

Enterprising Oxford: the growth of the Oxfordshire high-tech economy

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Executive Summary

Why is this report called Enterprising Oxford? The answer relates to Oxfordshire's creative and successful economy. The county is now one of Europe's leading centres of enterprise, innovation and scientific knowledge. At the end of 2001, there were over 1,400 high-tech firms in Oxfordshire, employing some 37,000 people. This represents around 12 per cent of all employees in the county. Between 1991 and 2000, Oxfordshire experienced a faster rate of growth in high-tech employment than any of the 45 other English counties (or former counties). This growth in enterprise has been part of the county's transformation from an agricultural economy with a historic university and a car industry to the UK's leading innovation 'hot-spot'.

By the start of the new millennium, Oxfordshire and its surrounding region, the South East, is among the top high-tech locations in Europe. The Oxfordshire, Berkshire and Buckinghamshire sub-region has one of the highest concentrations of employment in high-tech sectors in Europe – out of a total of 209 regions and sub-regions across the 15 EU member states, only five regions have a higher proportion of their employment in high-tech sectors, and none have a higher proportion in high tech services. These strengths combine with high levels of public investment in R&D to make Oxfordshire one of the strongest knowledge-based local economies in the UK.

Oxfordshire's recent success is due to a combination of factors. Its contribution to the 'geography of talent' is its mix of high-calibre individuals who have produced the science, supplied the funding, developed the incubators and used the networks to bring together local authorities, business and enterprises developing a unique innovation support system. The county has an extensive set of business angels and has more incubators and science parks than any other county in the UK. At the heart of these networks is The Oxford Trust. Behind The Oxford Trust and many other initiatives is Sir Martin Wood and his wife Lady Audrey Wood, the founders of the Trust and Oxford Instruments.

Oxford University's new identity as the UK's 'most entrepreneurial university' is a recent important contributory factor to the growth of high-tech enterprise. Under Dr Tim Cook, the Managing Director of Isis Innovation, Oxford University's technology transfer company, Oxford University has spun-out over 30 companies since 1997. Oxford Brookes, the top 'new university' is also research active and has developed a series of dedicated degree programmes for the high-tech economy for example in automotive engineering and bioscience. The impact of privatisation of most of the UKAEA is the growth of commercial services in the commercial arm (AEA Technology) and science and technology parks in the still public sector arm

(UKAEA). The hospitals and their associated research activities provide another important element in enterprising Oxford.

One of the county's strengths is its homegrown leading edge firms such as Oxford Instruments, RM and Sophos, its concentration of biotechnology firms such as PowderJect and Oxford Glycosciences and its position at the apex of 'Motorsport Valley'. It also has concentrations in information and communication technology (ICT) firms, publishing and new media.

The report's analysis takes as its framework changes in the national political system, recording the impact of changing agendas and policies. Thus the government's current promotion of clusters and the tensions in transport and planning are reflected in the discussions in the relevant chapters.