

The Industrial Strategy 8 Sectors in Dudley

September 2025

*This analysis is **based on Office for National Statistics (ONS, 2023) data**, which provides the baseline for **proportions of businesses by sector, proportions of employees by sector, and business-size distributions**. Building on this baseline, **The Data City's Industrial Strategy Classification (ISC)**—developed with the **Department for Business and Trade**—is also used to capture key measures and company-level dynamics. Differences in definitions, coverage and reference dates mean figures from these sources are **not directly comparable**; The Data City results should be treated as **indicative**. The source for each item is specified on the relevant slide.*

*As there is no clear SIC definition for **Clean Energy Industries**, **all data for this sector (including business and employment)** are taken from **The Data City**.*

*ONS data shows **no current presence** for the **Defence sector** in Dudley. However, **The Data City ISC system** does identify activity, and given Dudley's important role in the **Defence supply chain**, the sector has been **included in this analysis**. All data for this sector including **business and employment figures** are therefore drawn from **The Data City**.*

- **Manufacturing strength:** Advanced Manufacturing shows clear specialisation with a **business LQ of 1.86**, **employee LQ of 1.31**, and **turnover LQ of 2.06**, marking it as a leading sector.
- **Defence employment concentration:** While the sector records a strong **employee LQ of 2.15**, both **business LQ (0.88)** and **turnover LQ (1.07)** sit closer to average.
- **Finance near average:** Financial Services approach neutrality with a **business LQ of 0.90**, while weaker **employee (0.25)** and **turnover (0.18)** scores point to limited overall weight.
- **Creative and tech under-represented:** Creative Industries (business LQ 0.67; employee LQ 0.73) and **Digital & Technologies** (business LQ 0.69; employee LQ 0.21) fall below average, with Digital also showing weak turnover (0.47).
- **Low concentration elsewhere:** Clean Energy Industries (employee LQ 0.14, turnover LQ 0.18), **Life Sciences** (employee LQ 0.55, turnover LQ 0.65), and **Professional and Business Services** (employee LQ 0.45, turnover LQ 0.47) remain under-represented.

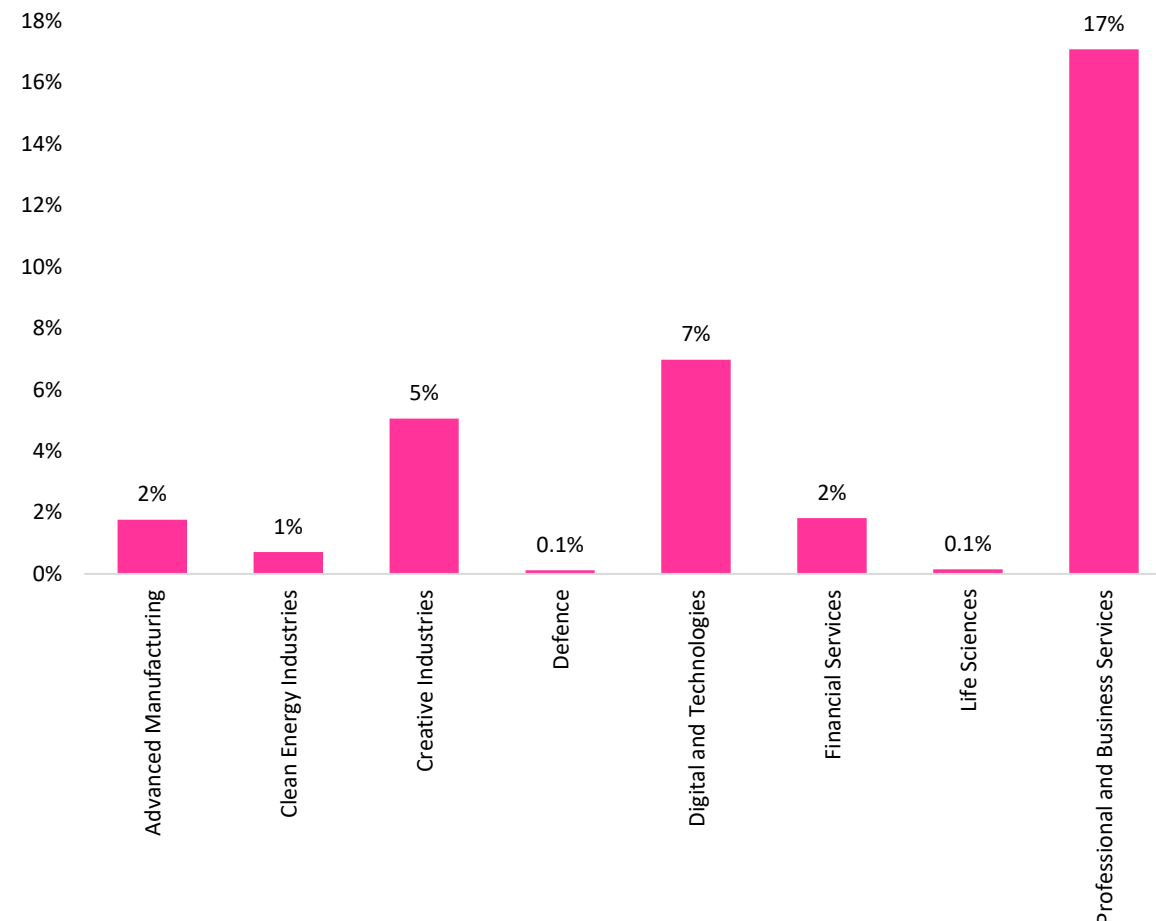
Sector	Business LQ	Employee LQ	Turnover LQ
Advanced Manufacturing	1.86	1.31	2.06
Clean Energy Industries	0.71	0.14	0.18
Creative Industries	0.67	0.73	0.52
Defence	0.88	2.15	1.07
Digital and Technologies	0.69	0.21	0.47
Financial Services	0.9	0.25	0.18
Life Sciences	0.71	0.55	0.65
Professional and Business Services	0.86	0.45	0.47

