

Impact of the Jaguar Land Rover Shutdown on the WMCA Automotive Supply Chain

The analysis below has been drawn from data available through ONS and The Data City.

- In 2024 Jaguar Land Rover (JLR) produced 257,110 cars in the UK¹. This includes cars manufactured at its Solihull and Castle Bromwich plants as well as engines in Wolverhampton, highlighting the firm's importance to the West Midlands Combined Authority (WMCA) region particularly from an employment and GVA perspective. On 31st August 2025 JLR was forced to shut down operations due to a suspected cybersecurity breach.
- Automotive supply chain companies are a large part of the region's cluster. 17% of all the UK's motor vehicle parts & accessories manufacturing businesses are situated in the West Midlands region.
- The automotive supply chain is estimated to employ roughly 21,000 people across the WMCA.
- WMCA businesses operating in the automotive supply chain collectively generate £4.8bn in revenue per year:
 - Assuming 25% of this revenue is directly linked to contracts with JLR, this equates to just over £1.2bn per year or £3.3m per day.
 - Assuming 50% of this revenue is directly linked to contracts with JLR, this equates to roughly £2.4bn a year or £6.6m per day.
 - Assuming 75% of this revenue is directly linked to contracts with JLR, this equates to just over £3.6bn a year or £9.9m per day.
- JLR has been in shutdown since 31st August 2025, and is not expected to re-open until 1st October 2025 at the earliest². Applying the figures above, estimates of revenue losses that may be incurred by the WMCA automotive supply chain by 1st October 2025 equate to:
 - Roughly £102.3m at the 25% level
 - Roughly £204.6m at the 50% level
 - Roughly £306.9m at the 75% level
- The WMCA has a business location quotient of 2.23 which indicates the region has just over twice the national share of automotive-supply firms. This reflects strong local specialisation but also concentrated exposure - if smaller suppliers exit during the shutdown, the overall resilience of the cluster could be weakened.
- Jobs are even more concentrated than firms, with an LQ of 2.52. This signals larger-than-average businesses within the automotive supply chain. In a shutdown, impacts are likely to appear first as reduced overtime, agency cutbacks and short-time working - as the stoppage persists, risks escalate to wider redundancies and potentially lasting skills loss.

¹ Cars UK, 2025 (accessed [here](#))

² Jaguar Land Rover, 2025 (accessed [here](#))

- Revenue is over four times the national share with a turnover LQ of 4.45. This makes the WMCA automotive supply chain highly sensitive to the effects of a shutdown at JLR - each additional day of halted production heightens cash-flow pressures on suppliers, increasing the risk of insolvencies and potential fragmentation of the supply chain, which would complicate restart once JLR resumes operations.