

K>MOBIL

THE **KIRCHHOFF** GROUP MAGAZINE



62nd IAA CARS

KIRCHHOFF Automotive and REHA Group Automotive in Frankfurt

➤ **The KIRCHHOFF Group:**
In 2007, the Group will achieve total earnings of approx. 680 million euros in its four business divisions, employing a workforce of around 4,600 people.
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➤ **KIRCHHOFF Automotive:**
Lightweight construction is currently one of the main tasks facing OEMs and suppliers. The ongoing carbon debate is making this topic one of political significance.
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➤ **REHA Group Automotive:**
At the beginning of October the world's largest trade fair for rehabilitation and care needs took place in Düsseldorf. Excellent prospects are developing for REHA for 2008.
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➤ **WITTE Werkzeuge:**
WITTE has now expanded its range of bits to include a premium variant. The new WITTE DIAMOND bit complements the company's selection of high-grade specialized bits.
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➤ **FAUN Umwelttechnik:**
In addition to its services such as rental, leasing and used vehicles, FAUN Services is now also selling spare parts and offering customer service.
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Mobility for mankind:
The KIRCHHOFF Automotive trade fair booth at the IAA Cars in Frankfurt, Germany.



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The 62nd IAA Cars exceeded the expectations of exhibitors – both manufacturers and suppliers alike. The IAA has always been the world's most important mobility trade show. All in all, this year's IAA Cars can be considered a success for KIRCHHOFF Automotive. Not only did we make numerous valuable new customer contacts, we also had the pleasure of welcoming a great number of prominent visitors to our trade fair booth.

In mid-September, construction work began on the new KIRCHHOFF production plant in Suzhou, China. By the end of April 2008, a 10,000-square-meter production building will be completed to house a pressing plant with tool shop, a welding facility and logistics areas. Approx. 1,000 square meters of office space and recreational facilities will also be created in a further building.

The youngest division of the KIRCHHOFF Group, REHA Group Automotive, which specializes in converting vehicles to suit the needs of people with limited mobility, presented itself for the first time in the Group's corporate design at the globally significant REHACARE trade fair in Düsseldorf (see picture) and together with KIRCHHOFF Automotive at the IAA Cars in Frankfurt, Germany.

The demand for stainless steel products is continually on the rise. Sanitary fittings, windows and doors, solar technology, household technology or shipbuilding: there are a great number of applications in which stainless steel is being increasingly used. WITTE Werkzeuge has reacted to this trend – with the MAXXPRO stainless.

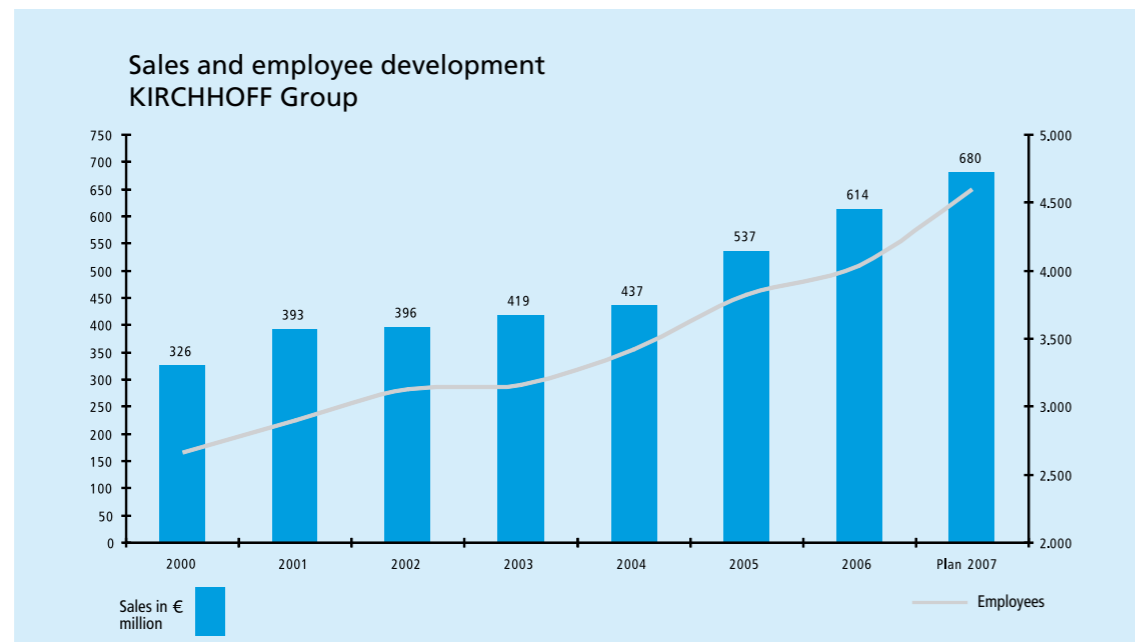
The management and staff of FAUN are delighted to be celebrating the 80th birthday of a classical commercial vehicle – the ROTOPRESS. The vehicle that first became a success with the company Keller und Knappich (KUKA) in Augsburg in 1927 has been continually produced by FAUN for many years and is still a popular model even today. The ROTOPRESS is well known throughout the world and enjoys great popularity with waste disposal companies because of its simplicity.