	Underrepresented (LQ < 0.75)
	Neutral (0.75 ≤ LQ < 1.25)
	Emerging strength (1.25 ≤ LQ < 2.0)
	Highly specialised (LQ ≥ 2.0)

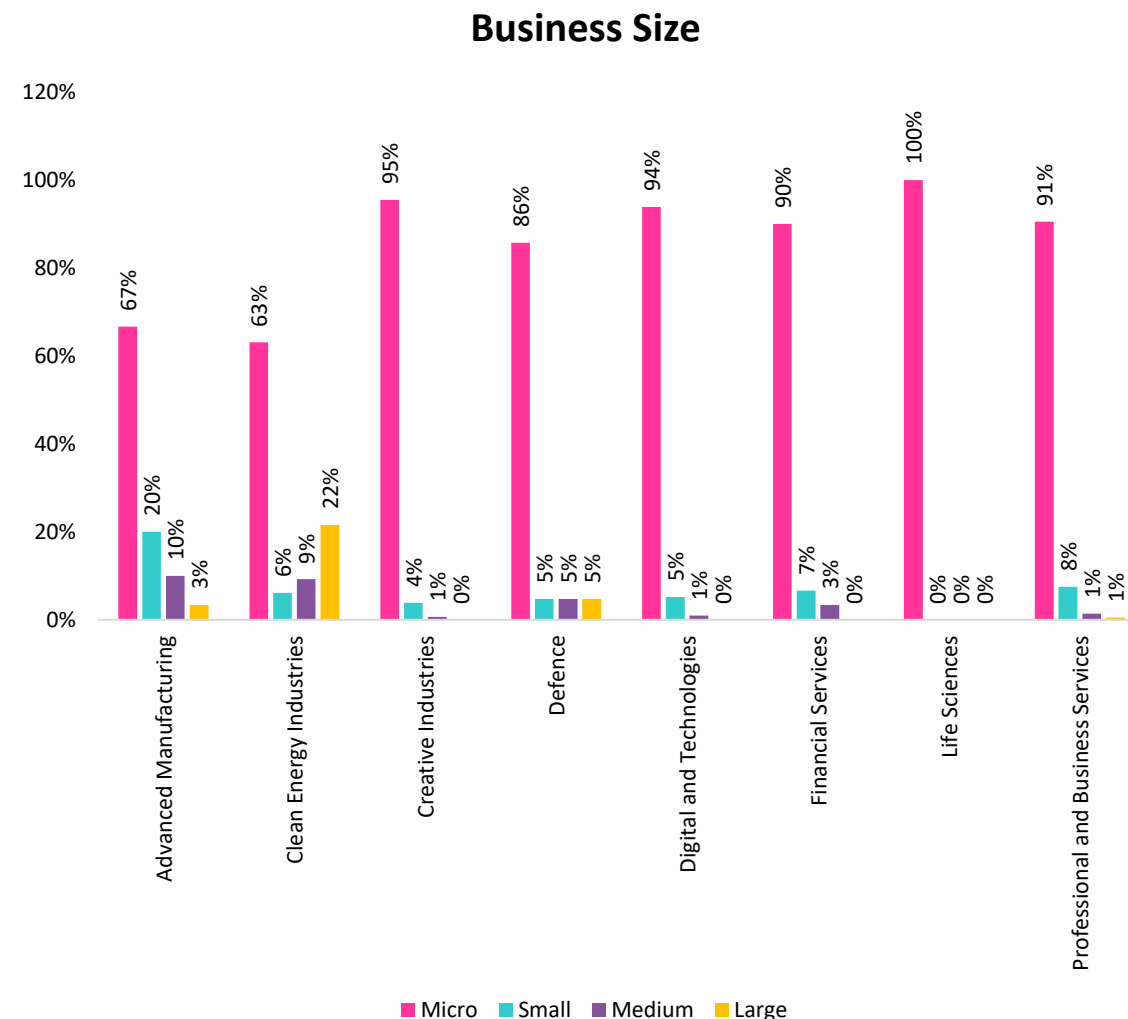
While LQs offer a valuable indication of regional specialisation, they should not be interpreted as a definitive measure of opportunity. A low LQ score may reflect an early-stage or emerging opportunity area that has yet to develop scale in terms of employment, business count or turnover, but nonetheless holds significant strategic or innovation potential. As such, the LQ analysis should be considered alongside other contextual insights.

