

# BACKGROUND

“To us, economic performance also means assuming social responsibility”.

**Edouard Michelin, Managing Partner, Michelin Group**

## What is Michelin Development?

Michelin Development is a Group initiative aimed at effectively contributing to the economic regeneration and long-term prosperity of the regions in which our sites are located.

## Why?

Michelin has always been involved in supporting local communities, both socially through participation in local initiatives and in the form of economic development support – (as described in the Michelin Performance and Responsibility Charter released in April 2003).

Michelin Development offers the Company the ideal opportunity to make a valuable contribution not only in stimulating employment creation but also supporting the economic infrastructure in the local areas around our sites. As a socially responsible company, we must make an active contribution by encouraging participation in the local community and in the creation of employment outside our own area of business.

A company must not only be judged by its economic performance but also its commitment to its employees and the local communities in which its sites are located.

As such we consider it one of our responsibilities to assist in the economic development of the regions in which we are located, helping whenever possible to encourage the creation of jobs outside our company.

**Michelin Performance and Responsibility Charter 2003**

# PURPOSE

- Creating employment growth
- Supporting local initiatives
- Contributing to economic regeneration

## Our mission

- to stimulate employment creation through attracting inward investment
- to generate or safeguard sustainable quality employment within existing and new businesses
- to encourage skills and entrepreneurship able to support the long-term future of the local region

## The aim of Michelin Development is to:

Effectively contribute to the economic regeneration and long-term prosperity of the regions in which our sites are located.

Michelin Development was launched in 2002 to support the development of new and existing businesses by providing access to Michelin's industrial experience and expertise, and offering financial support.



## The goals are to:

- **Attract** inward investment and contribute to the creation of sustainable, quality employment growth
- **Assist** in the shaping and development of projects in conjunction with local business-support agencies
- **Support and encourage** entrepreneurial spirit to complement existing local initiatives as part of the local regions' economic strategy

# WHAT'S ON OFFER?

Michelin Development support is available to companies with projects that can demonstrate the potential to create high quality, sustainable jobs within the targeted geographical areas. Support is open to start-up and existing small and medium sized enterprise (SMEs). Whilst support will be available to businesses from all market sectors, priority will be given to those businesses within the manufacturing sector.

## Scope of support

Michelin Development assistance is intended to complement and not duplicate business support initiatives available from existing business enterprise programme providers operating within the targeted areas.

Assistance can be provided in the following areas:

### Access to finance

- **Applications can be made for unsecured loans from £5,000 through our associate bank**
- **The recipient company would be expected to repay the loan over a three to five year period**
- **A very attractive rate of interest (Bank of England base rate) would apply**

### Advice and expertise – support

Advice and assistance to support new or existing enterprises may be given free of charge using Michelin's industrial experience and expertise. Support will be geared to sustainable quality employment growth, both in the manufacturing and service sector. The type of support could cover such areas as:

- **Industrial Engineering (Organisation)**
- **Design**
- **Marketing**
- **Purchasing**
- **Information Technology**
- **Personnel-related issues**
- **Environment**
- **Quality Systems**
- **Training**
- **Health and Safety**
- **Other areas by discussion**

# ELIGIBILITY

Michelin Development working in conjunction with regional development agencies, local government and business support agencies, offers small and medium sized enterprises (up to 250 employees) a route to financial assistance through our associate bank and access to Michelin's in-house experience and expertise.

Support is available to projects that can demonstrate the potential to create high quality, sustainable jobs within the targeted geographical areas.

## Acceptance criteria

### Viability

Applications must be supported by a viable business plan or a 'Business Diagnostic Health Check' carried out by an accredited business advisor together with relevant financial accounting information:

- **For a start-up business with less than six months trading history, a copy of a viable business plan, together with up to date management accounts**
- **For an existing business with over six months trading history, a copy of a viable business plan, together with up to date audited or management accounts as approved by an accredited business advisor**
- **At the discretion of the business advisor, a copy of a current 'Business Diagnostic Health Check' could be supplied as an alternative to the business plan**

### Market sector and location

Whilst applications can be submitted from any business located within the targeted geographical areas, priority support will be given to those businesses that:

- **Are in manufacturing, IT, environmental technologies or involved in design and process development**
- **Can demonstrate that their project can benefit other local companies through feeding the supply chain**