K MOBIL

THE (KIRCHHOFF GROUP MAGAZINE

> KIRCHHOFF Group:

The ability of Germany to compete globally as an industrial location - a challenge and a demanding task for the middle market. -- P. 06

KIRCHHOFF Automotive: WITTE Werkzeuge:

Complete process chain of product development: KIRCHHOFF Automotive continues to invest in research and development. → P. 18

The WITTE Werkzeuge family day was enthusiastically received by employees and friends of the company.

> REHA Group Automotive:

The REHA Group's new clothes: Economic integration is now being followed by visual integration in the KIRCHHOFF Group in 2007. → P. 35

> FAUN Group:

Over the last few years, FAUN has increased both export sales revenue and orderbook figures by almost 600%.

--> P. 38



KIRCHHOFF as top employer

K>MOBIL 29

Contents summer edition 2007

KIRCHHOFF Group

- O5 Editorial: Hot topics - climate protection + raw materials
- O6 Industrial location
 Germany: Global network
 based in Germany
- O8 Gala event to celebrate the 80th birthday of Dr.-Ing. Jochen F. Kirchhoff
- 10 Human Resources: People at KIRCHHOFF

KIRCHHOFF Automotive

12 KIRCHHOFF Automotive honored as top employer

- **14** Global Sales Strategy Europe, Asia, NAFTA
- **16** Supplier of the year IV
- 17 Global Purchasing
- 18 TEC Center, Attendorn Research + Development
- **20** Trade fairs 2007 »AUTO SHANGHAI«
- 21 IAA Cars, Frankfurt/Main
- **22** Rapid growth in China Suzhou II

- State-of-the-art press hall KIRCHHOFF Portugal
- 24 250,000 units per year: KIRCHHOFF + SUZUKI
- 25 European locations in network: Hungary + France
- 26 New tool shop in Mielec, Poland
- **28** SAP goes live!
- 29 It pays to be informed
- 30 Healthy and present Motivation and health promotion
- **31** 15th Environment report

Left: Dr. Klaus Murmann and Dr.-Ing. Jochen F. Kirchhoff together with their wives

Center: »Creation« by J. Haydn: The "Märkische Motettenkreis" under the leadership of Dr. Wolfgang Besler with the "Sächsische Staatskapelle Dresden" and the

Right: Horst-Werner Maier-Hunke with Minister Pinkwart and State Secretary Schauerte









Dr.-Ing. Jochen F. Kirchhoff celebrated his 80th birthday on April 29, 2007. The chairman of the KIRCH-HOFF Group is highly committed in the fields of economic and social politics. He headed the trade association of his industrial sector for 25 years and spent more than 30 years working for employers' associations in North Rhine-Westphalia. For 25 years he was a member of the presidiums of the Federation of German Industry and the Federation of German Employers' Associations. Apart from his professional and honorary responsibilities, Dr. Kirchhoff has always been a great friend and promoter of both science and the arts. The South Westphalia University

of Applied Sciences appointed their chairman of the board of trustees to the post of honorary senator and the patriarchal University of Tartu in Estonia gave their honorary consul honorary citizenship. His many years of commitment to the Iserlohn City Music School are also proof of his pronounced love of the muses.

His family, his wife Lore, his three sons, his daughter and his twelve grandchildren are his source of strength. His friends and all those who know him describe him as a farsighted optimist who always acts purposefully and responsibly. Read more on pages 8 and 9.

WITTE Werkzeuge

Family day in Hagen
May 5, 2007

REHA Group Automotive

- 34 REHA A case for two New managing directors
- 35 The REHA Group's new clothes
- 36 Mobility without a driver? REHA is helping develop it!

FAUN Umwelttechnik

- New on the team: Managing director of FAUN S.A.
- FAUN around the world:
 Orders from every
 direction
- **40** Colorful highlights Painting process improved
- **42** Successful cooperation SULO, DaimlerChrysler
- **43** First time round ROTOPRESS Switzerland
- **44** More service from FAUN
- **46** Satisfaction is our greatest reward: Services

- **47** Trade fair: BAUMA 2007
- 48 Curvy business
 Curved body in practice
- 49 A national first for refuse collection in Nottinghamshire and the UK
- **50** FAUN and Bradford the right combination
- **51** Commercial Vehicle Show Birmingham





Container and rear section are now sent to the topcoat plant straight after wash-phosphating. The surface and grinding processes have meanwhile been eliminated. Instead of that, an intermediate basecoat is applied and the sealing is then carried out on the container and rear. The topcoat is then applied and the body goes straight to the assembly.

On May 5, 2007, the WITTE Werkzeuge family day took place for the second time at the company premises in Hagen. All members of the KIRCHHOFF Group and their families were cordially invited. An entertaining program was offered to visitors both large and small in a friendly atmosphere with marvelous weather. Page 32.

The adjustment of the painting process to "wet-in-wet painting" not only leaves the FAUN waste disposal vehicles looking even shinier than ever, but also increases production capacity in Osterholz-Scharmbeck. Read more on pages 40 and 41.



K>MOBIL 29 | KIRCHHOFF Group Editorial

Hot topics: Climate protection + raw materials

Arndt G. Kirchhoff, CEO of KIRCHHOFF Automotive, on the current climate protection discussion and the situation on the commodities markets

Dear employees, customers and friends, ladies and gentlemen,

two issues of major import are the main current topics of discussion:

- climate protection and
- the availability of raw materials.

As far as climate protection is concerned, both global consciousness of the problem and the will to act have indisputably increased. Everyone agrees that climate protection has meanwhile become one of the most urgent problems and challenges facing humanity and that average global temperatures, as compared to those of the pre-industrial era, urgently need to be limited.

The world market leaders and innovative specialists in the field of environmental technology are based in Europe and especially in Germany. Enormous business opportunities are presented by the challenge facing us in converting our current economies to produce far lower levels of emissions in future - and that also includes the automotive industry.

In order to benefit from these, however, it is essential not to jeopardize or even destroy these opportunities through unwise political decision making. If our industry is plagued by unrealistic limitations and requirements that lead to our products becoming too expensive to compete internationally, we will no longer be able to sell them in other parts of the world. In global competition, the possibilities for each individual market participant and the feasibility of climate protection objectives largely depend on the behavior of the other market competitors. For this reason, globally agreed, long term strategies are essential in order to effectively limit climatic change.

Regarding the question of raw materials - and by this we essentially mean the metallic commodities - Europe is a region lacking in many of these resources.

The sharp increase in the demand for raw materials in the economically fast growing regions of the world, especially China, India and Russia, has recently led to supply bottlenecks and unprecedented price rises. These are primarily nothing more than normal market reactions to fluctuating levels of supply and demand. Unfortunately, however, certain countries are attempting to corner sources of raw materials for themselves, which in turn could lead to trade distortion and unfair trade practices. In order to survive, it is absolutely essential for us to retain free access to raw materials, especially certain metals, to avoid being impeded in our efforts to compete globally. Here again, as in the case of climate control, global regulations are necessary, guaranteeing free market access to raw materials for all countries and regions, thereby retaining competitiveness.

Above all, the 20 million small and medium sized industrial companies in Europe that, as we know, constitute 99% of all companies, provide 70% of the jobs and 80% of all traineeships, are relying on wellbalanced policies, both in the question of climate protection and with regard to raw materials.

The most important thing to remember for all those persons, companies, institutions and politicians involved in both the process and the discussion is that the interests of single companies or nations is not the main issue, but that both subjects are a cause of concern for the whole of Europe, requiring a coordinated approach to the other regions of the world in the political fields of economy, trade, foreign affairs, development and environment.

Imprint

K>MOBIL: The KIRCHHOFF Group magazine

Publisher: KIRCHHOFF Group, Stefanstraße 2, D-58638 Iserlohn Postbox 2626, D-58634 Iserlohn Tel. +492371.820-261 Fax +49 2371.820-264

Responsible for the content: Dr.-Ing. Jochen F. Kirchhoff; Employees: Sabine Boehle, Uwe Kittling, Kerstin Rinscheid, Claudia Schaue, Ulrich G. Schröder; Photos: private, KIRCHHOFF Group, GETTY Images

Editing, design, typesetting: WIRKSTOFFGRUPPE.de Dortmund, Attendorn; Print: FREY Print & Media

A cordial »Glückauf«

CEO KIRCHHOFF Automotive

...... 05

K> MOBIL 29 | KIRCHHOFF Group

Markets: Changes

Industrial location Germany?

»world wide networked, rooted in Germany«

The ability of Germany to compete globally as an industrial location - a challenge and a demanding task for medium-sized businesses



Martin Kannegiesser, President of »Gesamtmetall« (employers' association for the German metal and electrical industry), themed a forum with this slogan to discuss future perspectives for Germany as an industrial location, with special regard to our particular industry.

The development of KIRCHHOFF Automotive over the last few years shows that we have long taken this motto to heart, taken up the challenges of global competition and provided answers with corresponding concepts both at home and abroad: We have grown abroad without shrinking at home - and that goes for both sales revenue and staff membership. We have followed our customers, both in Germany and abroad:

»Our international approach, literally at our customers' factory gates, enables us to offer both ideal service and low cost products.«

Arndt G. Kirchhoff CEO KIRCHHOFF Automotive

Germany as an industrial location in global competition

Although there are no longer any economical and political protective fences, mental barriers still exist in people's heads that are probably more

difficult to overcome than the hard economic factors such as high wage costs and inflexible working time regulations. It is up to each one of us to realize that our competitors are not in the neighboring district but in Eastern Europe and that those competing for qualified jobs are not sitting next to us but in China. This, however, requires new ways of thinking, right from family level upwards, practice oriented training in schools and universities and company in-house training tailored to suit the needs of internationally active companies.

Arndt G. Kirchhoff: »25 or 30 years ago, we spoke of the Japanese challenge. We have always managed to retain a certain edge because we were fast enough. I believe we can achieve the same feat in the face of the Chinese challenge.«

Competitive disadvantages for Germany as an industrial high labour country

Federal Chancellor Angela Merkel formulated the solution to the problem in the following way: "We have to be that better in global competition as we are more expensive". This is precisely the reason why above average qualification is necessary in order to compete internationally.



Arndt G. Kirchhoff: "We have the ability to produce at optimized cost in Germany with a sufficient degree of automation. Now we have to find an answer to the question of what to do with those low qualified workers who have lost their jobs here at home."

In the early days of globalization at the beginning of the 80s, KIRCHHOFF Automotive quickly realized how essential it was to follow its customers in order to survive in the automotive supply industry. The logical consequence: There was no question of "either or" regarding decisions to produce either in Germany or abroad, but only a "both Germany and abroad". Looking back at the development of the Group over the last 25 years, we can safely assert that without a strong base in Germany, our international expansion would never have been possible. Vice versa, without our policy of internationalization we would have probably ceased to exist as a company in Germany.

One of the main points in this respect is that we have accompanied our customers (or our customers have accompanied us!) in this process of internationalization in a great spirit of partnership. True to the strategy »One face to the customer« we divided up the work within the company. Preproduction functions such as research and development, engineering and sales have been centra-

lized in our S+E center in Attendorn, whereas production and logistics up to and including JIT assembly plants right at our customers' factory gates have been decentralized.

In our opinion, these customer oriented strategies and the respective set of measures that go with them enable us to offer safe jobs, especially in Germany, and we have also documented this fact in cooperation with the Works Council through the signing of location safeguarding contracts. Despite this, the continuing ability of the German automotive industry and its related supply industry as a whole to remain competitive is still a source of concern. Arndt G. Kirchhoff: "Car manufacturers pay wages 20-30% above those being paid by their suppliers. In the interest of Germany's continuance as an industrial location, more attention must be paid to the competitiveness of the industry as a whole."

Industrial location Germany

The permanent qualification of its people from the nursery to senior age and a realistic investment strategy combined with competitive and performance oriented wage and working hours concepts makes Germany far better than its reputation.

Ulrich G. Schröder

K> MOBIL 29 | KIRCHHOFF Group

Anniversaries

To retire? Impossible!

>> Iserlohn. April 29, 2007 – Gala event to celebrate the 80th birthday of Dr.-Ing. Jochen F. Kirchhoff, Chairman of the KIRCHHOFF Group.

Dr. Jürgen Rüttgers, Prime Minister of the State of North Rhine-Westphalia (l.), Hartmut Schauerte, parliamentary state secretary to the Federal Minister for Economy and Technology (2nd row r.) and Christa Thoben. Minister for Economy, Middle Markets and Energy of the State of North Rhine-Westphalia applauded, together with Dr.-Ing. Jochen F. Kirchhoff and his wife Lore Kirchhoff (center of picture), the stars of the oratorio »Creation«. Right-hand picture I. to r.: Conductor Dr. Wolfgang Besler, soprano Agnete Munk Rasmussen (archangel Gabriel, Eva), tenor Gerald Hupach (archangel Uriel) and bass singer Wolfgang Schöne (archangel Raphael, Adam).



»I cannot accept a present as large as this« were the first words of the man who just wanted to have a quiet celebration. On the occasion of his 80th birthday, the engineer and business administrator had been planning to celebrate with family and close friends. But Dr.-Ing. Jochen F. Kirchhoff was overcome by a wave of enthusiasm. Die idea of the NRW employers' association to give their honorary chairman – Jochen F. Kirchhoff had been their chairman for 21 years – an oratorio complete with gala event for his birthday was very appealing, especially to his music loving friends. He decided to choose Haydn's »Creation«.

