This is a wonderful moment for WMG, for the University of Warwick, and for Britain’s automotive industry. The National Automotive Innovation Centre has sparked the imagination of many, many people. Why?

Because NAIC will do something very special - bring critical mass to British automotive research. In Britain, we have an outstanding science base, but have never been very good at translating that into industrial growth. British Firms have rarely done enough Research and Development. We’ve never had enough collaboration between business and academia. This problem has been studied many times.

I remember the Finniston report, which came out just as I founded WMG thirty-five years ago. Before that, there were the Butler, Percy and Feilden reports, all seeking to improve the standing of British engineering and technology. Yet despite all that analysis, British R&D spending stayed well below America, Israel, Germany and today, China. As a result, when exposed to global competition, our manufacturing sector declined rapidly. The Midlands is strewn with former manufacturing giants that failed.

I started WMG because I was so concerned that this decline would mean a hollowing out of our automotive industry. The threat was real. Even Jaguar Land Rover stood at the point of extinction before Ratan Tata rescued it. How did such a decline happen, when our science base is truly outstanding and we have brilliant researchers? I believe a key reason is we have always funded applied research in small doses. We work programme by programme, year by year. We spread projects around, not link them together.

As a result, British R&D has struggled to achieve the critical mass that really attracts business, brings in suppliers and inspires researchers to make breakthroughs. I’ve always been fascinated by the closeness of American Universities and companies. I see how they join together to create eco-systems of innovation, with firms and academics building on each other’s work to create growth. If you look at Google’s beginning at Stanford, or the long term links between Bose and MIT, you see that at all the different levels of American innovation, University research and industrial growth goes hand in hand.

Closer to home, Jaguar Land Rover is once again growing precisely because they have fully invested in advanced research. We’ve worked with JLR on everything from lightweighting to experiential engineering, but they will be the first to say that this work must go further. That’s why Ralf Speth has been a champion of a national innovation centre for the automotive industry since he joined JLR. Ralf was inspired by what Ratan Tata created with the Tata European Technical Centre, here at Warwick.

That pedigree shows why Warwick is a perfect fit for NAIC. This is a University with a real Can-Do culture. The team here pulled out all the stops for this centre, because they saw Britain’s car industry needed a research institute with real market pull.

And NAIC will have real mass. £150 million investment. 33,000m². A thousand managers, scientists, students and apprentices in one place. A building that brings academia and business together across disciplines. We’re already seeing suppliers coming to Warwick to be part of the ecosystem created by NAIC’s scale. They’re excited by what will happen here, and are putting their own money in to be part of it.

Today is just the beginning of the Centre’s work. But we wouldn’t have got to the start line without some outstanding people. I want to thank HEFCE for their support. I believe the work we will do here will make the funding council proud of backing NAIC for many years to come.

I want to thank the University for their huge efforts; the Vice Chancellor and Stuart of course, but also Ken Sloan, our registrar, Rosie Drinkwater, our Finance director and her team. I also want to thank Wolfgang Epple from the JLR team and Jenny Greenway from the University who worked extremely hard to get the pioneering deal going.

Thanks too, to Keith Beddell-Pearce, our treasurer, and Sir George Cox, our Chairman of Council, for their wise guidance.
Finally, I want to thank the leadership of Tata. Under both Ratan Tata and Cyrus Mistry, Tata has been crucial to inspiring investment in British innovation. We are so grateful for your faith, your support and your vision.

This centre is founded on a shared belief in partnership between business, government and academia. That is how NAIC is being built, and I am certain this partnership for innovation will change the face of Britain’s automotive research.