- **Professional services dominant:** Although underrepresented compared to national, Professional and Business Services make up **17%** of all companies, the largest share of any IS-8 sector.
- **Digital industries strong:** Digital & Technologies represent **7%** of businesses, showing a clear presence in the local economy.
- **Creative industries notable:** Creative Industries account for **5%** of firms, underlining a meaningful contribution to Dudley's business mix.
- **Industrial sectors modest:** Advanced Manufacturing (2%), Clean Energy (1%), and Financial Services (2%) play smaller roles in the business base.
- **Minimal presence elsewhere:** Defence and Life Sciences show very little company representation.

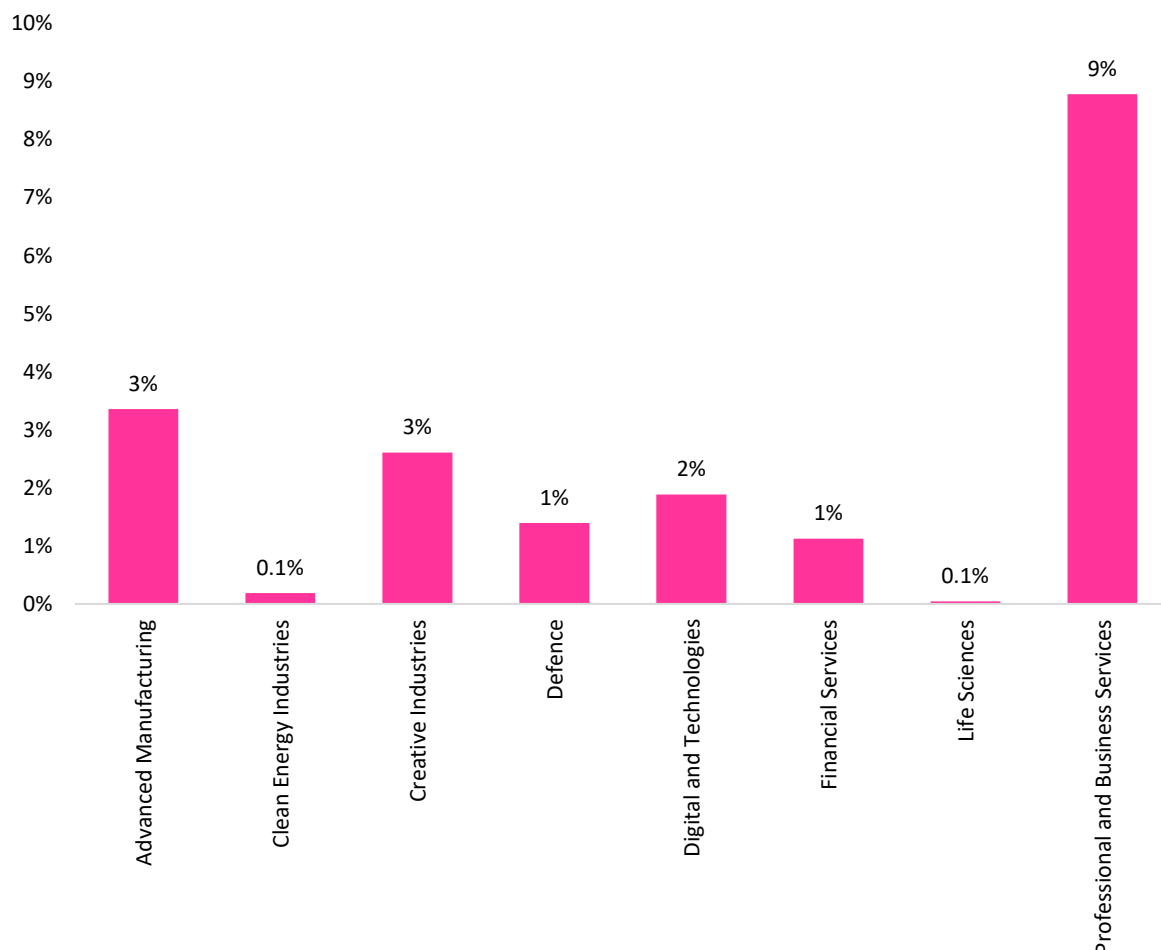
Proportion of Dudley Businesses
in IS-8 Sectors



