

UK automotive industry ranks 9th in global innovation race, report reveals



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August 2024

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As the automotive sector grows, new data highlights the UK government's need for an Intellectual Property strategy to boost the UK's competitiveness in automotive innovation to beat global leaders

A new [report](#) reveals the UK ranks 9th globally in automotive innovation, trailing behind global leaders, indicating that more needs to be done by the UK government to close the gap with leading nations.

Globally, patent filings in the automotive industry have increased 450% within the last decade, indicating high growth and competitiveness in the sector. However, the data reveals the UK has more work to do to become a global leader.

According to the latest data, the UK filed 2.01% of global automotive patents in the past decade. This is four times lower compared to close neighbours Germany and three times lower than the European Patent Office.

Filings in the UK are eleven times lower than the US which currently ranks second for global automotive patents. The US specialises particularly in material analysis and charging infrastructure compared to other nations.

The top three technology areas for automotive patent filings in the UK are secondary cells (rechargeable), vehicular energy storage, and cell electrodes. This follows a global shift in R&D from conventional fossil fuel technology to electric power.

Data is published as the new Labour government targets growth through public and private investment in science and technology. The data calls for the UK to

have its own intellectual property strategy to support growth and implementing such measures will be crucial for the UK if they want to become a global leader.

The report, created by IP specialists and R&D tax relief experts [Source Advisors](#), analyses the volume of innovative output from the UK compared to other territories for automotive patents.

Luke Hamm, Managing Director at Source Advisors says:

“Now the election is over and the new government gets down to business, the headline-grabbing commitment to economic growth now must take shape in actual policy. There are choices to be made on what we want to be famous for and how the legal, and regulatory framework complements this as well as was fiscal incentives will drive greater levels of investment”

Akshay Thaman, IP Consultant & Policy Lead:

“This research shows that the UK sits at the lower end of the top 10 for patents filed in the Automotive industry. Ultimately, it highlights the level of work needed by the incoming government to position the UK to truly compete on the world stage. Now, funding routes such as the R&D tax relief regime, grant funding and private investment are all crucial to driving growth. However, we ask the incoming government to carefully consider the importance of intellectual property awareness, protection and commercialisation as a key lever to driving growth. Other comparative nations are clearly ahead of the UK in doing this. Perhaps it’s time for the UK to have its own intellectual property strategy.”

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Notes to editor:

- *Note on data:

- Data collection for this report was conducted on 21st June 2024 for patents filed from 1st January 2010 onwards. This report analyses filings that are either granted and active or currently patent pending, therefore excluding any expired or lapsed patents or patent applications.
- Our research focuses on three critical technologies that are set to shape the next parliament, how these are being tackled by other countries, and what patent data can reveal about the UK's strategic power in these sectors
- Patents (and patent applications) are a useful indicator of the R&D direction for a given sector, it provides great insight into the density of innovative activity on a global scale and, with over 150 million patent applications published worldwide, provides a comprehensive dataset to carry out such analysis.
- Research conducted by Source Advisors available here:
<https://sourceadvisors.co.uk/insights/our-research/a-focus-on-key-technologies-how-does-the-uk-compare-to-other-global-leaders/>

About Source Advisors

Source Advisors is a long-established specialist in all things innovation and R&D tax relief. We help businesses maximise the value of their innovation through our R&D, Patent Box and Intellectual Property consultancy services. We are the partner of choice for many of the UK's leading accounting firms and count FTSE 250 companies among our clients.

Source Advisors has provided R&D tax credit and wider incentive solutions for 40 years in the US and 20 years here in the UK. We have a global team of over 250 professionals to serve our accounting partners and clients.