»I understood that a present like this could never be given to a single person«, he said in his concluding acceptance speech. »The performance of such a great piece is a present to all those who congratulated me, to all of you honored guests.«

Dr. Wolfgang Besler, conductor of the »Märkische Motettenkreis Iserlohn«, enthusiastically took over the musical leadership of the project, a unique one for Iserlohn. He successfully managed to engage leading soloists for this special evening: The young Danish soprano Agnete Munk Rasmussen was absolutely dazzling as the archangel Gabriel. Since August 2005 she has been a regular member of the ensemble of the »Semperoper Dresden«. The tenor Gerald Hupach



– the powerful voiced archangel Uriel – has been a member of the ensemble of the »Sächsische Staatsoper« in Dresden since 1993. Bass singer Wolfgang Schöne, a close friend of Dr. Kirchhoff, sang a phenomenal archangel Raphael. Wolfgang Schöne was a member of the soloist ensemble of the »Staatstheater Stuttgart" « from 1973 to 2005. Over the past years he has also been very successful in Paris, Venice, Hamburg, Nuremberg and Salzburg.

The orchestra consisted of members of the "Sächsische Staatskapelle Dresden". On this particular evening, they were once again highly successful in unifying both the lingual and physical elements of the music in one lively tonal language. Three days earlier, the "Sächsische Staatskapelle" had just been awarded the newly created "European Prize for the Preservation of Musical World Heritage" at a gala concert in honor of the German presidency of the European Council. The "Märkische Motettenkreis Iserlohn" sang the heavenly choir at a high class level.

The ceremonial act began in the late afternoon with a welcome address from Horst-Werner Maier-Hunke, president of the Employers' Associations of North Rhine-Westphalia. He welcomed the Prime Minister of the State of North Rhine-Westphalia Dr. Jürgen Rüttgers, his deputy Prof. Andreas Pinkwart, Minister of Economics Christa Thoben, Interior Minister



Small picture: The fourth and fifth generations of KIRCHHOFF: Karl-Friedrich and his father Wolfgang

Large picture: Three generations of the family of Dr.-Ing. Jochen F. Kirchhoff



K>MOBIL 29 | KIRCHHOFF Group

Dr. Ingo Wolf, Minister of Transport Oliver Wittke, President of the Federation of German Employers' Associations Dr. Dieter Hundt, Honorary President of the BDA Dr. Klaus Murmann, President of the employers' association »Gesamtmetall« Martin Kannegiesser, the President of the DGB for NRW Guntram Schneider, District Administrator Aloys Steppuhn, the Praeses of the Protestant Church in Rhineland Nikolaus Schneider, the Praeses of the Protestant Church in Westphalia Alfred Buß and Auxiliary Bishop Franz Grave.

Dr. Jürgen Rüttgers made use of the subsequent address to highly honor the economic, social and political achievements of this exceptional Iserlohn entrepreneur.

»The KIRCHHOFF Group is an excellent example of how successful middle market family-run businesses are in Germany today. In order to achieve this level of success, we need charismatic entrepreneurial personalities such as Dr. Kirchhoff. He exemplifies how high economic achievement and social responsibility complement each other... North Rhine-Westphalia needs more examples – examples like you, Dr. Kirchhoff«

Dr. Jürgen Rüttgers Prime Minister of the State of North Rhine-Westphalia

Apart from hearty wishes for great health and happiness, his words ended with the demanding wish: "To retire? Impossible!" Because the state government in Düsseldorf is also highly satisfied with the continuing success of the globally present KIRCHHOFF Group and the social commitment of its chairman. Instead of presents, Dr. Kirchhoff wished for donations towards the installation of reading libraries in kindergartens and for the promotion of special initiatives in high schools in scientific and technical fields – representing only two of many commitments made by the bearer of the Federal Cross of Merit of the Federal Republic of Germany.

After the Prime Minister had finished his speech, Haydn's »Creation« was wonderfully performed. All those who took part in the two-hour oratorio were warmly thanked with resounding applause.

The almost 800 honorary guests then followed the call of Werner Sülberg, Managing Director of the Employers' Association for Ruhr/Lenne, to attend the gala dinner which had been prepared in the neighboring park hall. Here the guests were greeted by an atmosphere in keeping with the commemo-

rative pubilication, which included an illustrative interpretation of the story of creation and an excellent menu – interrupted by three salutations of greatly varying types.

»Dr. Kirchhoff is held in high esteem by both employers and employees and their assosications alike.«

Klaus Müller Mayor of the City of Iserlohn

He then presented the extraordinary and multitalented entrepreneur with the honorary ring of the city in honor of his outstanding achievements for Iserlohn, for the University of Applied Science of South Westphalia, for the music school and kindergartens and for the linguistic and musical promotion of pupils.

»If our VfB doesn't manage to win the championship, then I wish you, Jochen, with all my heart, that your birthday dream comes true and that Schalke becomes German football champion again after 49 years!«

Dr. Dieter Hundt, President of the Federation of German Employers' Associations

Dr.-Ing. Jochen F. Kirchhoff and Dr. Dieter Hundt have fought their fair share of pay scale battles together over the past 20 years. This has led to a deep friendship with many common interests and unique events, which the congratulator then proceeded to call vividly to mind.

»As a boy, Jochen was always able to guess the pieces of the great masters when he heard them being whistled while we were looking for potato beetles.«

> Dr. Walter Ossenkop Iserlohn pharmacist and friend

His passion for music and his family give him the strength he needs to accomplish his tasks. Dr. Walter Ossenkop then reflected on Dr. Kirchhoff from a completely different viewpoint as one of the greatest connoisseurs of occidental musical culture. "If he had not become a businessman, I can well imagine Jochen Kirchhoff today as being a successful conductor."

In his concluding speech, Dr. Kirchhoff explicitly thanked both the NRW employers' association and his Iserlohn association for the perfect organization of the unique gala and then added his special thanks and salutations to the treasurer. He praised all those who had taken part in the Haydn performance with the words: "We have to think back a very long way to remember the last time Iserlohn experienced a musical event of this great magnitude."

Jörg Hesse



Dr. Kirchhoff ended his speech fittingly with the words of one of the archbishops of Canterbury: »Tomorrow I will have to pray twice. Once for all the people who said such nice things about me and lied so wonderfully (or rather exaggerated). And once for myself because I so enjoyed listening to them! My mother would have said anyway that every word of it was true!«

Upper photo (l. to r): Dr. Dieter Hundt, President of the Federation of German Employers' Associations and his wife Christina with Dr. Kirchhoff and his wife Lore.

Lower photo (l. to r): Distinguished long-serving employees Kurt Posselt, Ingeborg Viehl, Klaus Hübscher, Marion Raubart





K>MOBIL 29 | KIRCHHOFF Group People: Qualification

People at KIRCHHOFF (Human Resources)

Germany's most precious commodity – its highly qualified people

As a country poor in natural resources, Germany has to rely on other sources of energy in order to assert itself in global competition. Germany's most important resource is its workforce – and its qualification requires constant adaptation to suit the needs of an ever changing world. These constantly changing requirements arise from:

New technologies: The classical training as toolmaker, for instance, is now being broadened to cover the electronic professions; the working environment of an engineer is changing from that of a specialized individual to a team player, from a "build-to-print" developer to a responsible development partner serving the automotive industry. Dr. Michael Schanz from VDE: "The optimization of single components used to be part of an engineer's daily working life. These days, however, systems consist of a great deal of modules and numerous experts are necessary to reach a common goal. The successful project leader of today is both allrounder and expert at the same time."

Internationality: Cosmopolitanism and readiness to accept foreign cultures and learn their languages are basic requirements necessary to successfully master the complexity of international tasks. Increasingly complex process chains require each individual to take on a higher degree of responsibility and this involves increased identification with the product.

Social policy: It is our common social task, from the home to the kindergarten, from the schools to the universities and right up to company level to strengthen the competitiveness of Germany as an industrial location by permanently educating and training plenty of young people. Qualification means innovation – and only qualified employees are innovative.

The KIRCHHOFF Group already saw this necessity a long time ago, both for its German locations and also with regard to its continual expansion abroad, and is reacting to the challenge with a number of internal and external measures.

Our training programs are the principle source of qualification within the Group. Nine percent of our employees are apprentices whose educational profiles are continually being adapted to suit the requirements of a changing international competition.

Training professions in the KIRCHHOFF Group

- Electronics engineer for technical equipment
- Specialist storeman
- Industrial electrician
- Industrial clerk
- Industrial mechanic for technical equipment
- Industrial mechanic for production engineering
- IT clerk
- Machine operator
- Mechatronics technician
- Technical drawer
- · Parts adjuster
- Substance tester
- Tool mechanic



Well-trained, motivated employees have always been highly prized in the KIRCHHOFF Group.
(From I.) Sabine Boehle, Anna Ephan, Martina Janke

Visible success: Over the last few years we have supplied state winners in North Rhine-Westphalia in several training professions and in 2006 we even trained a national winner with Alexander Günther, an industrial mechanic specializing in production engineering.



For higher careers – Alexander Günther and his brother are already taking advantage of this – the KIRCHHOFF Group offers young people the possibility to undertake combined studies, gather work experience and prepare theses and dissertations. Ms. Heike

Hundertmark (see photo) is, for instance, currently working with us as a postgraduate of the University

People: Qualification K> MOBIL 29 | KIRCHHOFF Group

of Tübingen on her dissertation concerning the subject of »Marketing strategies of international automotive suppliers through Customer Relationship Management«.

Other ingredients which the KIRCHHOFF Group regards as equally important as qualified training and further training programs at all levels are the so-called soft factors.

»On the subject of working atmosphere we need to be at least as good as BMW, otherwise people will, of course, go there instead. Motivation can be most efficiently produced by means of "soft factors".«

> Arndt G. Kirchhoff CEO KIRCHHOFF Automotive

Talking to a recent school/business study group, Arndt G. Kirchhoff also made it clear that top managers have a role model function in today's industry: "Germany's greatest strength as an industrial location is the widespread ability to embrace complex processes, including the ability to think in a parallel and interdisciplinary way. It is essential to continue fostering this strength because the competition has quick-fingered manual workers too."

As a result of this, KIRCHHOFF is also employing a wide range of measures outside the company group in cooperation with schools, universities, associations, political institutions and chambers of commerce.

Leading employees of the group appear as speakers. The group invites schools and universities to come to information events and works tours, not just for the sake of pupils and students, but primarily with teachers and professors in mind.

At the IAA 2007, we will be taking part in a campaign, together with the VDA, to recruit future engineers from colleges and universities.

This idea has two principle objectives: Firstly, we want to awaken the readiness in young people at an early stage to take up technical professions and to help them overcome their dread of them. Secondly, we wish to attract qualified young people for a long-term commitment to us by illustrating the attractiveness of our company group and the careers that can be made within it. In the years 2007 and 2008 alone, we will be filling 50 open jobs with academics, most of



which are engineers. One of the aims of our outward activities is to make the significance as well as the possibilities and opportunities for promotion in medium sized companies known to a broader section of the public. In our industry, 98% of all companies are medium sized; they employ 52% of the workforce, create 39% of all investments with 35% of the industry's sales volume and offer 80% of all apprentices jobs!

In recognition of its activities, KIRCHHOFF Automotive was granted the TOP JOB Award as best employer in the middle market sector in 2007.

In order to keep up this performance, we have introduced further training programs, both internally and externally, and will continue to expand on these in the future. For more informations, please ask for the seperate brochures provided by our personnel department.

Arndt G. Kirchhoff: "Those who inform themselves early and keep on developing will come out on top in the end!"

Ulrich G. Schröder

Exchange and communication even before training begins:
KIRCHHOFF Automotive wants to communicate with local schools, pictured here with visiting teachers at the Iserlohn plant on March 20, 2007

KIRCHHOFF awarded »TOP JOB« seal of approval

>> Wolfgang Clement presents KIRCHHOFF Automotive with the >>TOP JOB« seal of approval for excellent personnel work.

Attendorn / Iserlohn. KIRCHHOFF Automotive Germany GmbH is among the 100 best employers in the German middle market. That was the result of this year's Germany wide company comparison carried out in conjunction with the "TOP JOB" business initiative, which has already been determining and honoring excellent achievements in personnel policies in middle market enterprises for the last five years.

In a ceremonial act on January 19, 2007, former Federal Minister of Economics Wolfgang Clement awarded the automotive supplier the coveted »TOP JOB« seal of approval in the »Landschaftspark Nord« in Duisburg. Through this award, the mentor of the middle market initiative honored the achievements of KIRCHHOFF in the areas of »leadership and vision«, »motivation and dynamism«, »culture and communication«, »personnel development and perspectives«, »family and social orientation« and »internal entrepreneurship«. Prior to this, however, the globally active provider of metal structures and modules for the automotive industry had to undergo a tough, two-tier process set up by the Institute for Leadership

and Personnel Management of the Swiss University of St. Gallen. Firstly, with the help of a questionnaire, institute director Prof. Dr. Heike Bruch's team of personnel experts noted all of the company's key figures. In a second step, employees were questioned in detail by means of an online survey. KIRCHHOFF, however, was confident and happy to undergo this inspection, as the managing directors revealed in an initial statement:

»We already know that we are doing a good job for our employees. Companies that do not place a high value on personnel management do not take part in this kind of initiative in the first place«

Arndt G. Kirchhoff and J. Wolfgang Kirchhoff managing directors of KIRCHHOFF Automotive

This made the management even happier about the good placement in a field of strong competition:

»We are currently among the best employers in the German middle market. This will make us even more attractive for highly qualified employees in future.« People: Human resources K>MOBIL 29 I KIRCHHOFF Automotive



J. Wolfgang Kirchhoff, Shareholder and COO of KIRCHHOFF Automotive, with Wolfgang Clement at the official prize giving ceremony in the »Duisburger Landschaftspark Nord«.

