

TECHNOLOGY

Transcript: David Cameron sets out Britain's hi-tech future

By Duncan Geere | 04 November 10



Back in October 2009, Wired began collating a map of all the digital businesses that comprise the technology and culture hub centred around Old Street and Shoreditch and which have collectively become known as Silicon Roundabout. An article on the area's vibrant ecosystem of companies appeared in Wired's February issue.

The name "Silicon Roundabout" was originally coined by Dopplr's Matt Biddulph, but has since taken on a life of its own. In fact, UK Prime Minister David Cameron is giving a speech at the Old Truman Brewery on Brick Lane that celebrates Britain's high tech innovation and particularly the businesses that comprise Silicon Roundabout, as well as setting out the roadmap for the future.

In it, he pledges to attract more entrepreneurs to Britain, creating a special visa to facilitate this. He also announces a revamp of Britain's copyright and intellectual property system. Finally, he lays out a plan to bring proven US innovators to Britain, along with the expertise and funding that companies will require.

Here's a full transcript of Cameron's speech:

Introduction

Ten days ago, when I set out the coalition's strategy for growth at the CBI conference, I announced an important change in government policy towards business and enterprise. For a long time, that policy has been broadly this:

Identify the big ticket industries where Britain is strong -- and work strategically to strengthen them. Of course, we will continue to get behind our competitive advantages. And we will focus relentlessly on removing barriers to business success across the economy. But we're combining that with something else.

The world of business is changing at an astonishing rate. Insurgent companies are taking advantage of thousands of new innovations and millions of new consumers to generate billions in revenue within a matter of years. This is where so much of the promise of new jobs and opportunities lie. That's why, as part of our strategy for growth, we've made a really important decision.

We're not just going to back the big businesses of today, we're going to back the big businesses of tomorrow. We are firmly on the side of the high-growth, highly innovative companies of the future.

Don't doubt our ambition. Right now, Silicon Valley is the leading place in the world for high-tech growth and innovation. But there's no reason why it has to be so predominant. Question is: where will its challengers be? Bangalore? Hefei? Moscow?

My argument today is that if we have the confidence to really go for it and the understanding of what it takes, London could be one of them. All the elements are here. And our ambition is to bring together the creativity and energy of Shoreditch and the incredible possibilities of the Olympic Park to help make East London one of the world's great technology centres.

I know this can't -- and won't -- happen overnight. But today, I want to show how we can get there.

East London

I know you've heard this many times before. Governments all over the world have tried to create their own Silicon Valley -- but it never seems to happen. So why here in East London and why now with this Government?

Let me start with the 'why here'. Something is stirring in East London. Only three years ago, there were just fifteen technology start-ups around Old Street and Shoreditch. Companies like the concert service Songkick; Moo, which prints business cards; and Last.fm, an online music community that was sold for £140 million. Fast forward to today, and there are now over one hundred high-tech companies in the area.

This on its own is incredibly exciting. But combine that with the possibilities of the Olympic Park. Just a few tube stops away, there's the potential for nearly one million square feet of flexible office and research space which our technology companies can expand in to. Add to that the Olympic Park's green spaces, cafes and sports facilities, the quick access to City Airport and St. Pancras International and the fact that London has more outstanding universities than any other city in the world and it's clear that in East London, we have the potential to create one of the most dynamic working environments in the world.

And I believe we can really turn this vision into a reality. We understand where previous governments have gone wrong. They believed that they could design and create a technology cluster from on-high. But the lessons from Silicon Valley are instructive. There was no grand centralised plan.

Yes, the US Government and particularly its investment in defence industries gave it a head-start. And new firms were attracted by the cheap rents, the venture capital and the pool of talent at Stanford University. But so much of Silicon Valley's growth was organic. As the sociologist Richard Florida has argued, young and creative people were drawn there by the Bay Area's good quality of life and San Francisco's vibrant cultural scene.

This teaches government some simple things. Go with the grain of what is already there. Don't interfere so much that you smother. But do help out wherever you can. Help to create the right framework, so it's easier for new companies to start up, for venture capital firms to invest, for innovations to flourish, for businesses to grow.

Government Action

It's by having that sort of understanding that you arrive at the blueprint we are publishing today. The policies in this document set Britain on to the path of becoming the most attractive place in the world to start and invest in innovative technology companies. £200 million of equity finance for businesses with high growth potential.

Indeed, we are today setting ourselves the ambition of making Britain the best place in the world for early stage and venture capital investment £200 million for new Technology and Innovation Centres -- one of which could be in the Olympic Park. Significantly boosting UKTI support for technology companies who are either starting up in the UK or trying to expand into new markets including spending at least £15 million and establishing a global task force for new technology. Opening up government procurement budgets to small and medium-sized firms.

And today, I can announce two further proposals. The first is to do with visas. Despite net migration reaching hundreds of thousands a year over the past decade, not enough was done to attract the next generation of wealth creators and job makers.

