Global player for seat systems: Antitrust authorities approve joint venture between Brose and Volkswagen

Coburg/Wolfsburg (06. September 2021) The antitrust authorities have issued all of the necessary approvals for the planned joint venture between Brose and Volkswagen, paving the way for the company to begin work as scheduled in early 2022. Brose Sitech intends to become a leading global supplier of seat systems and interior solutions.

Seat systems and connected interior solutions

Brose and Volkswagen signed an agreement to establish a joint venture in spring. The company will work on the development and production of complete seat systems, seat structures and components as well as connected interior solutions. The objective is to become a key global system supplier. Brose will own a one-half interest in Volkswagen subsidiary SITECH. Brose and Volkswagen will each hold a 50 percent share of the planned joint venture. The parties have agreed that Brose will take over the industrial leadership and consolidate the joint venture for accounting purposes.

Independent supplier of complete seats

The portfolios of the participating companies complement each other perfectly. SITECH has extensive expertise in the development, assembly and logistics of complete seat systems. As a leading supplier of seat structures, Brose is bringing its systems knowledge and years of expertise in manual and power adjusters as well as comfort components to the table. Brose Sitech wants to expand the existing business with the Volkswagen Group and also act as an independent seat supplier for other car manufacturers.

Flexible, personalized design

Seats are a key differentiator in interior design. They have a major impact on the user experience in terms of comfort. E-mobility, autonomous driving and cross-system connectivity are changing the requirements for the interior of tomorrow. The vehicle interior is increasingly developing into a mobile living space. New, flexible options for personalized design are becoming almost as important as comfort and safety.

Quotes

Ulrich Schrickel, CEO of the Brose Group
"I am happy that we have reached another milestone in our joint venture Brose Sitech with the approvals from the antitrust authorities. The market for seating systems is highly competitive but offers great potential: regardless of the type of drive, cars are equipped with seats. We want to take advantage of this opportunity with the joint venture. Our goal is clear: we want to be among the leading suppliers of seating systems and interior concepts."

Thomas Schmall, Group Board Member for Engineering Volkswagen AG and Chairman of the Board of Management Volkswagen Group Components
"The joint venture between Brose and Sitech opens up completely new possibilities for both partners. An independent full-range supplier of seating systems is being created, which will provide a breath of fresh air in the industry and enter the third-party market business. This is how we make locations and jobs competitive and future-proof in the long term."

Thomas Spangler, designated CEO of Brose Sitech
"Family business and group subsidiary - that is a challenge. Even in the preparation phase, I can see that we can work together in a spirit of trust. In terms of technologies, innovative strength and cultures, Brose and SITECH complement each other perfectly. In the future joint venture, we have the chance to combine the best of both companies and bring together the strengths of both sides."

Ingo Fleischer, Head of Seating Division Volkswagen Group Components and Spokesman for the Management Board of SITECH Sitztechnik GmbH

"The vehicle interior is becoming increasingly important in the course of electrification and autonomous driving. Brose and Sitech are combining their different competences to bring innovative products and future-proof complete seat concepts to the road and to create the foundation for a global growth strategy in the Volkswagen Group and in the third-party market. We want to achieve this through high performance, quality and productivity. Our employees will continue to be an essential part of our success."