In their analysis, the experts from St. Gallen especially praised the company's efforts in the field of further training. This is a result of the family corporate philosophy that qualified personnel is not only essential for the company itself, but is also of benefit to the whole of Germany as an industrial location. For this reason, KIRCHHOFF has always trained a lot more personnel than it actually needed for its own purposes.

A further point is the increasing level of automation and the accompanying high qualification necessary for the employees as a result. Here again, in 2007 KIRCHHOFF will not only be training young people to become tool mechanics, machine and plant operators or industrial clerks, but for the first time also electrical engineers specializing in technical equipment. KIRCHHOFF is also offering academic training that gives combined students the opportunity to meet the requirements of the future.

Apart from vocational qualifications, the company also places great value on the soft skills. A good

example of this is the analysis of potentials carried out for 76 employees in conjunction with an international project.

Not only the detailed benchmarking report, the seal of approval and the illustrious evening with Wolfgang Clement, but there is more to come: All 100 companies selected will be included in a book being brought out by von Bruch and Clement named "TOP JOB – the 100 best employers in the middle market«. They will also be presented in detail on the website www.topjob.de and supported with professional public relations. As approved "TOP JOB« company, they also belong to the network of the country's best employers and profit from meetings and contact with the other 99 finalists. The application phase for the next round of "TOP JOB« started on February 1, 2007.

Sabine Boehle

Mentor and cooperation partners

The mentor of the project is former Federal Minister for Economics Wolfgang Clement. Cooperation partners are the AGP -(Arbeitsgemeinschaft Partnerschaft in der Wirtschaft e. V.), the Akademie für Führungskräfte der Wirtschaft GmbH, HRblue AG, Gallup Deutschland GmbH, Kienbaum Consultants International GmbH. Klaus Lurse Personal + Management AG, Scheelen AG, Schindlerhof Klaus Kobjoll GmbH, the SKP (Dr. Stoebe, Kern & Partner HR Managementberatung AG) and the German newspaper »Süddeutsche Zeitung«.

Scientific management

The scientific management of the »TOP JOB« project is in the hands of Dr. Heike Bruch, professor and director at the Institute for Leadership and Personnel Management at the University of St. Gallen in Switzerland. She has established a reputation in the fields of change management and leadership.

The organizer: compamedia GmbH

compamedia specializes in organizing benchmarking projects and the setting up of networks for the middle market. The company focuses on attracting media attention to projects. Competent partners are responsible for the scientific implementation. Apart from its "TOP JOB« employer benchmarking activities, compamedia also implements two additional well known projects to promote the middle markets.

K>MOBIL 29 | KIRCHHOFF Automotive

Peter Gauchel has been Managing Director of KIRCHHOFF Automotive Germany since October 2006 and is responsible for the sales and development departments.

K>MOBIL asked him about his impressions of the first six months and how he sees the future development of KIRCHHOFF Automotive as an international partner in the automotive industry.



KIRCHHOFF Automotive Global Sales Strategy

Attendorn. An interview with Peter Gauchel, Managing Director of KIRCHHOFF Automotive Germany since October 2006, responsible for sales and development.

K>MOBIL: Mr Gauchel, the KIRCHHOFF Automotive slogan is: WE.MOVE.FUTURE. What moves you after six months at KIRCHHOFF?

P. Gauchel: In the past, KIRCHHOFF Automotive has always shown how capable it is in adapting itself to face the future requirements of its customers. Our strength has always been and continues to be the ability to react rapidly and flexibly to customer inquiries and to implement the needs of our customers to mutual advantage.

Now it is important for us to focus on the next step from "build to print" to development supplier without neglecting our established business segments. We have to retain our flexibility, stand positively in the customer's path in order to continue winning orders for products that we are already selling successfully on the market.

K>MOBIL: The latest development made by KIRCHHOFF Automotive as automotive supplier was named »From single part to module«. How successful has this been from your point of view?

P. Gauchel: We have been successful in introducing modules in the areas of Crash Management with bumpers, Interior with cross car beams, Chassis with engine mounts and Body with front ends. We have also been highly successful in internationally intro-

ducing the production of vehicle components. Our next objective now has to be to expand this initial development and to supply as many of our customers as possible with our modules internationally.

K>MOBIL: Where do you see further potential for KIRCHHOFF Automotive on its way to becoming a development supplier?

P. Gauchel: In order to come closer to our objective of "move, don't be moved", we have installed the KIRCHHOFF Automotive TEC Center in Attendorn to promote individual material developments (e.g. high strength steels), technologies (e.g. hot stamping) and products (e.g. bumper systems).

K>MOBIL: Could this also possibly include the development of new business segments?

P. Gauchel: Yes, but in the same areas of the car and with the same groups of materials. The environmental aspect is important and we want to make a positive contribution in this field with both weight optimized products and recyclable materials.

K>MOBIL: Technologies and products comprise one growth factor for KIRCHHOFF Automotive; international presence is the second. How well is KIRCHHOFF Automotive represented internationally?



P. Gauchel: Our success and our growth are due to following the clear strategy of accompanying our customers internationally with concrete projects and orders. We have been successful with this strategy wherever European designed cars are manufactured, including our latest plant in China. These activities have amply contributed to safeguarding our activities at our German locations. In this respect we are well positioned. This is the strategy we will consistently continue to pursue. We will internationally expand our business with the customers we already have, acquire new customers using our existing locations as a base, e.g. China - develop new markets together with current customers, e.g. in Eastern Europe, in Russia and Romania as well as in Asia, in Korea and India. Japanese transplants in Europe and the USA are also component parts of our growth strategy.

K>MOBIL: How does your organization has to be structured in order to successfully support your strategy?

P. Gauchel: We will have to place even more emphasis on customer-focused organization in both sales and engineering, which means expanding our S+E structure on a regional basis in Southwest Europe, in the low-cost countries of Eastern Europe and in China. All local activities will, of course, continue to be coordinated centrally from Attendom,

just as research and development will also remain centralized.

K>MOBIL: Can KIRCHHOFF Automotive master these challenges on its own or do we need cooperation partners?

P. Gauchel: We will continue to grow with the partners we already have, but do not discount the possibility of undertaking new partnerships according to the needs of customers and markets.

K>MOBIL: And finally, we would like to ask you a personal question: What makes the family run, medium sized business KIRCHHOFF different from the multinational corporations in the automotive supply industry?

P. Gauchel: I feel the positive side of being part of a family run business is its long range outlook, in which short term success is not a priority. This fosters the development of entrepreneurial thinking at staff level. The employees are more powerfully motivated to create new ideas, more ready to take risks and to show a greater degree of personal commitment.

K>MOBIL: Mr Gauchel, we would like to wish both yourself and the company great success in implementing this strategy!

This interview was carried out by Ulrich G. Schröder, Vice President Marketing / Strategic Planning KIRCHHOFF Automotive

Supplier of the year IV

Orlando. KIRCHHOFF Automotive and GM – a strong partnership.



Apart from KIRCHHOFF Automotive, its Canadian partner Van Rob was also presented with an award. From left.to.right: Arndt G. Kirchhoff, Chairman & CEO KIRCHHOFF Automotive; Peter-Otto Schmidt, Director Sales KIRCHHOFF Automotive; Peter van Schaik, CEO Van Rob Stampings; Blaine Gignac, Vice President Sales & Marketing Van Rob Stampings

For the fourth time in the company's history and for the third consecutive year after the successes of 2004 and 2005, the company was rewarded for its excellent total level of achievement in 2006 with the General Motors "Supplier of the Year 2006" award. Company CEO Arndt G. Kirchhoff and Director Sales Peter-Otto Schmidt were present at the prize giving ceremony in Orlando, Florida.

»We are proud to honor KIRCHHOFF Automotive as one of the "Best of the Best" suppliers of GM.

KIRCHHOFF Automotive is receiving this award because of its excellent performance in 2006. We appreciate the drive, commitment and hard work put in by the company, which has contributed to the success of GM«.

Bo Andersson, GM Vice President Global Purchasing and Supply Chain

The global »Supplier of the Year« award has been presented annually by GM since 1992. The winners are selected by a team consisting of the directors globally responsible for purchasing, engineering, production and logistics. The main selection criteria are quality, service, technology and price. Only 89 of a total of 36,000 suppliers worldwide were awarded prizes for their accomplishments this year.

KIRCHHOFF Automotive supplies metal structures and chassis components to the automotive industry. The Group is internationally active at a total of 16 production plants in Europe and North America and employs around 3,000 workers around the world. The company headquarters for sales and engineering is located in Attendorn, Germany.

KIRCHHOFF supplies all GM/Opel production locations in Europe with over 600 different types of components. A KIRCHHOFF plant is located nearby almost every European GM/Opel plant, in order to provide the customer with the best possible on-site service. GM/Opel is one of the largest automotive customers for the KIRCHHOFF Group.

KIRCHHOFF Automotive intends to intensify its cooperation with GM and, as previously reported, is currently negotiating with GM regarding the takeover of parts of the Opel plant in Kaiserslautern, Germany.

Kerstin Rinscheid

Global Purchasing

Attendorn. Regional purchasing by locations optimally combined with central services.

Ten years ago, purchasing activities at KIRCHHOFF were still mainly a local affair, but the slogan »Global Purchasing« has long since become a component part of the KIRCHHOFF Automotive purchasing strategy.

The founding of each new KIRCHHOFF Automotive production location increases the number of potential suppliers – also for the existing locations. Over the years, this has led to the growth of an efficient network of common suppliers covering almost all KIRCHHOFF Automotive production sites. For instance, Spanish presses were originally only used in our pressing plant in Portugal. However, due to the good experience we had in Portugal, presses from the same manufacturer are now being used in our plants in Germany, Poland, Hungary and Ireland. Apart from the machinery and equipment sector, there are also numerous further examples from the areas of steel, purchased parts, auxiliary materials, various operating supply items and forming dies. An increasing number of Europe wide contracts also offer the benefit of bulk purchasing and reduced support costs at the same time. This is valid for both our suppliers and ourselves.

In the past few years we have also been successful in expanding our purchasing activities past the boundaries of Europe to include the Far East. The essential point in this endeavor is the equipping and supply of our new KIRCHHOFF Automotive plant in Suzhou, China. In this case we were able to purchase nearly all of our capital equipment, forming dies, various types of steel and purchased parts, etc. in China and its neigh-

boring countries. The contacts established to suppliers in Asia have meanwhile been expanded to our mutual benefit. Since 2007, we have also been supplying partners in Asia from our locations in Europe.

One of the special strengths of the KIRCHHOFF Automotive purchasing organization is its ability to combine. On one hand, the regional and therefore decentralized purchasing activities of each of our locations is of great benefit to us, while on the other hand the global activities of the Central Services Purchasing department in Germany create an ideal basis for obtaining the best possible conditions. One of our global activities, for instance, is our membership in the GPS (Global Procurement Services) network, from which not only KIRCHHOFF but also other well known companies such as Gardena, Miele, Dorma or Contitech profit by purchasing in Asia and passing on common experiences. Cooperation with our Canadian partner company Van Rob has also additionally contributed to expanding our global purchasing strength. Together we are able to access the most competitive suppliers in Europe, North America and Asia.

Other centrally organized purchasing activities also include our »purchasing days« at international trade fairs. Successful examples of this are, among others, the active participation of our international purchasing team at the IAA Cars 2005 in Frankfurt or the »AUTO SHANGHAI« in China in April 2007 (see photo). This year too, our international purchasers will be talking to numerous suppliers, both current and potential, at the KIRCHHOFF-REHA booth



during the IAA Cars 2007 in Frankfurt on September 19, 2007.

For KIRCHHOFF Automotive, a constant exchange of information and regular international purchasing meetings are the foundation for harmonizing local and global activities in our purchasing strategy and serve to select the optimum supplier in each case.

Klaus Lawory

Klaus Lawory – KIRCHHOFF Group Purchasing Director (I.) Kevin Wang – Purchasing Manager KIRCHHOFF Automotive Suzhou (r.) talking to a Taiwanese supplier (center)

KIRCHHOFF TEC Center

Attendorn. Research and development at KIRCHHOFF Automotive.







1. Design concepts: creating product designs



2. Finite elements: ascertaining product properties



3. Feasibility studies: Deciding on production methods

What does an automotive supplier understand by the term "research and development"? Dipl.-Ing. Christoph Wagener, head of the R&D department at KIRCHHOFF Automotive, defines it like this: "R&D is the systematic, creative work of expanding"

atic, creative work of expanding existing knowledge in the fields of science and engineering. The use of the knowledge gained serves the goal of finding new ways of applying it.«

The establishing of the KIRCHHOFF Automotive TEC Center in Attendorn is a further step towards becoming a competent partner in the international automotive industry. It enables us to expand our range of services from "build-toprint" capabilities to becoming an independent development partner. With its 22 employees, all highly qualified technicians and engineers, KIRCHHOFF Automotive is capable of portraying the entire chain of development from

the initial design concept to finite element calculation and feasibility studies to prototyping, followed up by proof of quality and endurance tests at its new TEC Center.

The results of this applied research then culminate in the development of tangible products. These are divided into preseries and series developments.

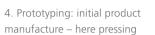
Examples of pre-series development are combined material technologies (plastic/metal), new bonding processes (gluing), tests with tailored rolled blanks or tests to define the behavior of various types of ultra high strength steels when used in conjunction with various forming technologies. A central point is also the simulation of hot stamping processes (press hardening).