Tier one -- the immigration route through which the best and the brightest are supposed to come to Britain -- was a total failure. Indeed, the Home Office recently published research that showed that a third of tier one economic migrants are doing unskilled work. That's wrong and it's got to change.

So as we introduce our limit and reduce non-EU economic migration, we will reform tier one to make sure that it is genuinely a route only for the best. And as part of that package, I can announce today that we will create a new Entrepreneur Visa. These Entrepreneur Visas will mean that if you have a great business idea, and you receive serious investment from a leading investor, you are welcome to set up your business in our country.

So as we act to bring net migration to Britain down to the tens of thousands, I want this message

to be heard loud and clear the whole world over -- in every classroom or laboratory where a bright idea is born, every bedroom where a business case is put together.

If you've got an idea, if you want to create jobs, and if you have the ambition to build a world beating company here in the UK, we want you; we'll make it easy for you; we'll put out the red carpet for you. With our new Entrepreneur Visa we want the whole world to know that Britain wants to become the home of enterprise and the land of opportunity.

The second new announcement I can make today is to do with intellectual property. The founders of Google have said they could never have started their company in Britain. The service they provide depends on taking a snapshot of all the content on the internet at any one time and they feel our copyright system is not as friendly to this sort of innovation as it is in the United States.

Over there, they have what are called "fair-use" provisions, which some people believe gives companies more breathing space to create new products and services. So I can announce today that we are reviewing our IP laws, to see if we can make them fit for the internet age. I want to encourage the sort of creative innovation that exists in America.

Business Action

But the really exciting thing we're announcing today isn't to do with these more traditional government levers. For the past few weeks and months, we have had dozens of meetings with technology companies and venture capital investors from across the world.

We said to them: "Here's our vision for East London tech city -- a hub that stretches from Shoreditch and Old Street to the Olympic Park. This is what local businesses are saying they need. What part can you play in making it happen?" I have to say: the response has been overwhelming.

Just listen to what's been agreed for the Olympic Park. The Olympic Legacy Company has agreed to create an "accelerator" space there, providing office space for companies that grow out of East London and beyond. Imperial Innovations, the venture capital arm of Imperial College London, is going to advise on making sure this accelerator space is attractive to spinout companies from academia and beyond. Indeed, they will be encouraging some of their own brilliant companies to be based here.

We've also spoken to over a dozen leading venture capital investors to encourage them to follow suit. What's more, Cisco will establish an Innovation Centre in the Olympic Park, focusing on technical excellence, and University College London and Loughborough University have agreed to work with the Olympic Legacy Company to build a bridge between academia and enterprise in the Olympic Park.

But what about here -- in the heart of East London where there's already so much to work with? We're working with business to make sure the infrastructure and advice you need is in place. So McKinsey and Company, one of the world's leading strategic consultancy firms, has agreed to share its expertise in establishing this technology cluster and help start-up companies in the area

grow into global giants.

British Telecom has agreed to bring forward the roll-out of superfast broadband in the area, so you have some of the fastest internet speeds in the whole of Europe. And Qualcomm, one of the world's leading wireless technology companies, will provide expert advice to East London start-ups on intellectual property matters, helping them to protect and commercialise their technologies.

We've also asked some of the world's biggest businesses and banks to help provide the finance that's so urgently needed. So Vodafone has committed to bring its Vodafone Ventures investment fund to the capital, to hunt out cutting edge British technology. Silicon Valley Bank, a West Coast institution, is today announcing that it will become a fully fledged bank in the UK, providing financing for technology and life science companies. And Barclays will create a new facility in East London to provide specialist banking services to high growth technology companies in the area.

Finally, we've persuaded some of America's most dynamic companies to set up research and development spaces right here. So Intel will establish a new research lab in East London, focusing on performance computing and new energy efficiency technologies. Google has agreed to create an Innovation Hub in East London too, which will be a creative space for their researchers to come together with developers and academics to create the next generation of applications and services.

And Facebook has agreed to create a permanent home in East London for their successful Developer Garage programme, which brings together and inspires the most talented developers and entrepreneurs here in the UK. All in all, this is a who's who of some of the world's biggest companies -- and an extraordinary list of proposals.

I want to thank each and every one of the companies and investors that has come together to do this. It's like nothing that has happened in our country before. It is a genuine innovation network -- bringing together high growth start-ups, universities, investors and global companies. And thanks to these efforts, we can help make East London one of the world's great technology centres and sow the seeds for sustainable growth throughout the economy.

Conclusion

Let me end by saying this. We're in a world where money is incredibly tight. And we're a government that is one hundred percent committed to giving power away and trusting in the creativity of the British people. I know those two things raise one big question: What is government for?

You've got some of your answers today. Of course, we will change laws where necessary so we break down the barriers to innovation. But more than that, we will use our power and influence to agitate for, cajole and inspire the change we want to see.

The incredible response from the private sector has shown just what a powerful tool this can be. Businesses coming together, using their expertise and applying their resources to making London a centre for innovation, for putting Britain on the path to economic dynamism.

That's what I mean when I say we're all in this together. And that's why I believe Britain can have such a strong, positive and confident future.