

This is an article, courtesy of the Daily Telegraph, which highlights the Mercedes and F1 Motor Sport financial contribution to this County and puts the case - in my opinion -for it to be recognised with the strategic objective by NBC + NCC of the creation of an F1 Motor Sport Museum - which would be a deserved major Tourist attraction for the Country !!

Mercedes F1 engines drive £110m investment in UK Page 1 of 4

<http://www.telegraph.co.uk/subscriptions/sub-bar/> <https://secure.telegraph.co.uk/subscribe/10>  
 Subscriptions [generic\\_premium@telegraph.co.uk](mailto:generic_premium@telegraph.co.uk) [generic\\_premium@telegraph.co.uk](mailto:generic_premium@telegraph.co.uk)  
 2016 Sign <http://www.telegraph.co.uk/2016/12/25/business/mercedes-f1-engines-drive-110m-investment-uk/>  
 LOGIN REGISTER  
 ETC

**The Telegraph** ALL SECTIONS  
[Business](#) More

Business

Business

**Mercedes F1 engines drive £110m investment in UK**



Mercedes' accounts describe the UK as a 'global centre' for the motorsport industry

By **Christian Syll**  
 25 DECEMBER 2017 • 8:19PM

<http://www.telegraph.co.uk/business/2017/12/25/mercedes-f1-engines-drive-110m-investment-uk/> 25/12/2017

Mercedes F1 engines drive £110m investment in UK Page 3 of 4

Its investment in Britain has been aided by the Government's support of the hi-tech industry through its research and development relief, which gives companies a deduction on taxable profits of qualifying expenditure.

The accounts state that "the United Kingdom remains a global centre of competence for the motorsport industry and this, coupled with the Government's support for research and development, has enabled the company to continue to invest in a highly skilled workforce and technologically advanced asset base".

It is not entirely driven by racing. The accounts state that "the company engages in research and development to support the development of Formula One power units and the transfer of technology to road car projects".

Contact us  
 About us <https://www.telegraph.co.uk/>  
 Rewards  
 Archive <http://www.telegraph.co.uk/archive/>  
 Reader Prints <http://www.telegraph.co.uk/reader-prints/>  
 Branded Content  
 Syndication  
 Guidelines  
 Privacy  
 Terms and Conditions

© Telegraph Media Group Limited 2017

<http://www.telegraph.co.uk/business/2017/12/25/mercedes-f1-engines-drive-110m-investment-uk/> 25/12/2017

Mercedes F1 engines drive £110m investment in UK Page 2 of 4

**G**erman car manufacturer Mercedes has revealed that the production of the V6 turbo engines used by its championship-winning Formula One team is contributing around £111.7m to the British economy.

Last month Lewis Hamilton steered Mercedes to a fourth consecutive F1 title, and although it races under the German flag both the team and its engine manufacturing division are based in Britain.

Mercedes designs, develops and builds its F1 engines at a dedicated factory in Northamptonshire. The local area is named "Motorsport Valley", after America's Silicon Valley, as eight of the 10 F1 teams are based there. Mercedes' engine division alone had total costs of £126.9m in the year ending December 31, 2016 according to its latest accounts. They state that "the company now employs 571 staff members and contributes over 88pc of its total expenditure within the United Kingdom".

At £73.5m, research and development comprises the bulk of this with staff paid a further £42.6m. The economic impact stretches far beyond that as Mercedes' engine division deals with nearly 1,500 UK-based suppliers including designers, equipment manufacturers and haulage firms.

The engines do not just power Mercedes' own outfit but also the Force India and Williams teams. Fees for leasing them are received by Mercedes, with parent Daimler providing the remainder of the engine division's revenue, which reversed by 7.5pc to £140.4m last year. After paying an £11.4m tax bill it was left with a £1.5m net profit.

Revenue of the F1 team itself accelerated 35.7pc to £289.4m, fuelled by a boost in prize money from winning the F1 title the previous year. However, costs surged 10.7pc to £274.9m due largely to changes to the F1 regulations. After paying £15.9m in tax the team made a £3.8m net loss. Combined with the £1.5m net profit from the engine division, Mercedes' F1 group was left with a £2.3m loss after tax.

<http://www.telegraph.co.uk/business/2017/12/25/mercedes-f1-engines-drive-110m-investment-uk/> 25/12/2017