The results of this preseries development are then implemented in the series development of customer requests. Development up to the maturity phase is carried out together with the customer, depending on his requirement specifications for that particular product.

However, in order to move and not only to be moved, KIRCHHOFF also works independently on various developments of its own in its TEC Center. These are divided up into product fields and related to the classic KIRCHHOFF parts spectrum within the structure of a car chassis. Examples of this are: bumper structures, cross car beams, engine cradles, front and rear ends.

Although KIRCHHOFF Automotive has become largely autonomous in the fields of research and development since the opening of its own TEC Center, the company still continues to cooperate intensively with external partners, both in basic development and in preseries development.







4. Prototyping: initial product manufacture – here welding



5. Gauging: proof of quality



6. Testing: proof of product safety

This mainly pertains to universities and colleges, but renowned research institutes such as Fraunhofer and Max Planck are also involved. This also includes engineering service providers and the research sections of steel manufacturers.

This research is supported by the awarding of various study research projects and dissertations that currently deal with topics involving applied research and the early stages of product development.



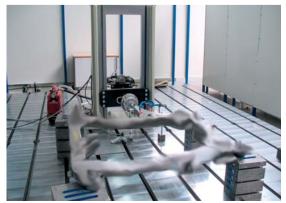
Research is the systematic search for new insight. KIRCHHOFF Automotive carries out intensive research in its new TEC Center for the benefit of its customers' future products.

Ulrich G. Schröder

Dipl.-Ing. Christoph Wagener with his development team in the new KIRCHHOFF Automotive TEC Center, Attendorn

Tests prior to issuing quality and product safety certificates are carried out on state-of-the-art testing facilities





Shanghai trade fair

Shanghai. KIRCHHOFF at the AUTO SHANGHAI fair for the first time in April 2007

The successful trade fair team: Lower row from I. to r.: Arndt G. Kirchhoff, CEO KIRCHHOFF Automotive; Sabine Boehle, Marketing, Strategic Planning KIRCHHOFF Automotive; Peter Gauchel CEO Sales and Marketing; Vivian Huang, Sales Assistant KIRCHHOFF Automotive Suzhou; Ulrich G. Schröder, Vice President Marketing / Strategic Planning KIRCHHOFF Automotive; Upper row from I. to r.: Thilo Chen, Engineering Manager KIRCHHOFF Automotive Suzhou, Klaus Lawory, Purchasing Director KIRCHHOFF Group and Kevin Wang, Purchasing Manager KIRCHHOFF

Automotive Suzhou



Welcome to the 12th International Automobile & Manufacturing Technology Exhibition 2007 (AUTO SHANGHAI 2007) was also the greeting to KIRCHHOFF Automotive for the first time.

Over half a million visitors came to this leading car show in the world's second most important market, which took place at the 140,000 m² Shanghai New International Exhibition Center (SNIEC) in China from April 20-28, 2007. Sales volume far exceeding five million cars is forecast for the Chinese market in 2007.

»Our manufacturers will again be able to profit greatly from this development. Our supply industry will also be able to secure their part of this growth«, said Prof. Dr. Bernd Gottschalk, former president of the VDA.



China is becoming an increasingly significant partner for the international automotive industry and this is making it all the more important for European companies to take part in trade fairs in this region. With its activities on the Chinese market, Germany has taken the lead over other European countries. German car manufacturers and suppliers have already established 200 production sites in China. This means that China is well on the way to becoming the most important production base for the German car industry in Asia.

»China's attractiveness remains unbroken – this is made abundantly clear by the renewed strong presence here in Shanghai«, said Prof. Gottschalk at the beginning of the trade fair.



IAA Cars 2007

Frankfurt. Visit KIRCHHOFF and RFHA

Communication in practice: »GET TOGETHER«. The emphasis was on cooperation between Germany and China.



»The Auto Shanghai is an indispensable showcase for our industry to present leading technology on this dynamic market.«

KIRCHHOFF Automotive also followed the call of its customers in "the Middle Kingdom" and, for the first time, presented its services and products to a very interested public on a two-tier 108 m² booth under the slogan »GET TOGETHER«. New and highly promising contacts were made, both in sales and in purchasing.

The attractive design, the functionality and the clear structure of the KIRCHHOFF fair booth – what we do, how we do it, where we do it – made a decisive contribution toward promoting KIRCHHOFF with its core technologies of forming, joining and surface treatment on the Chinese market. Lengthy press interviews with leading Chinese trade magazines and four advertisements in the »Show Daily« trade fair newspaper significantly supported this objective and also greatly helped to awaken the interest of national manufacturers.

Detailed planning was required for this particular trade fair presentation, especially in view of the fact that a foreign culture, history, language, society and political system meant setting a completely new course. A great deal of rethinking was necessary – not only with regard to the favorite colors of the Chinese, red and gold. However, our efforts at the Auto Shanghai were rewarded with a highly effective trade fair presentation. The first step in a successful »GET TOGETHER« has been taken.

Sabine Boehle



The world's greatest industrial fair for the automotive industry and its suppliers is already beginning to cast its shadow: From September 13-23, 2007, the 62nd IAA car show will again be taking place at the Frankfurt / Main exhibition grounds. Over 1000 international exhibitors will be presenting their latest innovations to an audience of millions over a two week period.

KIRCHHOFF Automotive and REHA Group Automotive will be sharing a common presentation at the IAA Cars 2007.

KIRCHHOFF Automotive will be taking part in this show of superlatives for the seventh consecutive time at the same familiar place meanwhile well known to all of our customers and friends in hall 5.1, booth number Bo6. We are looking forward to presenting our product innovations in the field of automotive metal structures.

This year we will be presenting ourselves at a common booth together with REHA Group Automotive, our sister company. The REHA Group will be presenting its range of products and innovations designed to create practically unlimited mobility for physically disabled people.

We would like to cordially invite you in advance to visit us at the KIRCHHOFF booth during the IAA. We are looking forward to seeing you there for an interesting GET TOGETHER!

Ulrich G. Schröder

Rapid growth in China!

Suzhou 2nd phase: 13,000 m² production space and 1,000 m² office space



China (pic: the boomtown of Shanghai, not far from the KIRCHHOFF location at Suzhou) is the largest growth market for the international automotive industry.

KIRCHHOFF has already been able to secure numerous new contracts with GENERAL MOTORS for the plant in Suzhou, even though the first phase of the project has not yet been completed.

the signing of these contracts, our largest customer continues to support our efforts in expanding our worldwide manufacturing footprint.

Phase 1 of the China project is now nearing completion. The installation of the machines in the rented 2,000 m² halls is running at full speed. Production is scheduled to begin in October this year. A 40,000 m² plot of land has been acquired in order to fulfill the new contracts for GM vehicles on the Epsilon and Delta platforms. Plans are currently underway for the first phase of construction of 13,000 m² of production floor space and 1,000 m² of office space. The entire construction process will take approximately 15 months. Production in the new plant is scheduled to commence in June 2008.

The beginning of this second phase demonstrates the extent of the KIRCHHOFF commitment in China, clearly underlining the significance of the Chinese market.

High growth rates in local vehicle production con-



Daniel Cheng, Managing Director KIRCHHOFF Automotive Suzhou

tinue to offer good opportunities for increasing sales volume. At the same time, the increased presence of KIRCHHOFF in China is also bolstering current efforts to further expand purchasing activities, both within China itself and in the entire region.

Stefan Leitzgen

State-of-the-art press hall

Ovar. KIRCHHOFF Portugal invests on 4,800 m² / Management trio since March 1st.





Portugal's third Managing Director van Rooij obtained a degree in Business Administration in São Paulo and has acquired a diversified experience in terms of managing industrial companies in Brazil, Portugal and Germany, first within INA Schaeffler and since 1993 with Linnemann-Schnetzer, where he coordinated four production units as Operations Manager.

We would like to welcome Paul van Rooij to the Group and we expect him to be an important asset for KIRCHHOFF Portugal, which is continuing to grow and facing new challenges.

We all wish him great success in his new functions.

Ovar. In 2005, the course was set for the future of the KIRCHHOFF Automotive plant in Portugal with the approval of investment in a new press hall. The necessary measures have now been successfully concluded.

A number of new contracts made it necessary to acquire a new 630-ton transfer press, which could not be accommodated in the existing plants. This made it necessary to erect a new hall. It was required to house a material store, the press hall itself and a tool shop on an area of 4,800 m². The project was initiated in June 2005. The timeline was extremely tight and that meant quick decisions were required regarding layout, planning, contracting, approval procedures and the construction itself. A quickly formed and highly motivated German-Portuguese team then worked closely on each of the separate points in the project plan. The entire planning had to be completed by the end of July 2005 and the contract awarding and approval procedure by end of August. A derelict hall on the building site also had to be demolished in the same month. Construction was started according to schedule in mid September. In spite of a number of adverse conditions, the deadlines were all kept to - and words such as »weekend« or »public holiday« were temporarily deleted from the

team's vocabulary. All further work and the infrastructure had been finished by the end of February, enabling the 630-ton transfer press to be installed as planned at the beginning of March 2006.

Today, Ovar boasts the most up-to-date press hall in the entire KIRCHHOFF Automotive Group, which has also considerably improved working conditions for all those who work at the site. Incidentally, the construction also allows sufficient space for two additional transfer presses of up to 1,600 tons pressing power, which gives the employees at KIRCHHOFF Portugal something to look forward to in the future.

Stefan Krämer

New Managing Director

Since March 1, Paul van Rooij has been nominated Managing Director of KIRCHHOFF Portugal and member of the Board, together with Tomás Moreira and Mariana Lima. He is responsible for all industrial operations in Portugal including Production, Logistics, Quality and Engineering. Born in Brazil in 1961, Paul van Rooij speaks several languages including German and Portuguese.

Tomás Moreira

250,000 units per year

Esztergom. KIRCHHOFF has an excellent supply relationship with SUZUKI.

Successful small passenger car model: the SUZUKI Swift



With the expansion of KIRCHHOFF Hungaria in Esztergom to include an additional pressing plant, KIRCHHOFF Automotive has taken another step in intensifying the supply relationship to its neighbor, the SUZUKI Motor Corporation. SUZUKI has developed very rapidly since the founding of its plant in Esztergom.

Over 300,000 vehicles of the models Splash, Swift, Ignis and SX4 will be rolling off the production lines from 2008 onwards. The company has already installed production capability for 160,000 units per year and they are currently enjoying a high level of market demand. A refreshing design concept combined with traditionally fuel-economical engines has paved the way for a success story that began with the commissioning of the SUZUKI plant in Hungary in 1992. Cooperation with FIAT also contributed to this success as the Urban Cross Car, first produced in 2006, was successfully marketed as the FIAT Sedici. A largely unknown fact is that the SUB-ARU Justy (based on the Ignis) from SUZUKI and the Opel Agila 2 are also going to be assembled in Esztergom from 2008 onwards.

KIRCHHOFF is already supplying SUZUKI in the second generation of the Wagon R+. In 1998, as SUZUKI and OPEL first christened the so-called Sub-S (Wagon

R+ / OPEL Agila), KIRCHHOFF was able to qualify itself as one of the main suppliers and started by erecting a pressing and welding plant in Mielec (Poland), before going on to expand in the Polish town of Gliwice (plants I and II) and then investing in Esztergom (Hungary). We are now tensely awaiting the production start of the Suzuki Splash at the beginning of 2008. OPEL is again part of the act as cooperation partner – but this time the OPEL Agila 2 will be produced in Hungary and no longer in Poland.

SUZUKI is not the largest Japanese car manufacturer, but when measured on the success it has had in the so-called Emerging Markets it is a giant. In Eastern Europe, Suzuki was successful long before the other competitors appeared on the scene and in another growth market, in India, Suzuki with its 50% market share is the undisputed market leader (in joint venture with Maruti) and has further plans to increase production to over one million units per year (from 2009). SUZUKI also has a considerable market share in China (joint venture with Changan in Chongqing).

With the approaching opening of our KIRCHHOFF Suzhou plant in China, opportunities should also present themselves to invest in cooperation with SUZUKI in this field.

Peter-Otto Schmidt

Plants: Investments K>MOBIL 29 | KIRCHHOFF Group

European locations in network

Esztergom. Growth in Hungary – Ymeray. Integration in France

Expansion work at the Hungarian plant in Esztergom is running according to plan. New contracts for the successor of the OPEL Agila and SUZUKI WagonR+, which will both be produced exclusively at the SUZUKI plant in future, are leading to the construction of a further 5,500 m² of production floor space. In what is meanwhile the third phase of construction, the plant will be expanded by another 3,000 m² of production space for the welding shop and 2,500 m² for a pressing plant complete with tool shop. The new plant structure will be complemented by additional space for quality management, further meeting and trainig rooms and also office space for new employees mainly in the sales and engineering departments. The new machines in the halls will be commissioned at the beginning of May. Intensive training measures for a total of 120 new employees are also scheduled for the SOP in November. Growth related to this expansion should lead to sales revenues of approximately 30 million euros in 2008. KIRCHHOFF Automotive is investing over 11 million euros in order to achieve this aim

to achieve this aim. Integration of KIRCHHOFF France making great

progress!



The company, purchased by KIRCHHOFF Automotive in 2005, made considerable progress in its efforts to integrate itself in the network of European production plants last year. Intensive project work in the fields of plant layout and pressing technology as well as material flow and storage have led to greater transparency in production, increased safety standards and sharply raised the level of productivity. The successful conclusion of these projects even made it possible to disband a small remote location and integrate it in the Ymeray plant. In order to keep pace with increased customer demands on optimized logistical workflows, equipment for the entire production of the Tigra front end was disassembled at the German plants in Attendorn and Eisenach and relocated in France. This enables the plant to expand its customer portfolio and simultaneously its know-how regarding new technologies. Stefan Leitzgen



KIRCHHOFF Automotive plant in Esztergom, Hungary



Since 2007, the production of the Tigra front end has been transferred to our French plant at Ymeray.

