



invest | north east  
england

## RAIL



# NORTH EAST ENGLAND WORKS.

**Home to world leading rail businesses, with a highly skilled, flexible workforce and access to an unrivalled supply chain.**

Global companies including Hitachi Rail EU, Siemens, DB Schenker and ThermoCore Europe all choose to call North East England home. It's easy to see why. Locating their operations in the region ensures they are perfectly placed to take advantage of an exceptional skills base, lower operational costs and superb connectivity, providing access to global markets.

[INVESTNORTHEASTENGLAND.CO.UK](http://INVESTNORTHEASTENGLAND.CO.UK)

## Why rail firms choose to invest in North East England

- **Supply Chain:** Home to Hitachi Rail EU and an expanding supply chain of over 70 rail specific companies operating within the region
- **Skills Availability:** A primary reason why investors choose North East England, with suppliers taking advantage of the strength of the local workforce to increase capacity
- **Space to Grow:** Ample development sites – many with Enterprise Zone status – and highly competitive property rents
- **Location, Location, Location:** Ideally positioned to access global markets for import and export with three major sea ports. Newcastle International Airport offers direct flights to over 80 destinations
- **Connectivity:** Exceptionally well connected to the rest of the UK with first-class rail, air and road networks linking the region to key business hubs
- **Innovation:** A renowned innovation hub, testing new technologies and practices to further develop the UK rail sector. Newcastle University is one of three UK universities leading the Rolling Stock Innovation Centre
- **Market Opportunity:** North East England offers a prime opportunity for OEMs, Tier One suppliers and component suppliers to take advantage of new contracts from HS2 and the Tyne and Wear Metro for new rolling stock, operations and maintenance
- **Value for Money:** Significant cost savings when compared to other parts of the UK and Europe; Labour costs for an engineer

are 50% cheaper than Paris and Munich. Industrial property costs are less than half as expensive as those in Southampton and 18% cheaper than Birmingham

### Unbeatable rail expertise

Known as the birthplace of rail manufacturing, the region has a rich history in the rail industry. From Stephenson's Rocket to the first passenger railway line from Stockton to Darlington, North East England has always been at the forefront of rail innovation. In recent years, Hitachi Rail EU has established its new £82m rail vehicle manufacturing facility in Newton Aycliffe, County Durham, and now employs over 1,200 highly skilled workers. Hitachi Rail EU is complemented by an experienced local supply chain which includes companies such as Petards, Nomad Digital and Romag, as well as key logistical hubs at the Port of Tyne and Teesport.

**VivaRail has operations in Seaham, County Durham. The company assembles powerpacks and wiring looms for D Train multiple units which it plans to produce using bodyshells and bogies from withdrawn London Underground D78 trainsets.**

The region also has expertise in the wider rail manufacturing sector. Variable Message Signs (VMS), which develops rail signal solutions, is one of the market leaders in its field, while Siemens supply high-tech electrical components for rolling stock projects. Our workforce is renowned for its highly developed engineering and manufacturing skills, and educational institutions such as University Technical College South Durham and Newcastle College's Rail Academy are training the next generation of engineers.



### Unrivalled networks and industry collaboration

North East England has the support network in place for new investors to thrive.

Local authorities, business organisations and our centres of excellence all supply a huge amount of support specifically geared towards nurturing existing supply chains and providing opportunities for new entrants.

The region prides itself on collaboration and business networks leading the way in innovation and R&D.

For example, Newcastle University is a member of the UK Rail Research and Innovation Network and is one of three UK universities involved in the national Rolling Stock Innovation Centre.

### Exceptional skills availability

A highly skilled and loyal workforce ensures North East England's rail sector has a ready and large talent pool. Our ability to meet firms' on-going skilled labour needs highlights the strength of our workforce. The region's manufacturing sector employs more than 126,000 workers. International OEMs such as Hitachi Rail EU, Nissan, Caterpillar and Komatsu are all able to attract the right talent and skills required for their global operations.

**There are over 86,000 skilled workers in the engineering sector and more than 126,000 workers employed in the manufacturing sector**

The region's talent pool is strengthened by a wealth of students specialising in STEM and engineering subjects primed for the workplace. The region has over 51,000 students studying a STEM related subject across the region's five universities.

**There are nearly 10,000 students studying engineering and technology subjects - the highest proportion of all UK regions**



North East England's universities and higher education institutions have worked hand in hand with industry and business networks to develop and deliver bespoke training courses, giving the workers of the future the technical skills they need for the rail sector.

**Newcastle Rail Academy at Newcastle College** is a £5m facility located in Gateshead which offers a range of specialist training courses dedicated to the rail industry for both full-time engineering students and bespoke professional training programmes.

**South Durham UTC** educates students in STEM subjects and BTEC engineering, placing an emphasis on practical work experience in engineering and technology. The UTC is sponsored by Hitachi Rail EU, Gestamp-Tallent, as well as other local engineering employers and Sunderland University.

### Superb industrial premises and development opportunities

Coupled with skills availability and unbeatable business networks, the region also has space to grow. North East England has ample development sites – many with Enterprise Zone status – all with excellent access to roads, rail and port networks.

**Industrial property costs in the region are highly competitive, with rent starting from £2.50 per sq ft**



Development land such as Jade Business Park in County Durham, the International Advanced Manufacturing Park (IAMP) in Sunderland/South Tyneside and Ashwood Business Park in Northumberland are great examples of Enterprise Zone areas available in the region for the development of new manufacturing facilities.

## Supply chain capabilities

From manufacturing components for rolling stock to on-board digital solutions, North East England offers OEMs and Tier 1 suppliers a local and reliable supply chain.

**Local supply chain companies include:**

**Nomad Digital – provide On Board Server (OBS) solutions**

**Optimas – provide fasteners and components**

**Petards - supply passenger counting systems**

**Romag – supply specialist glass windows**

## KEY SPECIALIST OPERATIONS IN THE NORTH EAST

**Hitachi Rail EU**

**Siemens**

**DB Schenker**

**Dyer Engineering**

**Tharsus Engineering**

**Thermacore Europe**

**Nomad Digital**

**Ontrac**

**Petards**

**Romag**

**Sabre Rail Ltd**

**Turbo Power Systems**

**Variable Message Signs (VMS)**

**VivaRail**



# NORTH EAST ENGLAND WORKS.

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