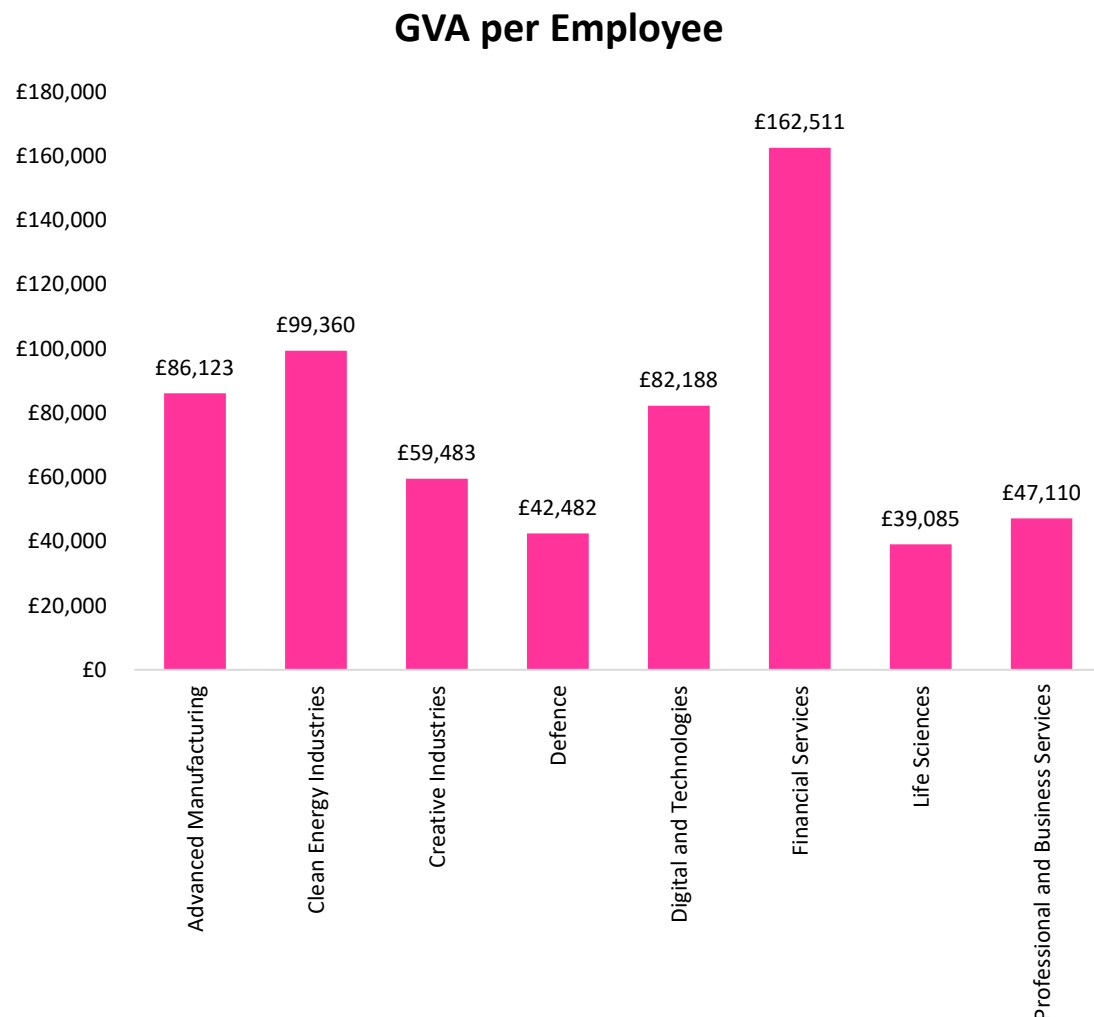
- **Micro-business majority:** Most sectors are dominated by micro firms, with Creative Industries (95%), Digital & Technologies (92%), and Professional Services (92%) showing very high shares.
- **Advanced manufacturing more diverse:** While 69% of firms are micro, the sector includes **23% small firms** and **6% medium firms**, providing a broader size mix.
- **Clean energy varied:** Clean Energy Industries are split across sizes, with **68% micro**, but also **13% small**, **6% medium**, and **13% large firms**.
- **Defence sector unusual:** Despite its small scale, Defence is distinctive with **25% large businesses**, a contrast to most other sectors.
- **Life sciences small-business led:** Life Sciences are **67% micro** but with a notable **33% small business share**, showing some balance.



