability to provide creative design solutions and manufacture them within our own modern workshops and inspection facilities.

WAF MEMBER NEWS



MöllerTech Wales receive the JLR Q award



MTI Managing Director - Clayton Harding said: "It gives me great pleasure to congratulate the total Team at MöllerTech Wales on the achievement of the JLR Q award, especially during these very difficult and challenging times. Not only is this positive recognition of our commitment to quality and delivery towards our customer JLR, but total recognition of the quality mindset of the MTW Team in line with our Möller Econovation Culture."

Meritor Selected by Electra Commercial Vehicles to Supply Blue Horizon Electrification Technology for its Road Sweeper Prototype.



"Working with Electra to bring electrified commercial vehicles to Europe's city centres is a perfect addition to our existing collaboration with the 17Xe™ electric powertrain," said Ken Hogan, senior vice president and president of Truck for Meritor in Europe and APAC. "Our expertise in axles will support Electra with its vision to provide operators with clean, zero-emission solutions." The 14Xe ePowertrain, will be delivered to Electra by the end of the year, and will be integrated on a road sweeper for testing in Wales.

Trax JH collect the Growth Award at the Powys Business Awards



Adam Watkin, Managing Director of Trax JH, said: "We are really pleased to win this award, which is recognition for the whole team. We completed the acquisition of Tyre Protector on the first day of the pandemic lockdown in 2020 and it has taken the business from strength to strength."

Trax JH win the Export Award at the Insider's Made in Wales Awards

Trax JH makes wheel balancing weights and tyre sealants for the automotive industry at its base in Newtown in Powys. Trax started exporting to 18 new countries over the past year.



Team Precision Pipe Assemblies win the Business Growth and Strategy Award at the MAKE UK Awards



The judges said: "This excellent entry showcased how good market analysis could help turn around a business issue when a market suddenly collapses. The judges praised the speed at which the team had reacted to the problems faced by their business and were impressed by the resilience, courage, and focus. Their entry showcased the processes they had followed in tackling the issues. The judges even suggested that this company enter again next year to demonstrate the tangible outcomes and financial impact of their work."



Industrial Automation & Control (IAC) are delighted to have recently won a series of accolades



Firstly at the 2021 Made in Wales awards where the company won the Manufacturing Apprenticeship/Training Scheme Award. The judges were impressed with IAC's scheme which has been running for over 30 years bringing young talent through a 4 year apprenticeship in Electrical Engineering, Electrical Craft and Electrical Design. The company was also delighted to see their own Tyler Lewis pick up the Apprentice of the year. Tyler came to IAC as an engineering apprentice in 2018 and moved into a permanent role in September. He has excelled in every department he has worked in and is a respected and valued team member.



IAC were also recognised as runner up at the Make UK, Wales region awards in the Developing Future Talent category.

POET scoops national manufacturing award



POET Systems has won a prestigious award at a ceremony celebrating the manufacturing industry in Wales. POET beat four other companies to win the Digital Engineering/Technology Award at Business Insider Wales' Made in Wales Awards 2021. The judges highlighted the success POET has had improving OEE at Burton's Biscuits in Cwmbran.



Lynn Davies, POET co-founder and director, said: "We're thrilled to have won this award and for our business and technology to be highlighted alongside the best in our industry. We were up against some incredible companies in our category, and just to be shortlisted at this stage in our business journey was a huge achievement. This win is a testament to the hard work of the team over the last two years in developing the platform and bringing the product to market."

To see how the award-winning POET platform can make a difference to your business, email us: info@poet-systems.com

EVENTS



Autolink 2021

Welcoming our members back to the Cardiff City stadium after missing Autolink 2020 due to Covid-19 restrictions

was great to see. The very informative hybrid plenary session opened by The Minister for Economy Vaughan Gething paid tribute to the Automotive sector for showing its strong resilience and adaptability to the challenges we've experienced over the past 2 years. It was very clear from his opening speech the important role Wales must play going forward given its strong industrial & academic capabilities to play a key role in the next generation of robotics, automation, net zero mobility solutions & sustainable energy generation for the future with the government pledging to work closely with WAF to map out the capabilities and competence of the sector across Wales.



Again, we were extremely grateful to welcome excellent topical guest speakers who during the plenary session talked in detail about the challenges across the sector,

which is suffering from significant shortfalls in volumes, major supply chain disruptions, shipping/port delays together and remaining competitive. Furthermore, organisations face challenges with additional measures expected in respect of their policy and strategy deployment and commitment to industrial decarbonisation.

Watch the full event recording [here](#)

Presentations

- **Ian Henry – AutoAnalysis**
[Prospects for UK Vehicle Production](#)
- **Peter Lively – HMM Europe:**
[Maritime Supply Chain: Current Volatility & Future Outlook](#)
- **Yian Batty – Toyota Manufacturing**
[The Toyota Lean Clusters Programme](#)
- **Prof Dr Richard Keegan Be CEng@ MComm, PhD FIEI@**
[The Irish experience engaging with the TLMC](#)
- **Phil Catherwood – Welsh Government**
[Welsh Government Support For companies who engage with the Toyota Lean Clusters Programme](#)
- **Jon Beasley - APC and Anthony Williams – Meritor HVBS**
[APC Support And Facilitation - Meritor Case Study](#)



Cenex LCV

In September, Team WAF headed to the Cenex-Low Carbon Vehicle 2021 event at Millbrook Proving Ground in Bedfordshire as part of the Welsh Government stand, alongside three WAF member companies Meritor, ePropelled, and Treharne Automotive Engineering. WAF members Tri-Wall and Schaltbau Machine Electrics were also in attendance, with their own exhibition stands.

Cenex-LCV is the UK's leading exhibition for low emission vehicles, providing a platform for UK capabilities, and aims to position the UK as a leader in LCV technology development and exploitation. It also aims to build organisations' awareness and confidence to adopt Zero Emission Vehicle technologies in vehicles and in fleet operations

With three separate exhibition halls, and a dedicated 'ride & drive' area for the latest in research and development, the WAF member companies were able to showcase their technology and capabilities to an estimated four thousand visitors over two full, and very busy days. Visitors to the stand included some key decision makers from the automotive industry, major stakeholders, manufacturers, supply chain professionals and government officials. Networking between companies has led to numerous potential collaborations, and we will keep members informed of any future progress.

Logistics and displays were once again very professionally organised by the Welsh Government, giving everyone the chance to present Wales as the ideal place to invest in a low carbon vehicle business.



COP26

October's COP26 Glasgow summit was full of promise to reduce carbon emissions but much of that is unfulfilled now, say critics.

One of the key aims of the COP26 climate conference in Glasgow was to get the world to agree to reaching net zero emissions by 2050.

Even if that had been achieved, that is still almost 30 years away during which time industry and transport will still lean heavily on fossil fuels after China and India in particular secured delays and the US, Germany and France were concerned about the impact on their automotive industries.

India pledged to make its emissions net zero, but not until 2070 while China said it will be carbon neutral by 2060.

However, the stark takeaway, after a fortnight of meetings and talks, is that fossil fuels will continue to dominate our energy requirements in the immediate future.

For forthcoming Newsletters, should members wish to inform us of significant achievements, projects awarded, or major developments, then please let us know and we will look to include them as we enhance the publication over time – contact [Deborah Stewart](#) in the WAF office.