New tool shop in Mielec

Mielec. An in-house tool shop is essential to ensure the smooth functioning of any pressing plant. Quick repairs and the implementation of customer driven changes must be carried out at short notice.



Mielec. Right from the start, KIRCHHOFF Polska ran its own smoothly functioning tool shop – a guarantee for growing success.

Back in 2001, the first two designers were already employed to design new tools at graphic workstations using CATIA v. 5 software. Within that same year, an AgieCut drilling machine was delivered from the KIRCHHOFF plant at Olpe. In 2002, a CNC Huron milling machine was also purchased. The first small but effective pressing tools were made for the NCV2 project. This allowed the designers to gain experience in the making of small but sophisticated progressive tools right from the start.

This was followed by the "hands on job" training workshop, carried out in the design office of the tool shop at the Iserlohn plant. The first tool with a cast iron body was constructed there, under the watchful eyes of the colleagues from KIRCHHOFF Witte. Firstly, the base was cast in Germany and the assembly was then carried out in Mielec. It was then no longer possible to construct any further tools with the exis-

ting production space and available machinery. A new hall had to be built. Apart from the new tool shop, a blank-cutting line was also commissioned in this new building in December last year. The planning of the new tool shop, its layout, machine equipment, organizational structure and managing system were all supervised by KIRCHHOFF Automotive Germany CEO Stefan Leitzgen. Bogdan Kiebzak, who had been manager of the engineering department at KIRCHHOFF Polska, was then appointed head of the tool making department. Five designers are currently employed in the construction of new tools. A total of 20 toolmakers are currently working on the mechanical processing of the single parts, the assembly and testing of the various tools.

The tool shop in Mielec does not have a project leader, as is the case in other KIRCHHOFF plants. The production is controlled by planners who define the daily tasks for the shift managers. The planners use ZORBA software, programmed by their own data processing department. This enables working times









to be entered for certain cost centers, the allocation to certain tools and the target-performance comparison of the project's progress and its costs.

A further CNC milling machine and a new drilling machine have been ordered in accordance with planned requirements. The delivery of a 1000-ton press for the prototypes has been planned for October.

The order book figures for 2007 are continually growing and the target figures for the year are quite likely to be exceeded. Ambitious tool making projects have also been initiated this year. For the SKODA project, a set of tools is currently being made for a pressing line constructed with a drawing die made from spheroidal cast iron.

The new tool shop will ensure the construction of large stationary and transfer progress tools designed exclusively for the Mielec plant. The supply of tool concepts to German plants and an accompanying limitation of German tool making departments are

not planned. On the contrary, the production capabilities of the Group are being simultaneously strengthened, thereby increasing the overall competitiveness of KIRCHHOFF Automotive. The exorbitant cost of tools manufactured in Western Europe has, however, hindered the acquisition of attractive new orders in the past. Lower production costs in Poland enable the price of tools to be reduced, thereby increasing the competitiveness of our products and processes.

The Polish designers have already been theoretically trained in the field of transfer pressing tools in Iserlohn. This must now be proven in practice.

Bogdan Kiebzak

SAP goes live!

> Iserlohn. An integrated SAP solution has been up and running since February 26, 2007.



Angelo Mattivi, 41, has been working as SAP Manager for KIRCHHOFF Automotive since October 2006. He acquired his comprehensive skills previously at renowned companies such as Federal Mogul.

Angelo Mattivi was appointed Chief Information Officer (CIO) of the KIRCHHOFF Automotive Group with effect from May 2007.

Here he reports on the introduction of the SAP system:



Picture »warroom« Comment: an image of activity. The project »war room« during the first day after going live



»When I took over the project in October 2006, it became rapidly clear that the systemt had already achieved exceptional targets, but also that a realignment was necessary if the final objective was to be met. The whole team reacted exceptionally well. We immediately scheduled a close sequence of meetings and within a few days we developed together a new understanding of the situation and of the right priorities to succeed.

The level of activities during the following weeks remained extremely high. The team addressed open items, scheduled new tests, performed the last configuration changes and delivered a full training program. With an extraordinary performance, the team was able to go live as planned.

The cutover weekend is an exciting situation. This is when the combined effort of a large number of individuals is bound to succeed or fail. The team needs to 'cut' from the old systems. Data is moved across to the new system, activities are synchronised internally as well as with suppliers and customers, new processes are started. The main objective of such a phase is obviously not to cause any disruption to our customers. This objective was fully met. Not only did we not create disruption to our customers, the number of errors in the first days after going live was well below the average for a project of this type. This really confirmed that the integration of SAP in KIRCHHOFF was a successful reality.

Now, some months after this important milestone, we are underway through the implementation in Attendorn. This is another important step, as it would be the first of what is called a »Rollout« project. Put simply, this is a standardized process to implement an existing system in a new site, at the same time including all small changes which are necessary to adapt to the local reality, like adapting to local law requirements, or translating the documentation. This

is not different from what will happen when implementing in all other sites, and we will work to involve employees from other plants so that they can learn the process.

At the same time, we grow our IT organisation and our experience with the system. We develop new support processes, and we find new opportunities for providing innovative, efficient services.

Having all sites on SAP is an important target for KIRCHHOFF, which fosters integration and collaboration between sites. With this step KIRCHHOFF Automotive has given itself an IT solution which is in line with the image and role that the company wants to play. With SAP we are best organised to take on our future.«

All important processes, in Logistic as well in Finance, are now integrated in a single SAP system.

Angelo Mattivi

It pays to be informed

> Iserlohn.Knowledge is power!



Are you curious to know more about the KIRCHHOFF Group and its business segments KIRCHHOFF Automotive, REHA Group Automotive, FAUN Group and WITTE Werkzeuge?

We will be happy to supply you with the following sources of information:

Our KIRCHHOFF Group and KIRCHHOFF Automotive image brochures give you a brief summary of our activities from the company's origins back in 1785 up to the present time, about our development from the Iserlohn needle factory to the internationally operating automotive supplier. This information is available to you in five languages: German, English, French, Spanish and now also in Chinese. In addition, we have also updated our information »FACTS & FIGURES« to include the figures for 2007; it supplies you with information concerning sales, investments, foreign activities and employees from 2002 onwards. Two flyers have also been specially designed to inform you on the various types of training and career

opportunities available here at KIRCHHOFF and about our global purchasing activities.

All of these brochures are available on request from our marketing personnel, Ulrich G. Schröder (Tel. +49 2371 . 211 238) and Sabine Boehle (Tel. +49 2371. 211 265).

The image brochure of the REHA Group »We get you in motion« can be ordered from Udo Späker (Tel. +49 2103 . 587 615).

More detailed information is available to our employees in the newly designed in-house information system »K>MOBIL ONLINE« under the heading »Presentations«.

And finally: you can visit us anytime on the INTER-NET at http://www.kirchhoff-gruppe.de and see for yourself what is happening in the KIRCHHOFF Group. Knowledge is power! The motifs in the KIRCHHOFF Automotive image brochure speak a clear, automobile imagery language.

»Think, feel, act« is the message in the brochure, which portrays the corporate concept of high individual achievement. Much of the media is created by KIRCHHOFF Marketing together with the agency WIRKSTOFF-GRUPPE (Attendorn, Dortmund).

Healthy and present

Iserlohn. Preventative health care, improvements in industrial safety, an increase in the attendance time as well as improved communication and cooperation are the goals in the »Healthy and Present« project at KIRCHHOFF Witte.

The starting shot was fired for all staff members on September 27, 2006. To signify this, foremen symbolically handed a juicy apple to each individual employee.





Physiotherapist Hasenberg with Thomas Thunert (KIRCHHOFF employee) carrying out a »Back-Check«.

Iserlohn. Managers, the works council and employees from production, logistics and tool making departments have been working together with the Focus Team from Wuppertal since June 2006 to improve health and motivation in the KIRCHHOFF Witte plant in Iserlohn.

In project groups, regular meetings and single workshops, all area managers, works managers and foremen were initially trained, partly over several weekends, in employee leadership and negotiation techniques as well as the basics of corporate health management. Numerous health promoting offers were initiated for the staff, starting in November: Influenza vaccinations and an arteriosclerosis checkup were both well received by more than 100 employees. The recently completed »BackCheck« spinal check-ups and ratings have now led to individual precautions and training recommendations for the participants. Six new water dispensers in the production areas now ensure refreshment while at work. Employees can fill specially provided bottles from them free of charge.

Several new measures have also been introduced to promote workplace ergonomics: Rubberized foot mats recently laid in the post-processing department to alleviate long-term standing while operating machi-

nes have been very well received and further mats have already been ordered. Investments have been made both in new robot automations to assist the pressing plant staff and in assembly aid equipment for those working in the post-processing department. Operators of the hand-operated presses and all forklift drivers received a SANBELT back support system specially designed for all kinds of lifting and carrying tasks. These help to prevent the occurrence of back pain caused by overstraining. All forklifts have now been equipped with new seats. These can be adjusted according to the weight and size of each individual driver. They are spring-mounted and fitted with hydraulic shock absorbers. The backrest extension and an adjustable lumber support minimize the strain on the back, thereby preventing long-term spinal ailments.

Upcoming measures are discussed with staff in regular talks at information points. Foremen hold separate talks with staff members to discuss their individual ailments. In each area, the staff has noticed that something is being done for them and that we can work together to greatly improve the wellbeing of each individual.

Sabine Montenbruck

15th Automotive environment report

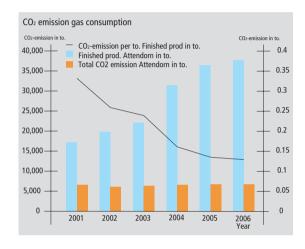
Attendorn/Iserlohn. Corporate objective number 5: The economical and environmentally sound use of resources

As in previous years, the process of environmental protection at KIRCHHOFF Automotive was documented and evaluated throughout 2006 and made available to the interested staff in the form of an environment report.

The report is designed to motivate employees to actively protect their environment within the KIRCHHOFF Automotive Group. Employees are shown in detail how the environmental norm ISO 14001 can be implemented in a practical way within the company. This encourages an increased level of acceptance in daily working life.

At the same time, reference is also made to the hot topic of climate change, currently the subject of political discussion. The impact and the influencing variables of the employees and the technologies used at KIRCHHOFF Automotive are evaluated in detail in this context

From an environmental point of view, the cost aspect in the company is seen from a completely different perspective and expressed in consumption values. The respective environmental relief and environmental improvements of each location in Germany can be taken from the report which, when combined, also play their part in the success of the KIRCHHOFF Group in competition.



Corporate objectives KIRCHHOFF Group

- To satisfy our customers with respect to quality, cost and service
- Healthy, satisfied and qualified staff members
- To maintain and increase our competitiveness and profitability
- 4. Innovative products, technologies and processes
- An economical and environmentally friendly usage of resources



K>MOBIL 29 | WITTE People: Commitment

2nd Family Day at WITTE Werkzeuge

> Hagen. We work with people for people.



Sunshine, good humor and an attractive program were the features of the second WITTE family day

On May 5, 2007 at the company premises of WITTE Werkzeuge in Hagen, the second WITTE family day took place. All members of the KIRCHHOFF Group and their families were cordially invited. The company CEO Wolfgang Kirchhoff welcomed the numerous happy guests under excellent weather conditions.

A highly entertaining program in a family atmosphere was offered for visitors young and old. Firstly, the visitors were given a tour of the production in progress and had the chance to see the screwdrivers or bits being manufactured step by step. Many of the visitors took this rare opportunity to have a closer look. At the end of the tour, a number of guests made use of the opportunity to buy screwdrivers at a token price. The proceeds of the sales were then donated to a good cause.

During the party, attractive prizes were raffled among the participants of the works suggestion scheme. The winners received a portable DVD player, a camera and, as first prize, a trip to the forthcoming KIRCHHOFF Group football competition at KIRCHHOFF Polska in Gliwice (Poland).

A great deal of interest was shown in the mechatronics trial installation (electro-pneumatic assembly) from the Iserlohn apprentices' workshop. Furthermore, the BBK Health Insurance booth provided an opportunity to test your lung volume and the Techniker Health Insurance offered to carry out body fat measurement.

The varied indoor activities were rounded off by a torque-testing device, screw driving tests and a sample wall displaying WITTE Werkzeuge products.

Outdoors, the Iserlohn Car and Motorcycle Club set up a go-kart track for the children. Here, the junior racing drivers repeatedly tried to emulate their great idol Michael Schumacher.

Many small guests also enjoyed the elephant ride and the well frequented bouncy castle that had been inflated. At the children's make-up booth, miniature works of art were conjured onto the faces of the boys and girls. Rebecca Pahlke, beside Andrea Rohe, one of the two artists at the children's make-up table, proudly announced that they had managed to beautify nearly every single child present.

People: Commitment K>MOBIL 29 | WITTE



»The Remix Five« took care of the musical entertainment

Trips with the vintage fire engine were thoroughly enjoyed by young and old alike.

Physical well being was, of course, also well catered for. At times, the cake buffet, barbeque and beer stand were more than busy.

The musical accompaniment was provided by the band »The Remix Five« from Hagen, who entertained the public in the party tent and at the beer stand right through to the early evening.

