

# Good reasons to consider investing in the Isle of Man.

## A Land of Opportunity

The Isle of Man has an excellent track record in supporting the entrepreneurial spirit and we are committed to helping individuals and business become successful. Ranging from financial services to manufacturing, shipping and aircraft management to e-gaming, film production to precision engineering, our sectors are internationally recognised as some of the best in the world.

At the heart of our proposition to those considering investing here is a promise that the Isle of Man is a land of possibility where people and business will find the right environment to reach their full potential, whatever they feel that may be.

We can support our promise with facts. For instance over 90% of our supported business start-ups succeed.

We help protect this promise by putting into action the values and practices that define the Isle of Man:

- Independent thinking
- Resilience
- Resourcefulness
- Community Loyalty

## Business friendly

The Isle of Man is one of the most business friendly regions in Europe and was ranked 4th “Most Business Friendly” area in fDi’s European Regions of the Future 2008/09.

So how do we make it easy to do business?

The Government of this independent nation is agile and responsive, able to meet the needs of both business and local communities by creating effective new legislation, cutting red tape and reducing bureaucracy.

The Isle of Man also shows that **small is beautiful** – business leaders can gain access to Ministers and senior officials rapidly. Change can be delivered far faster than in large jurisdictions.

## Economy

### *Consistently successful*

The Isle of Man economy is currently in its twenty fifth consecutive year of growth with the economy currently experiencing a growth rate estimated at just under 8% p.a. Banking generates typically around one fifth of the Island’s gross domestic product, with the rest of the finance industry combined adding another 15%-20%.

One consequence of the economy's performance has been an ongoing strengthening of public finances. Over the last seven years alone Treasury's receipts more than doubled to stand at over £0.6bn in 2007.

### ***Diverse economy***

The Isle of Man, however, is no 'one-trick pony' when it comes to its economy and contains a host of diverse, successful sectors developed over recent years. For example:

- Ship registration and management - the Isle of Man's Ship Register is one of the best in the world and is supported by international companies offering specialist maritime services in both ship and yacht management, finance, maritime insurance, maritime law and company formation.
- Space - the Isle of Man is a leading jurisdiction for the location of companies in the exploration of space and is home to the International Space University's Institute of Space Commerce.
- Manufacturing - high-tech manufacturers produce essential components for use in airliners, submarines, spacecraft and oil rigs, to name but a few.
- Film - the Isle of Man is one of the busiest areas for film production in the British Isles, having co-produced and co-financed over 85 film, television drama and animation projects since 1995.

### ***Budgeting for success***

An important element of the Island's fiscal strength is the long established and self-imposed legislative requirement that the Isle of Man Government must budget for a surplus in respect of its annual revenue spending. Whilst meeting this requirement Government has continued to invest in developing and updating the Island's infrastructure, for economic as well as social benefit. This overall strength in the public finances has been recognised in the continued AAA ratings from credit agencies Standard & Poor's and Moodys.

## **World Class Infrastructure**

The Isle of Man has an exceptional infrastructure with resilient, world-class telecoms and power supplies. The infrastructure has had to progress rapidly to keep pace with the increasingly sophisticated demands of both businesses and individuals. For example, in the last 10 years, the Government alone has spent in excess of £1bn on infrastructure, including a new hospital, schools, an award-winning power station, energy from waste facility, water treatment works, leisure facilities and conference centre.

During the same period, the private sector has invested several hundred million pounds redeveloping and building new, offices, apartments and houses. As a result, the built environment has changed substantially, although only around 5% of all land has been developed.

Much more development has taken place that is invisible, such as subsea and underground networks for telecoms, electricity and water. For example in telecoms the Isle of Man now enjoys resilient off-Island links through a variety of fully-

managed global connectivity solutions attracting many high quality hosting centres to locate here.

Manx Telecom, the major telco in the Isle of Man was the first to launch 3.5G mobile broadband while their policy of expanding the reach of broadband into rural areas has enabled fixed broadband penetration rates to be high. The most exciting development is yet to come though with the launch of their fixed/mobile converged network - Next Generation Network (NGN) in 2010. This should mean that the Isle of Man will be one of the first nations in the world to enjoy the benefits of a fully converged IP-based network.

## Financial Incentives

### Taxation

The Isle of Man encourages diversification and enterprise with generous financial incentives for business start-ups and expansion. We offer a clear and simple taxation regime, plus availability of generous grant assistance for businesses.