In a nutshell: more in, less on! Reason enough to celebrate this birthday with a party and reminisce about the history of its success.

Annual report 2007

Markets, growth, innovation

4,600 employees created 680 million euros of sales revenues: a successful year 2007 for the KIRCHHOFF Group



Dear customers and friends of our company group, dear employees,

The global economy continues to be in a stable phase of growth, although the real estate and sub-prime crisis in the USA remains a threat.

In the past, such a crisis would have caused far greater upheavals, particularly in the mature markets of Europe and North America. It is therefore fortunate that a decoupling of the global economic situation through the growth forces in Central and Eastern Europe has taken place. Here we see a positive effect of globalization for the major part of the world's national economies.

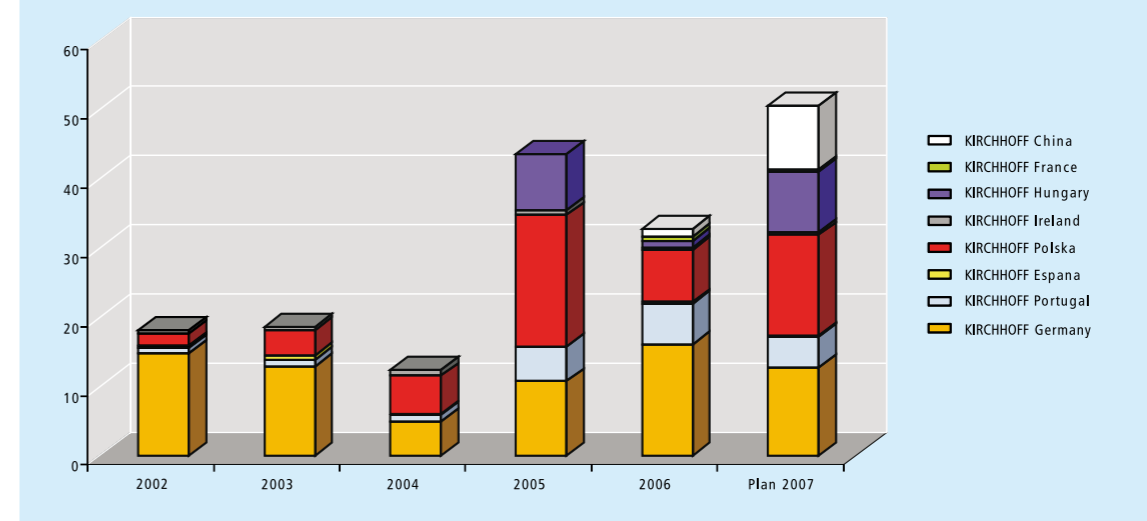
However, both the automotive industry as a whole and we as component suppliers regard developments on the energy and raw material markets as a serious threat. In our opinion there is too little competition! Both industries are strongly influenced by oligopolistic structures. Whereas several years ago one spoke of the supply situation for steel as being tense, today both availability and supply price have again become differentiated. We, as processors of steel, wish to see a high degree of free trade and fair competition and cannot support popularized protective measures and anti-dumping campaigns. Car manufacturers and component suppliers alike must seek a common way of combating these market conditions.

With 15.8 million units delivered, the automobile market in Europe will again be successful in maintaining the high level of the previous year in 2007. Sales volume varies greatly from country to country. The German figure of approximately 3 million units sold will be 8% below last year's level. The reasons for this are not only the sales tax increase, which came into force at the beginning of the year, but also the uncertainty of the German consumer due to the continuing debate on CO₂ emissions. The year 2007 was positive as far as utility vehicles are concerned. Both production figures and sales volume again rose by approximately 10%.

In the course of 2007, **KIRCHHOFF Automotive** will be able to increase sales revenues by 12.5% to achieve total earnings of 450 million euros. The team made a special effort in order to commence production at **KIRCHHOFF China**. During the summer, the construction of a 10,000-sqm new building was simultaneously initiated, which will be ready for use by the middle of 2008.

KIRCHHOFF Automotive Germany has expanded its development center in Attendorn and further augmented and re-organized the central S+E organization. In Iserlohn, the changeover to production and logistic systems from SAP was carried out at the beginning of the year. The initial go-live phase demanded a great deal of work, but it was very successful!

Investments KIRCHHOFF Automotive Proportion (€ million)



Investments KIRCHHOFF Automotive by country



J. Wolfgang Kirchoff, shareholder KIRCHHOFF Group and COO KIRCHHOFF Automotive

KIRCHHOFF Polska commenced production of a floor assembly and a complex front-end structure in the Gliwice plants. In Mielec a new tool-making facility, a logistics center and a raw material cutting plant were commissioned.

KIRCHHOFF Hungary celebrated its inauguration with a large number of guests and the production start of a new pressing plant as well as the extension to the welding shop.

VRK (Van Rob KIRCHHOFF) in Mexico has now put the plants in Quereto and Puebla under common management. This combination enables production and logistics processes to be improved.

At **KIRCHHOFF France** extensive restructuring was carried out this year, which has now resulted in considerable improvements in both workflows and production techniques.