Uwe Kittling





K>MOBIL 29 | REHA People: New on the team

REHA – two heads are better than one

>> Hilden. An introduction to the REHA Group Automotive management duo

The managing directors Christian Fröhlich (I.) and Frank Rösner (r.)





Christian Fröhlich was born in Marl 46 years ago. After graduating from high school in Ahlen, Fröhlich then studied industrial and mechanical engineering at the Technical University in Darmstadt. In 1984 he became assistant manager at TAS Telemarketing GmbH, one of the first major call center companies in Germany, and went on to become managing partner of the company.

In 1992, Christian Fröhlich entered the »seniors and disabled« business, first as a consultant and then as managing director of LIFTA GmbH in Cologne.

In 2001, he took on the post of Business Unit Leader Accessibility at ThyssenKrupp Elevator AG and led the development of the group to become global market leader in the field of stair lifts, platform lifts and home lifts with 800 employees worldwide. In 2006, the next step in his professional career brought him to REHA Group Automotive, Hilden. Christian Fröhlich is married and the proud father of three sons. He likes to spend his free time with his family and also enjoys riding, sailing and skiing.

Frank Rösner is the second managing director in the team. He is married and has a three year old son. After completing his training as foreign trade clerk, he joined the army for a four year period and was stationed near Osterholz-Scharmbeck. His position as bookkeeper in the army also brought him to Belgium and the Netherlands, among other places. During his army service, Frank Rösner also served as an honorary judge at the troop service court in Oldenburg.

After successfully completing a course of business studies in Düsseldorf, which he did after completing his army service, he began working in a sales office of the company RECARO in Düsseldorf. His main duties were in the sales and IT areas. In 1989, Frank Rösner moved to the former REHA GmbH and was appointed managing director in 1991. As member of a business circle in Düsseldorf, he is responsible for finance on the board of trustees.

Angela Trapp

Markets: Image K> MOBIL 29 | REHA

The REHA Group's new clothes

Economic integration is now being followed by visual integration in the KIRCHHOFF Group in 2007.



Globally integrated – the new REHA logo

In January 2006, REHA Group Automotive became the fourth business segment within the KIRCHHOFF Group. As previously reported in K>Mobil No. 28, REHA supports the Group slogan »mobility for mankind« in a very special way through its requirement oriented conversion of series vehicles, which are specially adapted to suit people with physical disabilities in close cooperation with vehicle manufacturers.

The latest example is the equipping of a RENAULT Kangoo Nivo with a hydraulic lowering system, antislip, soundproofed flooring and the »QRT Nivo« wheelchair securing system. These conversions enable people with mobility limitations to enter the vehicle of their choice without changes having to be made to the outer character of the vehicle. The conversions are carried out with the approval of RENAULT France.

REHA Automotive not only specializes in mobility assistance equipment for the physically challenged, but increasingly for older people too, thereby meeting the needs of an increasingly large section of the population due to the demographic development of German society.

In order to outwardly symbolize this development and its membership in the KIRCHHOFF Group, REHA has completely changed its corporate appearance:

from the green-gray wheelchair symbol to the blue-black KIRCHHOFF world. The swinging, upward-curving road symbolizes dynamism, cosmopolitanism and the future. The work REHA does is directed towards people of every age with both visible and non-visible disabilities who wish to travel by car. This includes wheelchair users, very large people, very small people or simply those who have become limited in their mobility due to their age.

WE MOVE PEOPLE: The REHA Group is now especially pursuing this concept with their new CI as member of the KIRCHHOFF Group and is working for and with people to achieve their unlimited mobility.

Ulrich G. Schröder



The RENAULT Kangoo Nivo from REHA Group Automotive



K>MOBIL 29 | REHA Markets: Developments

Mobility without a driver? REHA is helping develop it!

> Hilden/Munich. Is this how the future is going to look?



The »autonomous« vehicle of the German Military University based on the VW Touareg.



The interior of the VW Touareg during conversion.

Motorists will arrive more safely at their destinations in future and can be completely driven by their cars. The German Military University in Munich is already working on the third generation of an »autonomous« vehicle. The VW Touareg off-road car was selected as the basis for research to develop autonomous vehicles because of its capability to negotiate almost any type of terrain.

The VW research team in Wolfsburg equipped the standard series-built Touareg with a steering motor and controls for the accelerator and brakes.

In order to operate the gear lever and the handbrake, the expertise of REHA Group Automotive was called for, the specialists for vehicles suitable for physically disabled drivers. The necessary components were installed in the VW at the company's headquarters in Hilden.

The vehicle is also equipped with high-quality cameras, a high-precision measuring unit to monitor the vehicle's movements, a DGPS receiver for ascertaining its position down to the last centimeter and a Lidar system for recognizing the surroundings. The heart of the entire unit is the built-in computer supplied by the German Military University in Munich.

The vehicle receives information about its surroundings by means of integrated measuring instruments and a number of special video cameras that focus on various distances that have an extremely large brilliance range and very fast positionability, similar to the characteristics of the human eye.

The central vehicle computer, developed by the German Military University in Munich, evaluates this information with regard to the current driving task. To accomplish this, it computes a virtual image of the surroundings and decides whether to operate accelerator, brakes, steering, to continue driving straight ahead or to turn – without negatively affecting other motorists.

Even if this project sounds like science fiction in the world of today, some of the results of this research are already being used to develop new and intelligent vehicles. The first examples of this available in series-built vehicles are the ACC Adaptive Cruise Control and the lane departure warning system.

Udo Späker

People: New on the team K> MOBIL 29 I FAUN

New on the team

Etienne Blaise, new Managing Director of FAUN S.A.





Etienne Blaise
FAUN S.A.
625, Rue du Languedoc
07500 Guilherand-Granges
Tel. +33 4 75.816600
Fax +33 4 75.816635
E-Mail: e.blaise@FAUN.fr

Guilherand-Granges. On May 1, 2007, Etienne Blaise became head of the 300 member team at FAUN S.A. in Guilherand-Granges.

Gérard Grange, grandson of the original founder of the well known company Grange S.A., renamed FAUN S.A. on May 1, 2002, will be retiring at the end of the year after 38 years of faithful service. His position as Managing director and Sales Manager of the French production company will be taken over by the dynamic Etienne Blaise.

Here is an excerpt from his professional career:

- Studies: law, business administration and corporate management
- Career start at VARTA BATTERIE AG as export manager for all French-language countries abroad, especially in Africa and the Indian Ocean
- Subsequently export manager for HAILO in all Latin countries of Europe and Managing Director of the company's French subsidiary
- After having spent twelve years as president and sales director of a French medium sized industrial branch of the RÖCHLING Group

Etienne Blaise explained how he came to FAUN: »In September 2006, Dr. Johannes F. Kirchhoff selected me to take over the leadership of FAUN S.A. in Valence. My task, in the words of Dr. Kirchhoff, is to bring about both an internal revolution and, at the same time, ensure external evolution. My approach to this task is best summed up by the slogan "keep the best and change the rest", without forgetting and also preser-

ving that which others have already sown and that which others have yet to sow.«

When asked about his goals and wishes in his new position, Etienne Blaise answered: »Our main goal is to build and forge a common team. We have to change our mentality in order to promote a dynamic and continuous process of optimization. We want to do this by means of new working methods such as "5 S", in order to achieve autonomous modules. It is also essential for us to bring regularity into our workflows, for instance through "lean manufacturing" technologies, in order to reach a higher level of efficiency, drastically reduce all quality costs and gain space. Sales volume within France must be safeguarded and new export markets must be conquered - particularly those markets in which the language, the history, the culture and the presence of French suppliers represents a benefit for the company.«

The move from the Alsace region of France to Valence on the river Drôme has already been decided and Mr Blaise's wife and three children (twelve, nine and four years old) have already packed their bags. The 48 year old will still be able to enjoy his hobbies of running, hiking and skiing in the Valence area.

The K>MOBIL staff would like to warmly welcome Etienne Blaise to the FAUN Group and wish him every success and joy in his new position.!

Claudia Schaue

K> MOBIL 29 I FAUN Markets: Export

FAUN around the world

Osterholz-Scharmbeck. »Over the last few years we have managed to increase



Director of IMPROTEX Trucks & Buses – official FAUN-Dealer and service partner in Baku – Azerbaijan (r.) with Dr. Armin Vogel, FAUN-Managing Director (l.)

FAUN-Managing Director Dr. Armin Vogel opened this year's international Dealer Meeting with these words. "This success is due to your efforts and those of the entire FAUN-sales team." continued Dr. Vogel, visibly proud of his company's achievements.

FAUN runs a network totaling 80 dealers and service stations as well as representatives who all cooperate to ensure excellent support for local markets in sales, service and spare parts supply. The following orders are examples of this globally successful cooperation:

40 FAUN-vehicles for Baku, Azerbaijan

Even Axel Scholz doesn't get an order like that every day. Together with IMPROTEX, our local dealer, the FAUN-Area Sales Manager sold a total of 30 VARIOPRESS and ten ROTOPRESS vehicles to the sanitation department of the city of Baku. The vehicles will be shipped between calendar weeks 26 and 39. The cornerstone for this successful transaction was laid by the good experiences made in Azerbaijan with the FAUN-used vehicles initially sold by Michael Kumpfe.

Eight POWERPRESS with ONE STOP for the Dubai city sanitation department

Fountains sprayed for the official handing over of the first vehicle at the end of March. Hassan Makki, director of the Dubai city sanitation department, literally took a bath while inspecting the workings of the ONE STOP container washing plant. Mr Makki controls the handling of over 70 waste disposal vehicles, which collect 6,000

tons of waste daily in the city of Dubai. According to his estimates, this figure will have reached 13,000 tons by the year 2010. He took his involuntary bath in a spirit of good humor and at the conclusion of his visit he said:

»I have discovered some refreshing innovations in the arena of waste collection at FAUN«

Hassan Makki, Director of the Dubai city sanitation department We would like to offer a special vote of thanks to Area Sales Manager Frédéric Cogez and Sven Buttelmann in the sales support department for the smooth processing of this particular order.

All clean in Dubai harbor too

DP World Dubai, the company responsible for keeping the Emirates' harbor area clean, had already ordered five FAUN-POWERPRESS vehicles – one of them including



a ONE STOP – prior to the Dubai city sanitation department.

In January, Dr. Vogel handed over the vehicles to Mahmood Hussain Rasheed (center) from DFSM, the company that placed the order.

The successful FAUN-export team

part 1: Jürgen Thirase (above I.),

Eugenia Funk (above r.), Frédéric

Cogez (below I.) and Dolph Huls-

bergen (below r.)

Markets: Export K> MOBIL 29 | FAUN

both sales revenue and export order-book figures at FAUN by almost 600%.«





Photo left: The official handing over of the first of eight POWERPRESS-vehicles including an ONE STOP container washer to the city of Dubai also served as an interim source of refreshment.

Frédéric Cogez - FAUN-Area Sales Manager, FAUN-Managing Director Dr. Armin Vogel, Hassan Makki (Head of the Dubai city sanitation department) and Alexander John from Koohry and Sons, FAUN-Dealer in Dubai.

15 VIAJET make clean sweep in Theran

Dolph Hulsbergen conveyed the news to the sweeper manufacturers in Grimma personally. 15 VIAJET will soon be making a clean sweep on the streets of Theran. FAUN Viatec-Managing Director Helmut Schmeh is very happy about this, especially in view of the fact that he and his team are moving to a new hall and he wants to see the production running at full capacity.

Honors »FAUN-Dealer of the Year 2006« was the team from CTE Trailers of Romania, led by CEO Dana Bejan. The performance of this young team is a great example of what can be achieved through commitment and a wealth of good ideas. The title of »New FAUN-Dealer of the Year 2006« was given to our Russian representatives MP Prioritet from Nishnij Nowgorod. This relatively new cooperation has already led

to the conclusion of several orders. Both companies were well supported in this endeavor by FAUN-Area Sales Manager Jürgen Thirase and his assistant Eugenia Funk. Apart from the company's traditional markets here in Europe, Dr. Armin Vogel also sees future potential for growth in Eastern Europe, the Middle East and Africa.

Claudia Schaue

The successful FAUN-export team part 2: Sven Buttelmann (above I.) Axel Scholz (above r.), Sophie Braun (below I.) and Kathleen Hänsel (below r.)



Dana Bejan receiving the »FAUN-Dealer of the Year 2006« certificate from Dr. Armin Vogel and Area Sales Manager Jürgen Thirase in the name of her team CTE Trailers.



Team de Kegel: brand new in the FAUN-network - the company NV de Kegel from Belgium. Company owner Karel de Kegel and his 15 employees have already successfully supplied 17 VARIOPRESS and two SELECTAPRESS vehicles to Antwerp. Email: info@nvdekegel.com



K> MOBIL 29 I FAUN Plants: Investments

Colorful highlights

The adjustment of the painting process to wet-in-wet painting not only leaves the FAUN-waste disposal vehicles looking even shinier than ever, but also increases capacity.





The body parts are painted in one of the cabins immediately after the grinding.

Osterholz-Scharmbeck. A waste disposal vehicle has to perform a wide range of tasks. The range of colors it comes in is just as wide when it comes to selecting the right one for each particular company. The vehicles can be painted in anything from classic orange to striking green, depending on the customer's wishes. The painting process itself fulfills the highest standards and can be compared to the painting of a truck or a bus.

K>MOBIL spoke to production manager Markus Palluch about the main innovations.

K>MOBIL: What is wet-in-wet painting?

Markus Palluch: Wet-in-wet painting comprises the painting of the various parts (the body) without so-called intermediate grinding (grinding the undercoat prior to applying the top coat).