### Grants and Assistance

#### ***Financial Assistance Scheme***

The Financial Assistance Scheme can offer a generous package of support to qualifying businesses including. The Scheme is discretionary and grants are only awarded to companies satisfying certain environmental and commercial criteria.

- Up to 40% equipment grants, to include all hardware and software
- Up to 40% building grants either for new build or for rents payable
- Up to 40% revenue grants encompassing expenditure from research and development, relocation, consultancy, marketing and quality and environmental standards
- Up to 50% training grants

The above incentives apply to existing and new ventures and can be applied for on an annual basis.

#### ***Business Support Scheme***

The Business Support Scheme is a joint initiative between the DTI and the University of Salford designed to help businesses develop their business skills and management competencies. The Scheme offers a grant of 50% towards the cost of projects in a wide range of business disciplines up to a maximum level of assistance of £4500 per project. The range of services on offer to businesses include expert consultancy to deliver complete business solutions, including hardware and software where appropriate, and strategic business development advice including mentorship.

## **Small Business Start-Up Scheme**

The purpose of the Small Business Start Up Scheme is to help foster local enterprise regardless of the economic sector of the business and to assist in the creation and growth of viable, quality businesses on the Isle of Man. It has proved invaluable in terms of sustaining the viability of many small businesses, especially in the first vital years.

## **Responsive Government**

Our independence means new ideas and legislation can be introduced quickly, reducing bureaucracy.

The Isle of Man can offer a unique partnership between public and private sectors. In a nation that is small and relatively free of bureaucracy, the private and public sectors work closely together so that positive changes can be made quickly and efficiently.

We see things differently. The Isle of Man Government is composed of individuals, not parties and underpinned by a mandate of cooperation instead of confrontation. Our people are independent thinkers who do their best to pull together.

It has resulted in an unparalleled working relationship between the public and private sectors. Perhaps it is the way you always felt it should be.

Politicians are accessible to all – their home telephone numbers are in the Phone Book! - and work closely with business. Ideas are heard...and actioned. This partnership is instrumental in driving in new expertise, new professionalism and new residents.

## **High Quality of Life**

The Isle of Man offers an unrivalled lifestyle and scored the highest ever rating polled by MORI as a place to live.

93% of residents were either happy or very happy with the Isle of Man as a place to live. However, this is unsurprising when the Isle of Man offers short commuting times, diverse career opportunities, low personal taxes, low crime rate and a distinctive culture. The Island also prides itself on being a caring society and offers excellent standards in both health care and education.

The Island already has an established reputation for events, particularly motor-sport and the world-famous TT Races, but we are also increasingly becoming well-known as a centre of excellence in such as cycling.

On a recreational level, the opportunities for hiking and walking are superb given that the Isle of Man is an area of outstanding natural beauty containing hundreds of miles of footpaths.

For the less energetic, there's 10,000 years of history to explore presented under the 'Story of Mann' banner by Manx National Heritage. Attractions range from the award-winning House of Manannan in Peel - an interactive heritage centre on the west coast presenting the Isle of Man's Celtic, Viking and maritime history - to museums and medieval castles.

Isle of Man produce also has a reputation for quality and purity, indicative of the environment it comes from. For example, our seafood products such as Manx Kippers queenies are already as well-known on the tables of the finest restaurants as they are on the Island itself.

One of the best ways to explore the Isle of Man is by car. The Island has over 600 miles of roads which enable you to drive from the heart of the countryside to the coastline in no more than 20 minutes. However, if you fancy leaving the car at home, the Island's Victorian railway systems also present a wonderful way to experience the Isle of Man's beautiful scenery.

## Accessibility

The Isle of Man enjoys plentiful and reliable transport links to major transport hubs in the UK and Ireland. For example, with nearly 40 flights to London per week and around 30 to Manchester the Isle of Man provides an ideal gateway to Europe and the world.

### Air

The Isle of Man's Airport, Ronaldsway, is located near Castletown, 9 miles to the south of the capital Douglas, and handled nearly 800,000 passengers in 2007.

Frequent flights are provided to and from many airports in the UK and Ireland including: London (City, Gatwick and Luton), Belfast, Birmingham, Blackpool, Bristol, Dublin, East Midlands, Glasgow, Gloucester, Guernsey, Jersey, Leeds/Bradford, Liverpool, Manchester, Newcastle, and Southampton.