WITTE Werkzeuge was again successful in further strengthening its market position. With the presentation of the MAXXPRO stainless and the DIAMOND bits we were again able to prove our innovative strength as a premium manufacturer.

REHA Group Automotive was able to achieve a growth rate close to the two-figure mark. Here we are making additional investments in product development and distribution in order to further consolidate our market leadership.

The **FAUN Group** achieved a sales revenue increase of 18% to attain a figure of 230 million euros in 2007 and can thus look back on a successful year, particularly in view of the fact that our ROTOPRESS turned 80 this year! Not only the high growth in sales on the home market, but also those abroad, particularly in Central and Eastern Europe, have been significant contributory factors. Product innovation and our platform strategy should also continue to determine the added value and high performance of our products for our customers in future. FAUN is also taking active steps to reduce CO₂ emission levels and we are currently working on a fully hybrid-driven vehicle, which will run completely on electricity during collection.

In 2007, the **KIRCHHOFF Group** will be responsible for sales revenues of around 680 million euros in its four fields of business and employ a workforce of around 4,600 people.

Dear customers of our company, dear employees! The management of our corporate group wishes to thank you all for your loyalty and for your active cooperation. We look forward to a continuance of this positive and successful collaboration. My father, my brothers and I wish you and your families a Merry Christmas with health and success in the New Year.

A cordial Good luck!

Yours

Jürgen Wolfgang Kirchoff

Family-run enterprises represent the future

➤ BDI Day – conference of the industrial middle market



Outer picture: Panel discussion left to right: Arndt. G. Kirchhoff (CEO KIRCHHOFF Automotive), Wolfgang Münchau (Financial Times), Dirk Niebel (MP, FDP), Andrea Nahles (MP, SPD), Dr. Peter Ramsauer (MP, CDU/CSU), Dr. Stefan Schmittmann (Hypo-vereinsbank), Maybrit Illner (TV presenter, ZDF)

Right: Celebrity circle: Oscar Award recipient Florian Henckel von Donnersmarck, Arndt G. Kirchhoff and Jürgen R. Thumann, president of the BDI



What significance do middle-market businesses possess in the present age of a rapidly changing global economy? How do they face the challenges of globalization on their domestic markets and what will their national and international development represent over the next ten years?

The answers to these questions were sought during the BDI Day conference of medium-sized industrial businesses on 23 October 2007 in Berlin under the chairmanship of Arndt G. Kirchhoff and through a joint survey of the Automotive Industry Association (VDA) and the German Industrial Bank IKB.

"We are the middle market." With this greeting Arndt G. Kirchhoff opened the BDI conference held under the motto "The secret stars of the economy – family-run businesses represent the future" to perform a critical survey of the significance of middle-market businesses, and he continued: *"and why shouldn't we display self-confidence? Our middle-market businesses, our family-run industrial enterprises are pillars of innovation, growth and employment. They are the basis of the economic recovery we are presently experiencing. Therefore: family-run companies represent the future."*

Jürgen R. Thumann, president of the BDI, substantiated this statement with data and facts. The significance of middle-market enterprises for the German economy is illustrated by the fact that 60% of added value, 70% of new jobs and 80% of vocational training positions are created by family-run enterprises.

In his laudatory speech, the film director and 2007 Oscar Award winner Florian Henckel von Donnersmarck praised these achievements using the

famous Churchill quotation: *"Some people regard private enterprise as a predatory tiger to be shot. Others look on it as a cow they can milk. Not enough people see it as a healthy horse, pulling a sturdy wagon."* He also described the achievements of German middle-market enterprises as being worthy of an Oscar when compared to international competition.

The Federal Chancellor, Dr. Angela Merkel, also indicated that the political world was interested in actively supporting the middle market as the driving force of the German economy. She undertook to work toward a suitable framework of taxation laws, inheritance legislation, reduction of bureaucracy, increased flexibility on the employment market and harmonization of legislation regarding competition within the European Community.

Arndt G. Kirchhoff referred to this in his closing summary and came to the following conclusion: *"We middle-market, family-run enterprises live in Germany and we wish to continue doing so. In order to survive and to be successful on the market, one must be flexible and make decisions quickly. We middle-market companies do just that. It is time for the political world to support us in this and, through faster political adaptation in an open global economy, pave the way to creating the framework conditions that make Germany attractive as a production location and appropriate to the significance of "Made in Germany."*

The present relevance of the middle market as the powerhouse of our economy is undisputed. But how will it be able to develop over the next ten years, particularly with regard to the global

automotive industry?

The VDA/IKB survey "German automotive suppliers 2018 – unchanged middle market" attempts to provide an answer to this. It defines three manufacturer and supplier groups:

1. Large US supplier groups that have grown internationally with their customers (GM, Ford, Chrysler)
2. The Japanese suppliers firmly affiliated in the keiretsu system
3. The middle-market structured German automotive components suppliers working in cooperation with German car manufacturers

All of these three component supplier forms have the same problem of undiminished strong competition with the difficult consequence of being confronted on the one hand with fewer raw material suppliers, making cost reductions in purchasing virtually impossible, and on the sales side with a decreasing number of manufacturers, resulting in great pressure on sales prices. As a result, the supplier market is threatened by a substantial consolidation process, which in the end will allow none but the large globally operating suppliers to survive. Are these grim prospects for the German middle-market supplier industry?