K>MOBIL: Where did this process originate?

Markus Palluch: The process is a further development of the conventional painting process. It was developed in optimization projects in order to save costs. The adjustment came about in conjunction with legal requirements to reduce the use of solvents.

K>MOBIL: Are we the only ones using this process?

Markus Palluch: No, this has now become common practice, especially in the truck sector. We are, however,

the only body manufacturer using this method of painting. $\ensuremath{\,^{\circ}}$

K>MOBIL: How did we used to paint?

Markus Palluch: We used to paint conventionally in various steps for the container, the rear and the compaction components - the sequence used to be:

- Wash-phosphating
- Priming
- Weld sealing
- Surface, grinding
- Intermediate basecoat
- Final coat

K>MOBIL: Are improvements already noticeable?

Markus Palluch: Yes, there are several benefits, including:

- Smoother process workflow
- · Additional capacity in priming
- Additional capacity in phosphating
- Additional capacity in painting
- Less paint needed, thereby reducing use of solvents (VOC limitation regulations)
- Fewer rinse cycles
- Fewer working steps

I should, however, mention the disadvantage that the assembly of chassis and body now takes place after painting. This means that the assemblers must Plants: Investments K>MOBIL 29 I FAUN

work with greater care. But I must say that it is running a lot better than we thought it would. My compliments to the team.

K>MOBIL: Does that mean we have also optimized our workflows?

Markus Palluch: Yes; we are now saving about seven to eight working hours per body.

K>MOBIL: How often does the vehicle have to be handled after it has been painted?

Markus Palluch: Only once – at the final assembly stage. That is the great advantage. To make it clearer for you, I will explain how wet-in-wet painting is carried out. After wash-phosphating, container and rear section are given a topcoat straight away. Surface and grinding are no longer carried out. Instead of that, an intermediate basecoat is applied and the sealing is then carried out on the container and rear. The final coat is then applied and the body goes straight to the assembly. The ejection plate and the compaction components go straight from the steel construction phase to the priming phase and are then painted a standard black. The parts are then sent to the assembly (formerly pre-assembly as primed parts), which is now carried out with painted parts. A sandblasting system is currently being planned (whirl gate process), in order to ideally prepare the steel components (blank, roughened surface) for painting.

K>MOBIL: How does the customer benefit from the new painting process?

Markus Palluch: The vehicles now make a completely different visual impression. The paintwork is much shinier and brilliant than it used to be.

K>MOBIL: Can we now paint the vehicles in any color we choose?

Markus Palluch: Yes; the vehicles can be painted according to the wishes of the customer.

K>MOBIL: Well Mr Palluch, while we're on the subject, could you please tell us a bit more about changes and improvements that have been incorporated in production processes in the last few months? **Markus Palluch:** We are currently involved in the restructuring of body preparation and assembly

workflows. The pre-laying of electrical cables in the chassis will be carried out at the body preparation stage in future and no longer during assembly. This will increase assembly capacity and the bodies can be completely prepared on the assembly line, where the electrical and hydraulic connections then only need to be attached and connected in a "plug-and-play" process.

K>MOBIL: What has been changed on the vehicles themselves and would it be of interest to our customers?

Markus Palluch: As part of the standardization process, all fittings will be painted black from now on. Including:

- All cylinders in black
- Rear locking mechanism
- Lighting supports
- Protective supports
- All compaction components (packer plate and carrier plate) and also the ejection plate will no longer be painted the same color as the body, but also painted black.

The standardization of the cylinders is currently being worked on. We are also in the process of developing a standard vehicle sub-frame for the VARIOPRESS and the POWERPRESS.

K>MOBIL: Mr Palluch, we would also like to congratulate you on your new appointment.

Markus Palluch: Oh yes, thank you. In April I was voted board chairman of the REFA association in Bremen. After becoming IE (Industrial Engineering) chairman in 2003 and then appointed to the special committee for vehicle construction in 2006, I have now taken over the leadership of the entire association in Bremen. My main task will be to give the association a new strategic direction.

K>MOBIL: Congratulations – we wish you success in carrying out these numerous tasks!

This interview was carried out by Claudia Schaue



Markus Palluch
FAUN Umwelttechnik
GmbH & Co. KG
Feldhorst 4
27711 Osterholz-Scharmbeck
Tel. +49 4795.955-197
Fax +49 4795.955-141
E-Mail: markuspalluch@FAUN.com

K>MOBIL 29 | FAUN Markets: Success

Successful cooperation

Osterholz-Scharmbeck. FAUN-employees deliver Osterholz-Scharmbeck. SULO their new waste disposal vehicles personally.

DaimlerChrysler on visit.



Handing over eight ROTOPRESS 521 on December 22, 2006. Eckhard Gloistein, FAUN-employee from the final inspection department – it is his task to check the vehicles thoroughly before they are handed over to customers – and Andreas Aicher (SULO) seal the vehicle handover with a handshake.



Left to right: Peter Gassan, DaimlerChrysler branch office, Berlin; Thomas Hoffmann, Domestic Sales Manager, FAUN; Thorsten Krupp, DaimlerChrysler branch office Hamburg; Andreas Kaune, DaimlerChrysler sales office Erfurt; Markus Sann, S&G Automobil AG in Karlsruhe; Peter Sielmann, FAUN salesman; Klaus Hammerbacher, DaimlerChrysler branch office, Nuremberg

SULO SüdWest ordered a total of nine ROTOPRESS with 21 m³ bodies from FAUN. After the final inspection of the vehicles and receiving best wishes, the eight drivers got into their MAN cabins and off they went to Bad Kreuznach.

In both the city and the district of Bad Kreuznach, five ROTOPRESS are currently being used to collect biological waste and four for household refuse. FAUN-customer center manager Alfred Schießler and salesman Martin Maile were also among the drivers. Both of them provide SULO SüdWest with customer support and, together with the customers, thoroughly enjoyed driving the vehicles to their new homes so that they could start work punctually at 6 a.m. on January 2007.

Knowledge and commitment are both ingredients in successful cooperation. The sales teams from FAUN and DaimlerChrysler possess both of these characteristics. Over 80% of FAUN-waste collection vehicles are installed on chassis that display the silver star. This makes it necessary for the DaimlerChrysler sales team to be well informed about FAUN-vehicles and their configuration requirements.

At the end of March, five DaimlerChrysler sales people visited the main FAUN-plant and were brought up to date by their counterparts from FAUN concerning ROTOPRESS, VIAJET & Co.

Claudia Schaue

Markets: Success K> MOBIL 29 I FAUN

First time round

Basel. First use of ROTOPRESS in Switzerland





Peter Burkhard
J. Ochsner AG
Steinacker Straße 31
8902 Urdorf/Zürich
Tel. +41 44.7354242
Fax +41 44.7340830
peterburkhard@ochsner.ch

J. Ochsner AG, the FAUN-service location and representative in Switzerland, now has its first reference customers in the field of rotating drum vehicles. At the beginning of 2007, the waste disposal companies Lottner AG in Basel and AG Sissach Eptingen (AGSE) from the Upper Basel area both commissioned one FAUN-ROTOPRESS each for disposing of gastronomical and biological wastes.

»We swallow that which others no longer want to eat« is the spirited Lottner slogan. And also: »Our vehicles and container logistics are tailored to collecting wet wastes and enable inexpensive, hygienic and ecological recycling.«

The AGSE team feels well equipped for the future of waste disposal in the Basel area.

»We are working with one of the most modern disposal vehicles in Switzerland and at the same time with an incredibly clean and efficient solution. We transport the gastronomical wastes to the biological recycling plant in Pratteln. They are then professionally converted to biogas and humus products. We also use our new Ochsner-FAUN-ROTOPRESS for collecting green waste.«

one of the two first Swiss ROTOPRESS-customers, is especially impressed by

- the sophistication of the functions when collecting biological waste,
- · the absolutely watertight body,
- the prehomogenization of the biological waste in the rotating drum during collection,
- the simple and practically residue-free emptying of the vehicle,
- the high payload
- and the high maintenance-friendliness of this vehicle type.

Lottner AG and AGSE advise their commercial waste disposal customers in cooperation with J. Ochsner AG regarding the choice of container and any queries on the best methods of disposal.

Specially designed 60 to 140-liter bio-bins were provided by Ochsner to ensure the cheap and hygienic collection of gastronomical waste throughout the entire collection area. Sealed lids to avoid the emission of smells and holders for the liner sacks are absolutely necessary for the hygienic handling of the containers.

Peter Burkhard

K>MOBIL 29 | FAUN Markets: Service

More service from FAUN

Tailor-made services for your corporate success





Up-to-date high-rack storage techniques



John Winstanley Alopka, dispatch employee at FAUN Osterholz-Scharmbeck, sends original FAUNspare parts safely on their way to customers

Competition in the waste disposal industry is extremely fierce. The current DSD tenders are not the only reason why competition is getting tougher all the time. The results are lower profits and immense cost pressure. This pressure is felt in every area of each company.

Particularly the vehicle fleet is becoming the subject of evercloser scrutiny. This affects not only the reserve vehicles, but also especially the costs of maintenance and service. FAUN offers you a multifaceted range of services designed to both reduce your costs and increase efficiency.

Robust. Reliable. Long-lasting.

These are all synonyms for FAUN-products. In order to make sure this remains the case in daily use, professional care of the vehicle fleet is absolutely essential. This is where the wide range of FAUN-services come in.

Professional service from FAUN means:

- 65 competent workshops and service stations in Europe
- Almost 800 employees in the service and spare parts organization
- Around 40 highly equipped service vehicles
- 98% of all spare parts available within 24 hours
- 14-hour emergency service from 6.00 a.m. to 8.00 p.m.: +49 4795 · 955 400
- Replacement vehicles available for rearloaders, sideloaders, frontloaders and sweepers
- Tailor-made service agreements from periodical servicing to full-service leasing
- Logistics advice to help you select the most suitable vehicle
- Purchase and sale of tested used vehicles.

Our workshops offer experienced support for your vehicles. Regardless of brand. We have 65 branches in Europe.

A vehicle fleet costs a lot of money, especially when it is not on the move! The tight FAUN-service network helps you quickly and reliably. The high efficiency and safety standards of our vehicles demand the use of increasingly complex hydraulic and control technology in the bodies. The servicing and maintenance of these systems can only be competently carried out by professionals. For this reason, we constantly invest in the further training of our employees. Practice has shown that seemingly »cheap« services and repairs actually lead to much higher costs in the long run. The days in which a fleet was able to profitably run its own workshop are long gone. We also offer a further element in our range of services to complement this offer: You can fix your vehicle costs, allowing you to plan them on the long term with requirement oriented service agreements from FAUN. This keeps the breakdown rate to an absolute minimum. And even if a vehicle were to break down. we would still be able to offer you short-term assistance with a suitable replacement vehicle.

Markets: Service K>MOBIL 29 I FAUN



Regular servicing and maintenance is a key component in your corporate success.

Only the best for your vehicle: FAUN-spare parts.

We all know what false economy is. This is especially true for the use of »copied« spare parts. Only parts supplied directly by the manufacturer guarantee the same level of quality and accuracy of fit for your vehicle. It is not possible, for instance, to tell which type of material a bolt is made of just by looking at it. However, if a part in the »wrong« quality is installed in order to save a couple of euros, this can lead to considerable costs if it fails to stand the test of time. Not only that, an unexpected vehicle breakdown obviously leads to high expenses. It makes good sense to order original spare parts from FAUN. Right from the development stage of a FAUNvehicle, HIGHLY QUALIFIED engineers take time to make the right decisions regarding the selection of suitable materials and there are good reasons for

this: The longevity of our products and your safety are always key aspects.

FAUN-spare parts mean:

- Tested brand quality
- 100% fitting accuracy
- Model-related and type-tested
- 6-month guarantee

Service from FAUN is more than just maintenance, spare parts and repairs.

FAUN-services are there to assist you long before your vehicle gets on the road. FAUN-logistics advice will help you to select the »right« vehicle for your particular situation. We consistently take your individual requirements into account. Once you have chosen the right vehicle, we also offer you smooth support in financing it. Whether leasing, hire purchase or hire: Contract lengths individually tailored to suit your needs, expert advice and attractive offers are essential factors for us. Even when your vehicle has reached the end of its active life, we are there to help you.

We will be happy to purchase your used vehicles at attractive rates, thereby increasing the profitability of your fleet. Follow good examples. We have already been able to satisfy a great number of distinguished clients with our service offers. We will be pleased to refer you to clients who will testify to the quality of FAUN-services. Just contact us.

Patrick Hermanspann



Contact:
Patrick Hermanspann
FAUN Services GmbH
Feldhorst 4
27711 Osterholz-Scharmbeck
Tel. +494795.955-133
Fax +494795.955-55
patrickhermanspann@FAUN.com
www.FAUN.com

K>MOBIL 29 I FAUN Markets: Success

Satisfaction is our greatest reward

Stephan Polplatz, deputy operating officer of EntsorgungsBetriebBergkamen (EBB) voiced his satisfaction about the cooperation with FAUN



Stephan Polplatz from EBB Bergkamen (I.) with FAUN-salesman Bernd Wenzel next to the newly purchased FAUN-SIDEPRESS.

EntsorgungsBetriebBergkamen (EBB) Bambergstraße 66 59192 Bergkamen-Mitte . Tel. +49 2307. 28503 -0 Fax +49 2307. 28503 -295 E-Mail: Entsorgungs-

Betrieb@Bergkamen.de

Contact:

EntsorgungsBetriebBergkamen (EBB) is a waste disposal company run by the city of Bergkamen. EBB employs a total of 16 workers who dispose of household refuse, biological waste, old paper, garden trimmings and bulk refuse for 22,000 households with 52,000 inhabitants in the city area of Bergkamen. Their duties also include those of street cleaning as well as snow-clearing and gritting services in winter.

