# UK CAR MANUFACTURING (data for full year 2014)

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# UK car manufacturing defies export challenges with year of growth

* 1,528,148 cars manufactured in the UK in 2014 – a 1.2% increase on the previous year and the best year since 2007.
* Strongest December in a decade saw 108,721 cars produced, up 27.1% on December 2013.
* Growth comes despite challenges in some export markets.
* Output for the UK market matched the growth in overall UK registrations, rising 8.0%.

**Mike Hawes, SMMT Chief Executive**, said, "Placed in context, a 1.2% growth in UK car manufacturing in 2014 represents a very successful year. The industry has overcome various challenges, including slower than expected EU recovery and weakness in some global markets.

"More than £7 billion of investment into UK production facilities has been announced in the past two years, and we are now seeing the effects as new models begin production – with more expected in 2015. UK car manufacturing is now more diverse than ever, with a unique combination of volume, premium and specialist brands giving our products truly global appeal. This is epitomised by the doubling of car export values in the decade from 2005 to 2014."

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| **Car manufacturing** | **Dec-13** | **Dec-14** | **% Change** | **2013** | **2014** | **% Change** |
| **Total** | **85,566** | **108,721** | **27.1%** | **1,509,762** | **1,528,148** | **1.2%** |
| Home | 15,075 | 22,535 | 49.5% | 308,367 | 332,952 | 8.0% |
| Export | 70,491 | 86,186 | 22.3% | 1,201,395 | 1,195,196 | -0.5% |
| % export | 82.4% | 79.3% |   | 79.6% | 78.2% |   |

**Business Secretary Vince Cable** said, "These production figures are testament to the strength of our automotive industry, and show that even in tough economic conditions it continues to be one of the driving forces behind our economic recovery. From Sunderland to Goodwood, Britain is turning out cars that are in demand all around the world.

"The UK’s automotive industry is thriving with a new car rolling off the production line every 20 seconds, while increasing levels of investment are helping to secure local jobs. Through the government’s industrial strategy we are backing the automotive industry as it goes from strength to strength."

**UK car manufacturing – 1972 (all-time record) and selected years 2007-2014**

 **UK car export destinations by volume – 2007 vs. 2014 (to Q3)**

A key strength of UK car manufacturing is its diversity, with a mix of volume, premium and specialist products in high demand around the world. The proportion of premium and specialist cars, in particular, has grown in the past decade, leading to increasing demand outside the EU (above). China is now the UK’s second-largest market outside the EU, accounting for around 12% of exports in 2014 compared with just 1% in 2007.

**UK car export values, 2004-2014 (Source: ONS)**

Another result of an increasingly diverse product mix is a rapid rise in value. In 2004, the wholesale value of UK car exports was around £12 billion; this has doubled to more than £26 billion in 2014, despite a similar number of cars exported. The average car exported in 2004 was worth £10,200, compared to £21,800 in 2014.

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**About SMMT and UK the automotive industry**

The Society of Motor Manufacturers and Traders (SMMT) is one of the largest and most influential trade associations in the UK. It supports the interests of the UK automotive industry at home and abroad, promoting a united position to government, stakeholders and the media.

The automotive industry is a vital part of the UK economy accounting for more than **£64 billion turnover** and **£12 billion value added**. With more than **160,000** people employed directly in manufacturing and in excess of **770,000 across** the wider automotive industry, it accounts for **10% of total UK export of goods** and invests **£1.9 billion** each year in automotive R&D. More than **30 manufacturers** build in excess of **70 models** of vehicle in the UK supported by around **2,500 component providers** and some of the world's most **skilled engineers**.

More detail on UK automotive available in SMMT's Motor Industry Facts 2014 publication at [www.smmt.co.uk/facts14](http://www.smmt.co.uk/facts14).

**Broadcasters: SMMT has an ISDN studio and access to expert spokespeople, case studies and regional representatives.**

**Media contacts**

Ben Foulds 020 7344 9222 bfoulds@smmt.co.uk

Alex Michaelides 020 7344 1667 amichaelides@smmt.co.uk

Emma Butcher 020 7344 9263 ebutcher@smmt.co.uk