The survey, however, comes to a completely different conclusion: German suppliers will remain the innovative driving force powering the German automotive industry. Due to the continual introduction of new applications in vehicles and the further diversification in the value added chain,

the number of those developing contrary to the consolidation trend is even increasing.

Over the last number of years, German middle-market suppliers have already started following their customers overseas and will continue to do so to an even greater extent in the future. KIRCHHOFF Automotive is a trend-setting example of this.

The willingness to internationalize, the channeling of innovative energy into the field of development, continual cost optimization processes in production as well as the trend on the part of car manufacturers to transfer increasingly large performance packages to the supplier are guarantees for further international growth. Kirchhoff Automotive will successfully continue to face the external challenges such as raw material price developments, the price pressure from car manufacturers and competition from the emerging markets. We do, however, benefit from the fact that the consolidation pressure in our core field of expertise, metal forming of structural components, is regarded as low compared to that experienced in other supplier segments.

Conclusion: Kirchhoff Automotive, as a partner to both the international and in particular to the German car manufacturing industry, is well equipped to operate successfully and has the right middle-market strategies in development, production and location to deal with future challenges, remaining true to our motto: WE. MOVE. FUTURE.

Ulrich G. Schröder

Left: Arndt G. Kirchhoff together with German chancellor Dr. Angela Merkel and Jürgen R. Thumann

Climate protection – modern lightweight bodywork construction

➤ Attendorn. Material mix, design and joining technologies are decisive

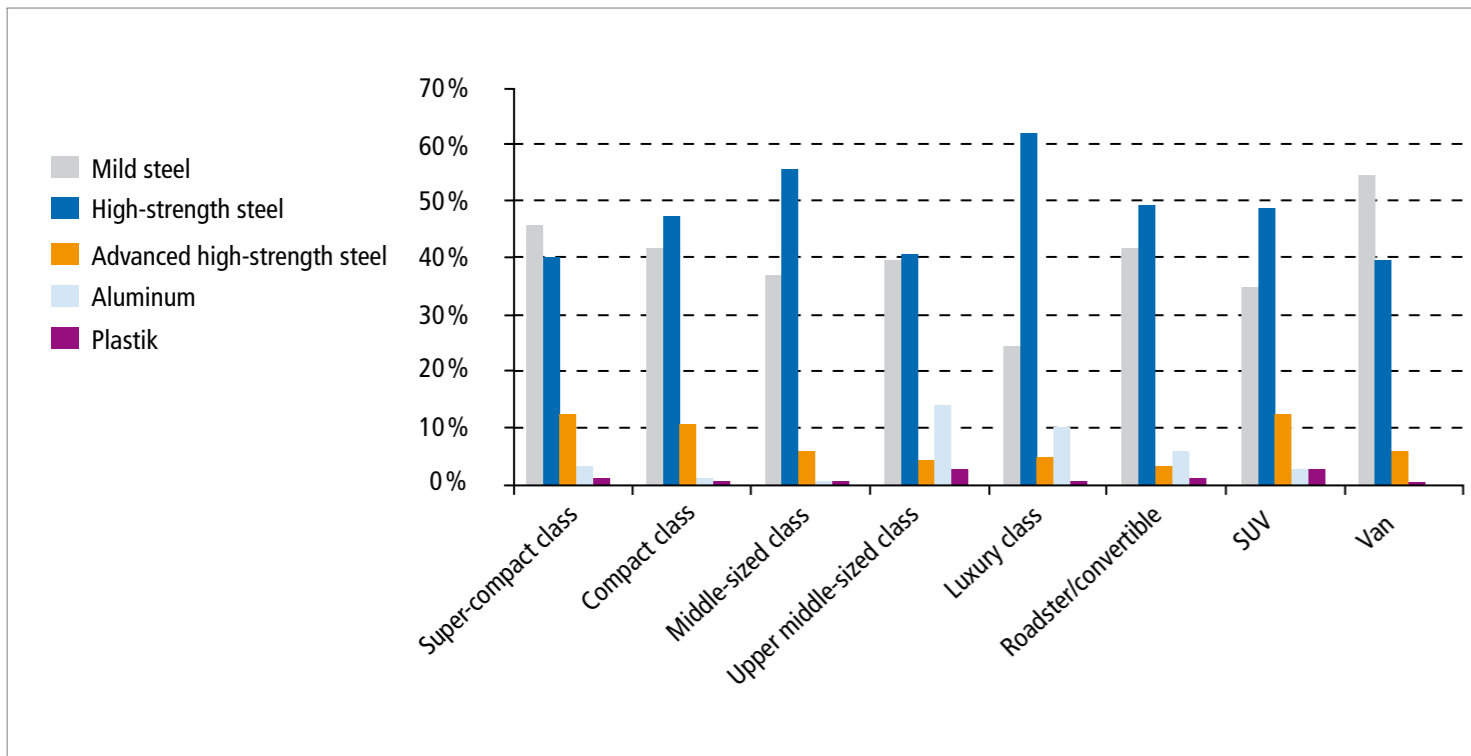


Fig. 1: Material distribution in the various vehicle classes

Lightweight construction is one of the major challenges currently facing both car manufacturers and component suppliers. In view of the present carbon emissions debate, this subject is of great political significance. It raises not only the question of technical feasibility but also addresses the problem of the additional costs involved in the implementation of lightweight construction measures.

