

This briefing paper is one of a series that considers the employment and economic value of various sectors of the Mid Devon economy.

- 1.0 Manufacturing is the second largest sector by employment within the District accounting for 16.8% of employment overall.

Employee jobs by Industrial Sector	Count	Industry percentage	Location Quotient
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	5,000	21.0%	1.32
C. Manufacturing	4,000	16.8%	1.94
Q. Human health and social work activities	2,500	10.5%	1.02
P. Education	2,250	9.5%	1.06
F. Construction	1,500	6.3%	1.44
M. Professional, scientific and technical activities	1,500	6.3%	0.63
H. Transportation and storage	1,250	5.3%	1.07
I. Accommodation and food service activities	1,250	5.3%	0.93
N. Administrative and support service activities	1,250	5.3%	
R. Arts, entertainment and recreation	800	3.4%	1.20
O. Public administration and defence; compulsory social security	600	2.5%	0.57
S. Other service activities	350	1.5%	0.88
J. Information and communication	300	1.3%	
L. Real estate activities	250	1.1%	0.96
A. Agriculture, forestry and fishing	200	0.8%	
E. Water supply; sewerage, waste management and remediation activities	175	0.7%	
K. Financial and insurance activities	150	0.6%	0.19
B. Mining and quarrying	40	0.2%	
D. Electricity, gas, steam and air conditioning supply	25	0.1%	
Source: ONS Business Register and Employment Survey 2015	<b>24,000</b>		

Mid Devon has a much higher concentration of manufacturing jobs than other districts within the EHOD (Exeter and Heart of Devon) area. Manufacturing has a location quotient of 1.94, meaning that there are nearly twice as many manufacturing jobs in Mid Devon than would be expected when compared with UK averages.<sup>1</sup>

<sup>1</sup> Location quotients (LQs) show the relative concentration of employment in each sector. Sector LQs are calculated by comparing the industry's share of local employment with its share of national employment.

- 2.0 The main areas of manufacturing activity are in the food and drink sector, textiles paper and paper products and metal fabrication.

<b>Manufacturing subsectors by number of businesses and turnover</b>	<b>Number of businesses</b>	<b>Total turnover in £'000</b>
Food & Drinks	38	119,889
Textiles	12	53,030
Other machinery and equipment	19	40,126
Paper and paper products	7	32,417
Fabricated metal products	44	29,808
Computer electronics and optical products	8	18,755
Repair and Installation of Machinery and Equipment	39	11,429
Other non-metallic mineral products	17	9,625
Wood and other wood products	26	9,018
Other manufacturing	32	6,684
Pharmaceuticals	1	3,886
Chemicals and chemical products	12	2,540
Printing and related	15	2,269
Other transport equipment	7	1,051
Basic Metals	7	807
Furniture	14	741
Rubber and Plastic Products	8	661
Wearing Apparel	7	424
Motor Vehicles and Trailers	8	254
Electrical equipment	6	253
<i>Source: Mint Database October 2016</i>		

The largest manufacturing businesses by turnover in each subsector are as follows<sup>2</sup>:

Food & Drinks	Crediton Dairy Limited Crediton Milling Company Ltd Aston Manor
Textiles	Heathcoat Fabrics Ltd
Other machinery and equipment	Rotolok (Holdings) Ltd
Paper and paper products	Devon Valley Ltd Higher Kings Mill Ltd
Fabricated metal products	Kaba Ltd
Graphic PLC	Computer electronics and optical products

<b>Twenty-five largest manufacturers by turnover</b>	<b>Post Code</b>	<b>SIC code</b>	<b>Subsector</b>	<b>turnover £'000 last avail yr.</b>
Crediton Dairy Ltd	EX17 2AH	10511	Food & Drinks	58,764
Heathcoat Fabrics Ltd	EX16 5LL	13200	Textiles	48,799
Crediton Milling Company Ltd	EX17 3DH	10910	Food & Drinks	30,641
Aston Manor	EX16 5NU	11030	Food & Drinks	24,941
Rotolok (Holdings) Ltd	EX16 6SB	28990	Other machinery and equipment	23,707
Kaba Limited	EX16 6SS	25720	Fabricated metal products	20,874
Graphic PLC	EX17 1HN	26110	Computer electronics and	18,554

<sup>2</sup> However, the annual turnover may include commercial activities taking place outside of the district

			optical products	
Devon Valley Ltd	EX5 4PL	17120	Paper and paper products	17,289
Higher Kings Mill Limited	EX15 1QJ	17120	Paper and paper products	15,128
M S T	EX16 4DA	33120	Repair and Installation of Machinery and Equipment	9,305
Brookridge Timber Limited	EX15 3PF	16100	Wood and other wood products	6,398
Roots Systems Limited	EX16 6SB	28990	Other machinery and equipment	6,042
Rotolok Limited	EX16 6SB	28140	Other machinery and equipment	6,007
United Roofing Products	EX15 1BT	23990	Other non-metallic mineral products	5,935
Adaero Precision Components Ltd	EX17 1HN	32990	Other manufacturing	4,213
Wellington Scaffolding	TA21 0LR	25110	Fabricated metal products	4,141
Ernest Jackson & CO	EX17 1DN	21100	Pharmaceuticals	3,886
Agrigate Industries	EX15 3EP	23610	Other non-metallic mineral products	2,949
Streamline Corporate	EX15 1BS	13300	Textiles	2,841
Loglogic	EX15 1RW	28301	Other machinery and equipment	2,085
W F Chinn	EX17 1ES	10130	Food & Drinks	1,215
Astra Printing Group	EX15 1AP	18129	Printing and related	1,185
Sandford Orchards	EX17 1HJ	11030	Food & Drinks	1,108
Kingsmark	EX16 4NG	20590	Chemicals and chemical products	1,031
<i>Source: Mint Database Oct 2016</i>				

3.0 Although economic models have yet to factor in the possible effects of Brexit on the Economy, all modelled scenarios produced as part of the evidence base for the Greater Exeter Strategic Plan, indicate that jobs within the manufacturing sector are projected to decline over the next twenty years, some by over 20%.<sup>3</sup> However, productivity is forecast to increase, mainly through specialism and increased use of technology, meaning that manufacturing's share of the local economy is likely to remain the same or similar.

A number of the largest companies in Mid Devon such as Heathcoat Fabrics, Rotolock, Kaba, Graphic PLC, Devon Valley Ltd are already competing at the high end of their markets on a global scale, which will make them less vulnerable to economic change. However, manufacturing in Mid Devon is still heavily reliant on low productivity areas such as Food and Drink. Brexit will only accentuate the need to increase productivity within these sectors, if they are to compete on a wider stage.

Manufacturing is likely to remain an important sector for the district, but this means that it will be important to explore opportunities to support efforts to increase productivity, diversify into advanced manufacturing sectors, enter new markets (including international markets) and attract inward investment.

<sup>3</sup> Greater Exeter Economic Development Needs Assessment, Feb 2017 – However these scenarios do not factor in the potential effects of Brexit.