Proportion of Dudley Employees
Working in IS-8 Sectors

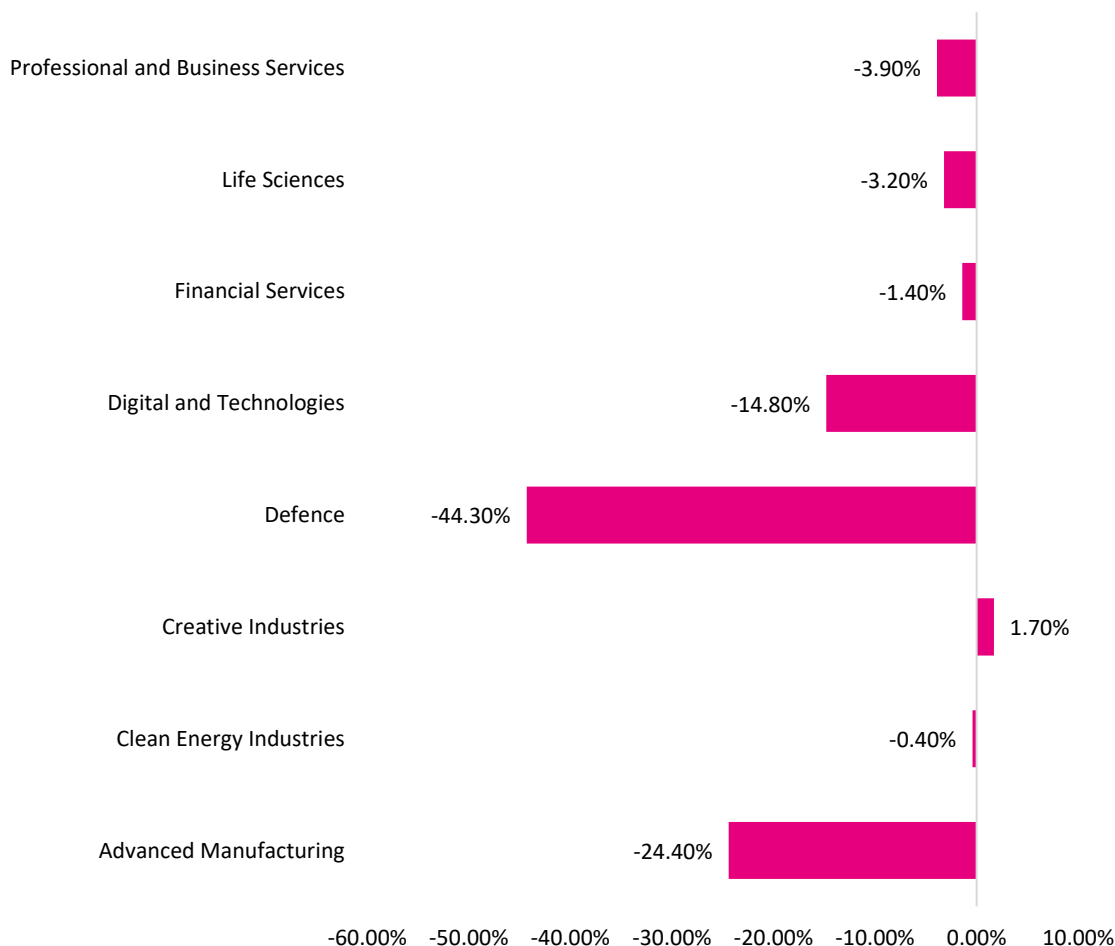


- **Professional services lead:** Professional and Business Services employ **9%** of Dudley's workforce, the largest share across IS-8 sectors.
- **Advanced manufacturing important:** The sector contributes **3%** of total jobs, highlighting its continued industrial significance.
- **Creative industries also strong:** With **3%** of local employment, the sector plays a visible role in the economy.
- **Digital and finance moderate:** Digital & Technologies (2%) and Financial Services (1%) add further variety to Dudley's employment mix.
- **Minimal elsewhere:** Defence (1%) has only a small share, while Clean Energy and Life Sciences show an even smaller workforce presence.



- **Financial Services lead productivity:** At **£162,511 per employee**, the sector is by far the most productive, well above other industries.
- **High-value Clean Energy and Digital:** Clean Energy (£99,360) and Digital & Technologies (£82,188) both show strong productivity performance.
- **Advanced Manufacturing competitive:** With **£86,123 per employee**, manufacturing continues to provide high value relative to most sectors.
- **Lower value in others:** Professional & Business Services (£47,110), Creative Industries (£59,483), and Defence (£42,482) show more modest returns.
- **Lowest productivity:** Life Sciences ranks lowest at **£39,085 per employee**.

Growth Rate (No. of Employees)*



- **Fastest growth:** Digital & Technologies leads with **+8.1% per year**, showing clear sector expansion.
- **Positive momentum:** Life Sciences (+4.0%), Creative Industries (+3.1%), Advanced Manufacturing (+2.9%), and Clean Energy Industries (+2.3%) all see growth.