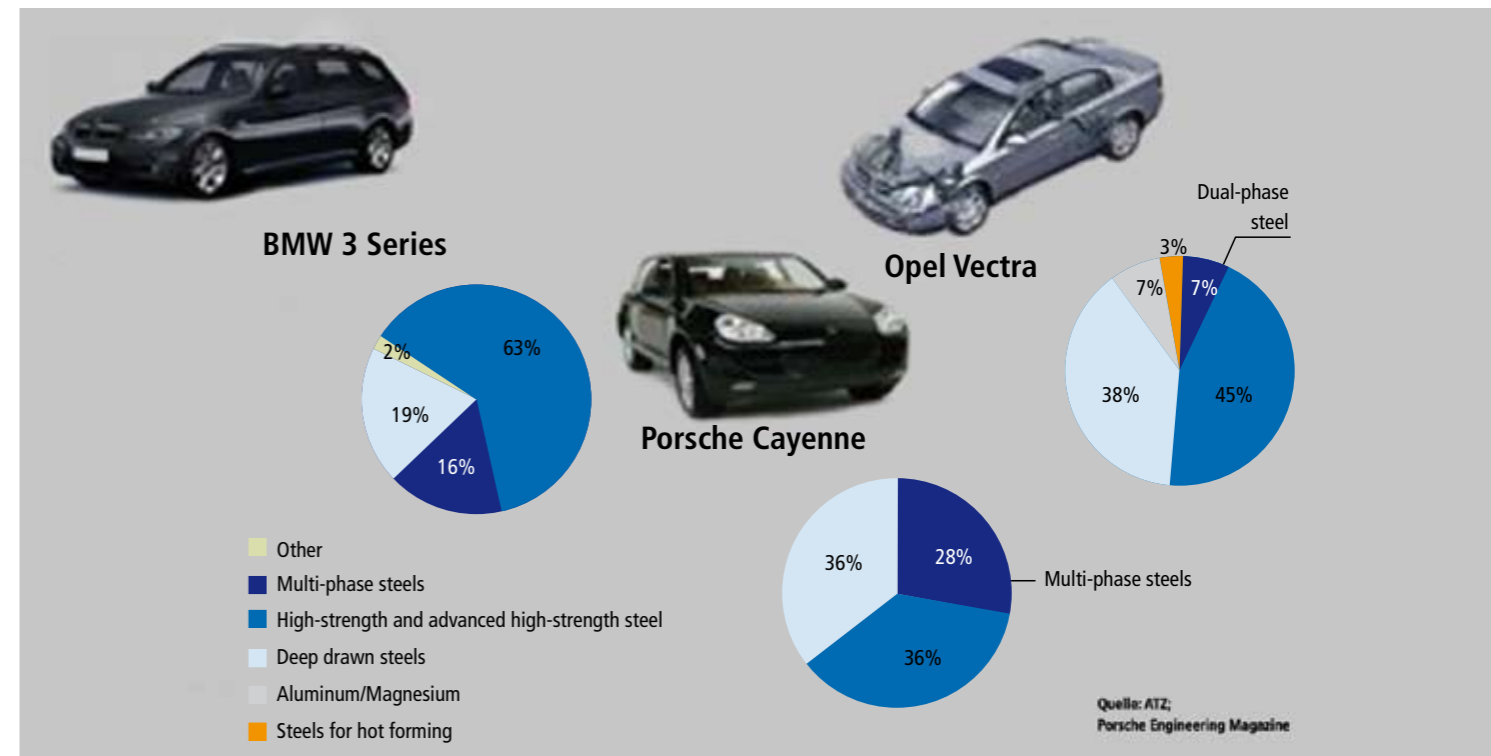
The innovative bodywork of today is required to meet an increasing number of partially conflicting demands. The demand for lighter vehicles with lower fuel consumption and toxic emissions stands in contrast to the increased requirements over the last years regarding both safety and comfort.

A mainly lightweight steel construction is used in modern vehicle bodywork. Furthermore, in various vehicles mixed material constructions of aluminum and steel - e.g. in doors and hatches - are used. An analysis of the body shells of various vehicle categories showed the following result regarding the material used: between 85% and 98% steel of various grades was used in conventional vehicle classes. Fig. 1: Shows the material distribution in the body shells of the various vehicle classes. What could be regarded as the obvious solution, i.e.

the use of lightweight metals in order to reduce vehicle weight, is still only being employed in a very limited way. Thus the body shell analysis shows that the use of aluminum varies between 1% and 12% depending on the vehicle class.

Disadvantages, such as the high amount of energy involved in aluminum production as compared to that of steel, more stringent requirements in processing and joining technology as well as the sometimes expensive recycling and last but not least the high price, have, until now, prevented more extensive use of this material. However, since the mid-nineties – starting with the ULSAB study – various bodywork concepts evaluating the possibilities of steel construction have been developed. In this study, low-cost economic concepts offering improved performance combined with lower weight are shown. Fig. 3 shows the comprehensive studies in their time sequence.