### Sea

The Isle of Man's principal port is Douglas which has deep-water berths and facilities for handling passengers, roll on/roll-off cars and freight vehicles, general cargoes and bulk oil and gas cargoes, and is also a regular port of call for cruise liners. Peel, on the west coast, has a deep water berth and facilities for handling limited passenger traffic, general and bulk oil cargoes. Ramsey in the northeast is a drying harbour with a busy trade in general and bulk cargoes.

The main sea routes are: Douglas to Liverpool; Douglas to Heysham; Douglas to Belfast; Douglas to Dublin. The Isle of Man Steam Packet Company operates multi-purpose and freight roll-on/roll-off vessels on the Heysham route providing twice daily services throughout the year for passengers, cars and freight vehicles. The Steam Packet Company also has twice daily FastCraft services to Liverpool from April to October and weekend services by ferry during the winter.

In the summer months the Steam Packet operates additional Fast Ferry routes for to Dublin and Belfast as well as extra sailings to Heysham and Liverpool.

### Average Journey Times by Air and Sea

BY AIR		BY SEA	Ferry	Fast Ferry
London	75 mins	Heysham	3 hrs 30 mins	2 hrs
Manchester	45 mins	Liverpool	4 hours	2 hrs 30 mins
Liverpool	30 mins	Dublin	4 hrs 45 mins	2 hrs 55 mins
Birmingham	55 mins	Belfast	n/a	2 hrs 55 mins
Belfast	30 mins			
Dublin	30 mins			

### Roads

The Isle of Man has an extensive road network with over 600 miles of roads. Congestion is not a big problem and this means commuting times are much shorter than comparable journeys in cities and large towns situated in the British Isles.

## Skills and Education

The Isle of Man offers a highly skilled workforce and an environment of continuous learning for those who require and desire it. Residents can study at a variety of levels from MBA to a basic vocational course.

We also have a high performing education system. Our students' results consistently outperform those of the UK, at all ages between the ages of 5 and 18 and over 75% of our students leave school having achieved an IT qualification. The curriculum is focused on helping our young people become resourceful learners, excellent citizens and an asset to our dynamic economy.

### Higher Education

The International Business School (IBS), located in Douglas within magnificent parklands close to the heart of the financial centre, is a unique research, consultancy and advanced teaching institution focusing on offshore finance, banking and insurance. IBS provides full and part-time Higher Education opportunities – in a variety of flexible modes – to local residents, employers and employees in business and finance related activities. Students with an interest in offshore international finance from other countries are also welcome to take advantage of the study and research opportunities at the IBS.

## Further Education

A wide range of National Vocational Qualifications, Vocational 'A' levels (formerly GNVQ) and other professional qualifications are offered for full-time and part-time study and assessment at the Isle of Man College.

## Primary and Secondary Education

### *State:*

A combination of the best in traditional and modern approaches to teaching and learning continues to ensure high standards throughout the Island educational system. Schools are well resourced with books, computers and equipment. The progressing rate into sixth form is high, with students obtaining excellent results across a wide range of Advanced Level subjects. In 2007 the number of passes at grades A and B (43.5%) was a record high. Each of the Island's five comprehensive secondary schools has a reputation for academic success.

### *Independent:*

Independent education in the Isle of Man is provided by King William's College for pupils aged 11 to 18 and the Buchan School for pupils between 3 and 11. The two schools merged in 1991 to make a continuous educational provision for boys and girls, day pupils and boarders from the age of 4 to 18. Pupils follow a range of extra curricular activities and almost all Sixth Form leavers proceed to Higher Education having followed courses in the International Baccalaureate.

## Culture of innovation

The Isle of Man has a culture of innovation and originality which means we empathise with the entrepreneurial spirit and offer it the opportunity to flourish.

We have successfully diversified into new sectors like aerospace, e-business, e-gaming, space and film.

But the Isle of Man also has a long history of innovation and 'firsts' in other areas:

- First with zero corporate tax
- First to launch 3.5G mobile broadband service
- First RNLI lifeboat station in British Isles
- First to give women the vote in national elections
- First in Western Europe to give 16 & 17 year olds the vote in national elections
- First mass market holiday camp
- Smallest road-legal car ever produced: the P50