

The CBI has identified that Medium Sized Businesses (MSBs – 50 – 500 employees) form a much lower proportion of the UK business landscape – half the proportion to be found in USA, Germany etc. We need to turn successful SMEs into MSBs to generate growth quickly.

particularly start-ups but the failure rates are high (60%+ in IT).



What are the drivers for economic growth?

The two main aspects are through innovation and improved sales and marketing.

Innovation accounts for about 2/3<sup>rd</sup> of private sector growth. This innovation contributes to both increasing efficiency as well as promoting growth – new markets, new products and services.

The UK's innovation index (0.62) is at a medium level alongside France, Austria, Belgium, Holland etc.

High innovation countries include Finland, Sweden, US, etc. with figures around up to 0.83.  $\,$ 

Barriers to innovation – lack of qualified people and raising finance. For the former access to the universities could be a key factor – both staff and students.