Future lightweight constructions will be determined largely by further developments in materials and production technology. Thus the bodywork studies show that bodywork structure can be effectively optimized by the use of high-strength and advanced high-strength steel types and the simultaneous application of innovative production processes.



This new bodywork concept uses an average of 64% high-strength steel, which is a great improvement on the present value. The same applies for super-high-strength steel with an average ratio of 26% used in the bodywork.

Modern lightweight bodywork construction is a combination of material mix and new constructional designs as well as improved joining and production technologies. It is, for example, of vital importance that the correct material is used in the right place with the best possible capability for functional integration. This also means that due to the many influencing factors a considerable number of different good lightweight concepts are possible.

Christoph Wagener

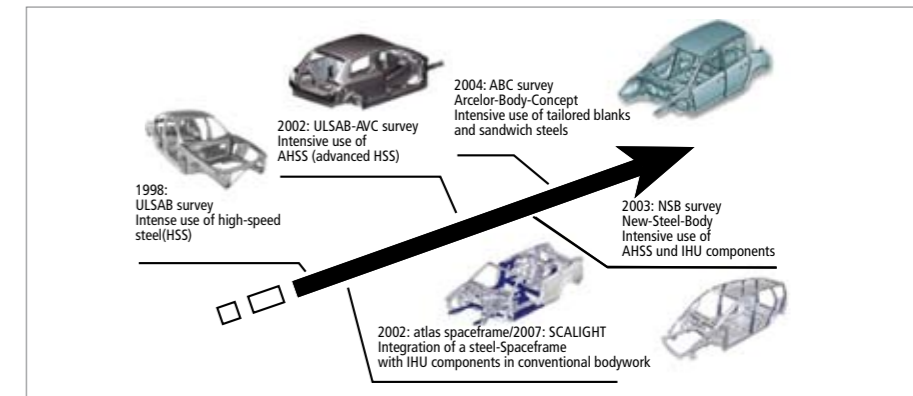


Fig. 3: Overview of innovative bodywork concepts

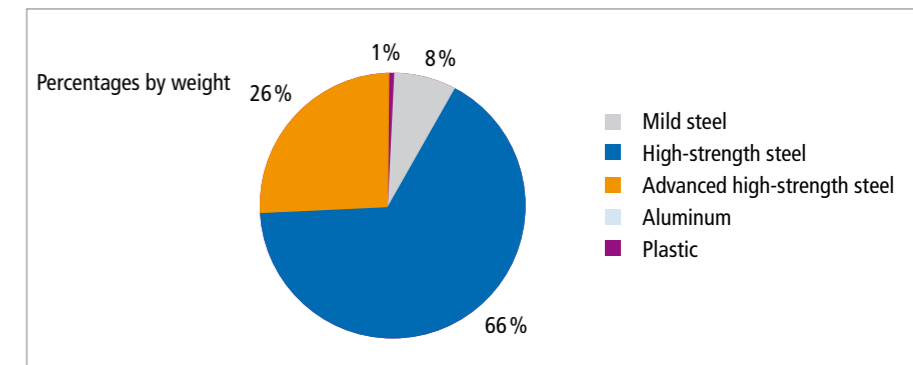


Fig. 4: Material distribution in the new bodywork concepts

New attendance record for KIRCHHOFF Automotive

➤ 62nd International Motor Show from 11-23 September 2007 in Frankfurt:
 "See what's driving the future"



Picture 3: R & D Center



Picture 4: Core competencies



Picture 5: Social competence

"This 62nd International Motor Show is definitely one of the most successful in its history," remarked Matthias Wissmann, President of the VDA, the association of German car manufacturers.

Almost one million visitors from 125 countries ensured the second-best result since the IAA was divided into two fairs; one for cars and the other for commercial vehicles.

"This is a huge, groundbreaking success for the entire automotive industry, for all of our exhibitors – manufacturers and suppliers alike – and a clear vote of confidence for the automobile. There is no product on earth that moves people more, that awakens more emotions than the car," said Matthias Wissmann at the IAA final press conference in Frankfurt. KIRCHHOFF Automotive, present for the seventh consecutive time at the IAA Cars since 1995, also recorded its best ever attendance figures at this, the world's largest and most important motor exhibition. Almost 2000 international visitors consisting of both existing and potential customers showed great interest in this year's topics at the KIRCHHOFF booth:

Picture 1: Ulrich G. Schröder, Director KIRCHHOFF Automotive and Dr.-Ing. Jochen F. Kirchhoff, Chairman of the Advisory Board of the KIRCHHOFF Group present the virtual body shell at the booth in hall 5. 1



Picture 2: International presence



- Visualization of all KIRCHHOFF activities: the virtual body shell (picture 1)
- Consistent expansion of our international presence in line with our growth strategy through customer orientation (picture 2)
- Founding of the R & D Center in Attendorf as crucial step from build-to-print to development supplier with high customer benefit (picture 3)

- Continual product innovation, production workflows and logistics systems with the main focus on our core competencies (picture 4)
- High level of social competence of the family-run middle-market company when it comes to training and further qualification for all of its employees (picture 5)
- Strong involvement on the part of the entrepreneur family and management even outside of the company in associations, schools and universities (picture 6)
- New business division of the KIRCHHOFF Group: REHA Group Automotive, making vehicle conversions for people with limited mobility (see page 26)



Picture 6: Commitment

Left to right: Pieter van Schaik, CEO Van Rob Stampings; Ulrich G. Schröder; Stuart Greidanus, Executive Vice President Sales & Marketing



All in all, this year's IAA Cars can also be considered a success for KIRCHHOFF Automotive.