K>MOBIL spoke to the deputy operating officer about his experience with the services offered by FAUN Services GmbH.

»For over one year now, we have been using five sideloaders and one rearloader from FAUN for collecting household refuse, biological waste and bulk refuse. We decided for FAUN because their high-volume bodies on both the sideloader and rearloader vehicles offered us the most economic deal. We also

decided for full-service packages when we took the vehicles. That leaves us the space we need to work independently. The technicians from FAUN Services look after both the maintenance and the necessary servicing of both bodies and lifters. The vehicle chassis are all maintained by an authorized repair shop in conjunction with the full-service package. We do not need to maintain our own workshop, which keeps our capital expenditure to a minimum, allows us to react flexibly and we always have a first-class fleet. Our drivers only have to carry out their daily morning check before starting work and the rest is done by FAUN. Even if a vehicle should happen to break down, FAUN promptly supplies us with a suitable replacement.«

Stephan Polplatz, deputy operating officer at EBB

This interview was carried out by Claudia Schaue

Markets: Success K> MOBIL 29 I FAUN

BAUMA 2007

Munich – crane city of superlatives



The detachable rear suction unit creates a sweeping width of 2.30 m.



Munich. The cranes stretch up into the Munich sky like gigantic skyscrapers. They sway 70 meters above ground level, giving onlookers a sick feeling in the pit of the stomach. A formidable selection of caterpillars, mechanical diggers and all kinds of other heavy construction machinery has collected at the feet of these giants. A fascinating city of cranes and various types of heavy machinery has been created on the Munich fairgrounds, covering an area of 540,000 m2. Shoulder to shoulder, a total of 3,041 exhibitors from 49 countries bustle about, busily offering their products. In a week of magnificent, sunny weather, around 500,000 trade visitors and other interested people had the opportunity to gather information on all of the latest innovations and trends from April 23-29, 2007. This makes the BAUMA one of the largest trade fairs in the world.

FAUN exhibited two of its sweepers amid this ideal backdrop. The VIAJET is especially suitable for construction companies and road-building authorities because of its rear suction capability, while the

smaller VIAJET 5 with its patented V-shaped suction shaft is designed for inducting grit in difficult situ-



ations. Even though this only represents a small and specialized field for FAUN, the display still attracted an incredible number of visitors. FAUN Viatec-Managing Director Helmut Schmeh sees a great deal of potential for development with this type of vehicle in the building sector and, together with his team, he will continue to expand in this segment.

Claudia Schaue

Contact:
FAUN Viatec GmbH
Bahnhofstr. 5
04668 Grimma
Tel. +493437. 9204-0
Fax +493437. 9204-99
E-Mail: info@FAUN.com

bauma 2007 – trade fair Munich Photo: AlexSchelbert.de

Curvy business

Interview with Richard Müllejans from the Düren service companies

Vehicle delivery at frosty temperatures: Ralf Mayer of the Dürener Servicebetrieb purchasing team (I.) and Thomas Maser, FAUNsalesman





Contact:
Argr.-Ing. Richard Müllejans
Dürener Servicebetriebe
Paradiesstr. 17
52349 Düren
Tel. +492421.4934-112
Fax +492421.4934-105

Düren. The waste bins stand in orderly rows at the curbside in a tidy Düren residential area. Now and then a curtain swishes cautiously as a vigilant resident discreetly peeks through the front garden towards his waste bin. It is around 10.30 a.m. – the time when the household refuse is usually collected. Where could they be? Thinks the observant citizen, now slowly starting to become impatient. Then a sound breaks the suburban silence. That unmistakable thud of the bin being knocked into place, the waste falling into the hopper, being compacted by the packer plate and then shoveled and pressed into the innards of the container. Now the familiar orange colored vehicle comes into sight. The observant resident is just about to turn around and walk outside – but what on earth is that? The vehicle in question usually has slanting ribs. A young woman in a provocatively scanty bikini is now smiling cheekily at the onlooker. This needs to be looked at more closely, he thinks, quickly shuffling outside. »Wassat?« calls the resident to the waste collectors. »That's our new girl. Nice body, eh?« comes the grinning reply. And it's true – the vehicle with

the unusual sticker on the side re-

ally does look very sleek. The vehicle, of course, is the VARIOPRESS with the newly designed CURVED BODY container, currently in service in Düren. For three months now, the Düren team has been picking up waste with its prototype vehicle and K>MOBIL spoke to Richard Müllejans, technical head of the Düren waste disposal service, about the company's initial experiences with the latest development from FAUN.

K>MOBIL: Which types of waste are being picked up with the VA-RIOPRESS curved body?

R. Müllejans: We collect household waste, biological waste and paper with it.

K>MOBIL: How many rounds does it do per day?

R. Müllejans: Two rounds.

K>MOBIL: Which vehicles did you previously use?

R. Müllejans: We used to use 30 m³ bodies on four-axle chassis from Haller.

K>MOBIL: Have you noticed any changes or improvements after the first three months?

R. Müllejans: Our drivers tell us that the new vehicle is more agile. The deciding point though is the excellent payload. Our fuel consumption has dropped sharply

and the bulk refuse containers from Zöller are very well suited to the body. We are now much faster than we used to be. Apart from that, maintenance, especially greasing, is now »done by the vehicle«. Even the compactor is now greased automatically. The driver and his team think it is great. The decision to purchase this vehicle was a very good one.

K>MOBIL: Many thanks. We are very happy, of course, to get so much praise. Can the improvements and cost savings be expressed in figures or percentages yet?

R. Müllejans: We do not yet have any concrete results to present. We have only been using the vehicle for a short time.

K>MOBIL: Have the goals and expectations you had on the VARIO-PRESS already been met?

R. Müllejans: Very clearly. They have even been exceeded in all areas and from May 1, 2007 we will even be advertising our local bathing lake with the CURVED BODY.

K>MOBIL: Mr Müllejans, we would like to thank you for talking to us and we wish you and your team out there on the road a safe journey.

R. Müllejans: Thank you – and the same to you! Claudia Schaue

Markets: Success K> MOBIL 29 I FAUN

A national first for refuse collection in Nottinghamshire and the UK

Can you imagine sending eight people to a car dealership and getting them to agree to purchase exactly the same model for a fleet of cars?

This is essentially what eight Waste Collection Authorities achieved when they joined forces to procure 27 FAUN-Refuse Collection Vehicles. Notts Councils have bought 27 vehicles this year from FAUN Municipal Vehicles Ltd in an order worth over £3 million.

By buying the vehicles together (rather than individual councils buying their own vehicles) Notts councils are achieving great savings for council taxpayers of around £150,000. This joint procurement is the first nationally where eight councils have agreed a tender for a single specification of refuse collection vehicles.

»By joining up we have created excellent efficiency savings. If you work with others there's absolutely no doubt that it makes great financial sense, this is a good example of how councils can work together for their residents' benefit.«

Dave Parton Head of Direct Services, Gedling Borough Council The vehicles are 22 m 3 FAUN-VARIOPRESS-bodies on Mercedes Econic 2629LL, Euro 4, 6 x 4 or 6 x 2 Mid Steer, driver + 3, 26 tonne chassis. The bodies will be fitted with Terberg lifters to suit each council's bins and type of waste collection.

»It's important that we offer the Notts Consortium high quality vehicles, prompt delivery, and a great after sales service.«

> Sandra Egerton FAUN-Area Sales Manager

»It is FAUN's aim to be the Consortium's partner when the contract is reviewed, and hopefully extended, later in the year.«

Andrew Corless Managing Director, FAUN Municipal Vehicles Ltd.

The Consortium comprises the seven Nottinghamshire Districts Councils – Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark and Sherwood and Rushcliffe and the unitary Nottingham City Council.



Pictured signing the contract on behalf of the Consortium are Sandra Egerton for FAUN and Glyn Pilkington, Borough Public Protection Officer at Rushcliffe Borough Council

Also pictured from left to right are: Bob Yarnall, Fleet Manager, Rushcliffe Borough Council; Andy Kirk, Refuse and Fleet Manager, Newark and Sherwood District Council; Chris Savage, Fleet Manager, Nottingham City Council; Phil Chance, Fleet Sales Manager, Mercedes Benz and David White, Fleet Manager, Ashfield District Council.

Kellham Hall
Picture: Karl Dankbars



K> MOBIL 29 I FAUN Markets: Success

FAUN and Bradford the Right Fit

City of Bradford Metropolitan District Council has over 50 refuse collection vehicles covering 141 square miles collecting the waste and recyclables from 200,000 domestic properties.



Bradford. In 2006 they went to tender for the 13 replacement vehicles for 2007. Following a joint procurement strategy, rigorous testing and after sales commitments a FAUN-VARIOPRESS Mercedes Econic was chosen as being the right fit.

Leeds City Council and Scarborough Borough Council joined with Bradford in 2006 to create a joint vehicle procurement strategy. The joint strategy enabled a reviewed tender process that it hoped would bring efficiency savings to all three Councils.

The 13 replacement vehicles are part of the ongoing vehicle replacement programme. The tender is offered annually to meet Bradford's refuse collection needs. The Councils procurement team has a dedicated officer for vehicle fleet, Simon Worth – Regulations and Systems Support Officer provides technical support to the waste management team.

»Through the joint vehicle procurement strategy we have created a robust tender process to procure vehicles which will provide an efficient, effective refuse collection service.«

Simon Worth Regulations and Systems Support Officer, Bradford

An open day for suppliers was held at Leeds for all three Councils to discuss their future vehicle needs. Comprehensive vehicle trials were carried out by the operational teams. Simon commented, »As the tender process unfolded drivers and operators were consulted.« Martin Hamer – Principal Officer Fleet Management realised that the FAUN-VARIOPRESS body on a MERCEDES chassis with TERBERG lifter offered a best value option.

»FAUN won the tender process against stiff competition the FAUN and Mercedes option was the right fit.«

Martin Hamer Principal Officer Fleet Management

By choosing this combination annual efficiency savings were identified inline with the joint vehicle procurement strategy.

Demands of the Councils' 2006-7 business plan were also taken into consideration. The plan contains a carbon management programme, weekend service



and maintenance programme and the overloading management system. The business plan also requires that the Councils' waste management strategy is communicated to all. A smooth sided vehicle could display a promotional message. FAUN fitted all of these criteria.

The Mercedes Euro 4 fitted with the Councils carbon management programme. "Vehicle procurement must play a part, we are waiting to purchase the Euro 4 as it helps us to meet our carbon targets," says Simon.

The Council has revised its servicing and maintenance regime to minimise vehicle downtime. All maintenance and planned servicing is carried out at the weekend and Mondays so that the vehicles will be ready to work Tuesday through Friday. Martin says, "This has been very successful in minimising downtime and our supplier had to support weekend working, FAUN offered us this commitment."

Bradford has a rigorous overloading management system and body weighing was part of the tender requirements. The FAUN ACTIFIT system complemented the Councils systems, "ACTIFIT was a useful tool that added to our overloading management," says Martin.

The joint procurement strategy and demanding tender process revealed that the FAUN-VARIOPRESS was the right fit for Bradford Council. Six vehicles have been delivered and the remaining seven FAUN-VARIOPRESS Mercedes Econic vehicles have just gone into production at the FAUN manufacturing facility in Llangefni, Anglesey, North Wales (picture above).

Markets: Trade K> MOBIL 29 I FAUN

Commercial Vehicle Show Birmingham

>> VARIOPRESS CURVED BODY with FAUN-Control-System convincing UK customers



You can find FAUN at the following events in the UK in 2007:

- »Community Recycling
 Network UK Annual
 Conference« in May
- »APSE Aviemore Scotland Exhibition« in May
- »Londonderry Show« in June
- »Recycling and Waste
 Management Exhibition«
 in September

The Commercial Vehicle Show in Birmingham is the largest trade fair of its type in the UK. Over 1,000 trade visitors came to the fairground during the two days to find out more about innovations and to talk to the manufacturers.

After the ENTSORGA in Cologne last year, FAUN has now presented the VARIOPRESS CURVED BODY with FAUN-Control- System, its new container design including its own control system, to trade visitors for a second time. A brand new feature of this vehicle, actually still a prototype, is the rear section. Both lighter and shorter than its predecessor, it also has a positive effect on the payload.

FAUN-Managing Director Andrew Corless was highly satisfied with the way things went at the trade fair.

»This is the first time that the new CURVED BODY has been seen in the UK and it was very well received. With the new tailgate design, curved body and FCS the prototype was a talking point throughout the show.«

 $\label{lem:managing} \mbox{Andrew Corless} \\ \mbox{Managing director of FAUN Municipal Vehicles Ltd.}$

Andrew Corless continued: "FAUN Municipal Vehicles Ltd. are successfully bringing European technical innovation to the UK through an enthusiastic sales team and dependable after-sales and service."

Jo Quinney



Andrew Corless
FAUN Municipal Vehicles Ltd.
Llangefni, Isle of Anglesey
GB North Wales LL77 7XA
Tel. +44 1248.722777
Fax +44 1248.750220
sales@FAUN.co.uk



WE.MOVE.FUTURE.



Technology that goes under the skin

KIRCHHOFF Automotive



Mobility that fascinates

REHA Group Automotive



Stability that lasts longer

FAUN Group



Perfection with a grip

WITTE Werkzeuge

