

Brose at Auto Shanghai 2015: "Competence for tomorrow's mobility"

Main strategic cornerstone for Brose's success in China is localization



Automotive supplier Brose is exhibiting at its nearly 600-square-meter stand during Auto Shanghai. "Competence for tomorrow's mobility" is the theme for the event, where the company will be presenting a selection of its latest product developments for doors, liftgates, seats and electric drives.

Shanghai, China (21. April 2015) "Competence for tomorrow's mobility" is the theme for Auto Shanghai 2015, where Brose is showcasing solutions for the cars of today and tomorrow. Leveraging its global expertise, the international mechatronic specialist is demonstrating its integrated systems solutions, strong local customer support as well as innovation in comfort, safety and efficiency.

Strong performance all over the world

"2014 was a remarkable year for the Brose Group: we generated the highest turnover in the company's history," said Jürgen Otto, CEO of the Brose Group at this year's auto show. Turnover reached €5.2 billion, an increase of 11 percent over 2013. "Going forward, we expect to expand our business again by 15 percent in 2015," added the Brose executive.

The company achieved its largest turnover increases in the Asian market, with a plus of 15 percent, closely followed by North America with a plus of 14 percent. The international automotive supplier also made significant progress in Europe with a 10-percent boost in turnover.

More than 1,200 new employees joined the Group in 2014. Now there are over 23,000 employees at 60 locations in 23 countries working on developing and producing innovative mechatronic systems for vehicle doors and seats as well as electric motors. Brose is the market leader in most of the product fields in which it is active.

China business on the right track

The automotive supplier reached the one-billion-euro sales threshold for the first time in China. This corresponds to an increase of 15 percent compared to the previous year and makes up close to 20 percent of total turnover. There are currently over 4,000 employees working in China. "Our forecast shows a growth of €1.5 billion in turnover in 2020 which will be an additional 50 percent growth compared to now. I am very confident that we will surpass this objective," explained Thomas Spangler, President Brose Asia.

Strong local customer support

The increasing number of new locations clearly shows the rapid growth of the Brose Group in China. The company will commission two new plants alone this year. The first is located close to Shanghai, in Taicang, and the second is in the South of China in Guangzhou. Both facilities are rented.

In parallel Brose is kicking off the construction of a new building in Taicang with a production capacity up to 50,000 sqm. This plant will be Brose China's largest manufacturing facility in terms of size and turnover. The construction of the new plant is expected to be complete by the beginning of 2017.

Brose's ability to transfer its global know-how to effectively address local demand is the foundation of the company's success in the Chinese automotive market. The result is highly developed in-house expertise in engineering and production, which helps optimize the cost structure for its range of products. Almost 100 percent of Brose equipment and tools are sourced locally.

Besides, the company has enhanced its business cooperation with Dongfeng Parts & Components, a member of Dongfeng Motor Corporation. Both partners have agreed to make adjustments for the existing structure. Firstly Brose will establish a new 50:50 joint venture with Dongfeng in Wuhan. It will cover whole Brose product portfolio including door systems, seat systems and electric drives. Secondly, the automotive supplier will purchase the remaining 40 percent equity of Shanghai Brose Electric Motors from Dongfeng in Shanghai, which is fully focused on drive business.

Honored several times for excellent quality

In 2014 five customers recognized Brose China as the best-performing supplier. The carmakers honored the company's performance in the area of local product development and project execution, delivery reliability and high quality standards, and professional customer service. "The quality awards are an incentive – and it's also a challenge for all the employees in our region not to simply settle for what has already been achieved, but to constantly improve processes and continue to be a capable and reliable partner," emphasized William Tang, President Brose China during the press talk.

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