Apart from numerous valuable customer contacts, we also had the privilege of welcoming a great many prominent visitors, including the Federal Chancellor, Dr. Angela Merkel; Christa Thoben, Minister of Economics, Middle Markets and Energy for North Rhine-Westphalia; Dr. Alois Rhiel, Minister of Economics, Traffic and State Development for the Federal State of Hesse; Dr. Abel Garamhegyi, Deputy Minister of Economics for Hungary; Andrea

Ypsilanti, leader of the opposition in the Federal State of Hesse; Istvan Forian, Dep. General Manager of MAGYAR SUZUKI; VDA President Matthias Wissman with his management team and his predecessor, Prof. Dr. Bernd Gottschalk; Prof. Rainer Liese, Rector of the South Westfalia University of Applied Sciences and also our NAFTA joint venture partners from VRK, Peter van Schaik and Stuart Greidanus.

To sum up, our answer to the IAA motto "See what's driving the future" is:

WE.MOVE.FUTURE.

Sabine Boehle

Glowing satisfaction due to the success of the trade fair is apparent in the faces of the booth supervisors: Kerstin Rinscheid and Sabine Boehle.



Arndt G. Kirchhoff displays the virtual body shell to Christa Thoben, Minister of Economics, Middle Markets and Energy for North Rhine-Westphalia and her companions.



Left to right: J. Wolfgang Kirchhoff, Arndt G. Kirchhoff, Helmut Weirich (VDA), Prof. Dr. Bernd Gottschalk, Ulrich G. Schröder



Arndt G. Kirchhoff in conversation with German Federal Chancellor Dr. Angela Merkel



Left to right: J. Wolfgang Kirchhoff, Arndt G. Kirchhoff, Dr. Abel Garamhegyi Deputy Minister of Economics for Hungary with companion, Dr. Jochen F. Kirchhoff



The successful KIRCHHOFF Automotive fair team at the 62nd IAA Cars



Scientific interest: Department head Birgit Geile-Hänbel and Rector Prof. Dr. Jörg Liese from the South Westfalia University of Applied Sciences together with Dr.-Ing. Jochen F. Kirchhoff



Left to right: Dr. Alois Rhiel, Minister of Economics, Traffic and State Development for the Federal State of Hesse, Arndt G. Kirchhoff, Ulrich G. Schröder



Customers visiting the KIRCHHOFF booth were extremely well catered for and even visitors from countries as far away as Japan, Korea, India and China greatly appreciated the culinary delicacies served by the catering team led by Oliver Rüsche.



Prominent VDA members: Left to right: Achim Rauber, VDA Manager, J. Wolfgang Kirchhoff, Ulrich G. Schröder, Arndt G. Kirchhoff, Matthias Wissmann, Director VDA, Dr. Jochen F. Kirchhoff, Dr. Johannes Kirchhoff, Helmut Weirich, VDA Department Head and Dr. Thomas Schlick, Director VDA



Dr. Istvan Forian, Dep. General Manager of Magyar Suzuki, with Janusz Sobon, Executive Director KIRCHHOFF Automotive

New activities in Hungary

➤ Esztergom. Official opening ceremony for new pressing plant



In September 2007, KIRCHHOFF Automotive presented its new pressing plant to the public in the former Hungarian capital of Esztergom.

After starting with 15 employees in 2004, KIRCHHOFF Automotive currently employs a total of 134 workers in the assembly of structural parts for Suzuki in Hungary. KIRCHHOFF Automotive made the decision to invest in a pressing plant in view of the expansion plans of its customer. In conjunction with the Magyar Suzuki NWA project, approximately 140,000 units of the Suzuki Splash and the Opel Agila will be produced in total in Hungary per year in future.

The new pressing plant covers a total area of 6,500 sqm comprising of 3,000 sqm of welding facilities, 2,500 sqm for pressing lines and prototyping as well as 1,000 sqm of office space and is equipped with pressing lines with press capacities of 250-630 tons, two MAG robot welding cells, three robot spot welding cells and three spot welding machines. A further 95 jobs will be created at this plant by the end of 2008.

The opening ceremony took place in Esztergom on 4 September 2007 and was attended by numerous congratulators, including around 150 employees and colleagues from various KIRCHHOFF plants as well as high-ranking politicians and business-

people, such as Dr. Abel Garamhegyi, Under-Secretary of State of the Ministry of Economy & Traffic, Mr. Isao Ozawa, General Manager of Magyar Suzuki, Dr. Istvan Forian, Deputy General Manager of Magyar Suzuki and Mr. Noriyoshi Machino, Director of Engineering & Production of Magyar Suzuki.