- **Stable sectors:** Defence sees only marginal growth (+0.2%).
- **Contractions:** Professional & Business Services (-0.2%) and Financial Services (-1.6%) see slight declines in workforce size.

**Source: The Data City, 2025. The growth rate is calculated by The Data City as a best estimate of the annual growth rate of the number of employees of all companies in the sector.*

Total Investment Funding (£m)



- **Professional services lead:** Professional and Business Services dominate with **£49m**, far exceeding all other sectors.
- **Defence attracts funding:** Defence secured **£5m**, showing investor interest despite its small employment base.
- **Finance and manufacturing moderate:** Financial Services (£4m) and Advanced Manufacturing (£3.1m) drew modest levels of investment.
- **Clean energy limited:** Clean Energy Industries received just **£2.5m**, a small amount given their national policy significance.
- **Other sectors minimal:** Life Sciences (£1m) and Creative Industries (£0.1m) secured very low levels, while Digital & Technologies recorded **£0m**.

IS-8 Sector Summary

Summary of jobs and enterprises by IS-8 sector for Dudley (and percentage of total for the UK):

Shaded cells indicate sectors where Dudley's share is at or above the national level.

	Employees			Businesses		
	Dudley	Dudley % of Total	UK % of Total	Dudley	Dudley % of Total	UK % of Total
Advanced Manufacturing	3,725	3%	2%	175	2%	1%
Clean Energy Industries	206	0.1%	3%	70	1%	1%
Creative Industries	2,895	3%	5%	500	5%	10%
Defence	1,545	1%	0.1%	12	0.1%	0.1%
Digital and Technologies	2,090	2%	7%	690	7%	10%
Financial Services	1,250	1%	3%	180	2%	2%
Life Sciences	50	0.1%	0.1%	15	0.1%	0.1%
Professional and Business Services	9,745	9%	14%	1,690	17%	21%
Total	21,506	19.2%	34.2%	3,332	34.2%	45.2%