In his laudatory speech at the opening ceremony, Dr. Abel Garamhegyi, the Hungarian Under-Secretary of State of the Ministry of Economy & Traffic, praised the entrepreneurial commitment of the Kirchoff family in Hungary with these words: "Here at KIRCHHOFF Hungaria I see not only a modern production plant, but above all I see qualified employees and a satisfied customer." Dr. Garamhegyi then continued by saying that he sees this as a firm basis for further expansion.

Since the commencement of its activities in Hungary in 2004, KIRCHHOFF Automotive has invested a total of 32 million euros in the Esztergom plant and produces structural parts on a just-in-time basis for the Suzuki Swift and SX4 as well as for its parallel model, the Fiat Sedici.

KIRCHHOFF Automotive manufactures globally in a total of 17 plants located in nine countries and will generate sales revenues of 450 million euros in 2007.

Szabolcs Sólyom, Ulrich G. Schröder



2nd from right: Janusz Sobon (Executive Vice President KIRCHHOFF Automotive) in conversation with Isao Ozawa and the shareholders

Brisk activity at the tandem pressing line during the official tour of the plant



Prosperous development in Poland

➤ Mielec. Volume of orders 55 % over target figures



The KIRCHHOFF Polska plants' own tool shop was commissioned at the beginning of 2007. Now it is time for an initial summary: the department currently employs a staff of 37 people, 31 of whom are directly skilled personnel. The machinery, which now covers 1,000 sqm of production space, includes three CNC milling machines, two drillers, two flat grinders and a radial drill.

At a figure in excess of 2.7 million euros, the value of orders for this year clearly exceeded the annual target of 1.8 million euros. This should make it easy to achieve sales targets for 2008 or even to exceed them.

The first transfer tool in the Polish department is currently in the final phase of manufacture. Tools were also built for an external customer for the first time. Three stamping tools were manufactured for the OPEL plant in Kaiserslautern, Germany.

In completing this project, the specialists made a number of new experiences because the tools were constructed to meet a different set of requirements.

The 1,000 ton try out press from the company ARISA was delivered on time in October.

The machine is equipped with a table of 3.6 x 2.2 meters. Additional reduction plates enable the use of tool fixtures in all dimensions that have been required in the KIRCHHOFF Group to date. One of the key features of this press is the creep speed, which is useful for running in the tools.

Assembly was concluded in mid-November.

Bogdan Kiebzak

The new 1,000 ton try out press in the KIRCHHOFF Polska tool shop

Great progress at KIRCHHOFF Polska Assembly II

➤ Growing expertise in producing large metal underbody structures in Gliwice



Only two years after commencing production at the Kirchhoff Polska Assembly II plant in Gliwice, the second expansion phase at the plant was completed in October 2007.

The plant now produces complete underbody assemblies, which are delivered to the Polish and German production sites of General Motors. The expansion of the plant was completed in the record time of six months. This has led to a great deal of recognition and hearty congratulations to the Polish-German project team, both from our customer and from the management of KIRCHHOFF Automotive.

The restructuring of the plant after the discontinuation of the Opel Agila and the production launch of complete structures for the Zafira and Astra models demanded a total reorganization of production workflows and the adoption of new logistical solutions involving various measures including the

external storage of components and finished parts. The next phase of expansion is already being planned:

Kirchhoff Automotive Polska Assembly will be commissioning a cathophoretic painting facility for surface treatment in 2008. This will enable the plant to implement larger deliveries with new customers other than GM.

To summarize, we can assert that the Gliwice plant has developed into a center of excellence within Kirchhoff Automotive for everything from structures to complete designs in vehicle construction based on Kirchhoff Automotive's own know-how.

The plant, which was enlarged by 6,000 sqm in 2007, will be further expanded by 9,000 sqm in 2008. With a total of almost 100 welding robots, this location has meanwhile become the largest welding operation in the KIRCHHOFF Group.

Ulrich G. Schröder



More than 100 welding robots will be operating in 2008.



GM Supplier of the Year award 2006

➤ KIRCHHOFF wins GENERAL MOTORS Supplier of the Year award for third consecutive time

For its excellent achievements in supplying structural parts, KIRCHHOFF Automotive has been presented with the "Supplier of the Year" award by GENERAL MOTORS for the third consecutive time after 2004 and 2005. The prestigious award is one of extraordinary significance for KIRCHHOFF Automotive and the crowning point of the long years of successful cooperation between the two companies.

This year, the KIRCHHOFF Polska Assembly II plant, located in Gliwice, Poland, had the honor of hosting the prize-giving ceremony.

In order to thank the staff of KIRCHHOFF Automotive for their commitment and their impressive work, Helmut Kittler, Director Global Purchasing Structures, Closures & Steel GM Europe, presented the award to the plant management in Gliwice, who accepted on behalf of the entire Kirchhoff staff.

On 16 August, the Gliwice plant had the honor of welcoming a number of very special guests. Apart from Helmut Kittler and Tomasz Zwyrtek, numerous other representatives of GM also took part in the event, including Bernhard Soltau, Michael Maas, Michael Loeffler, Reginaldo Tascio and Yong Jin Eo. Well-known representatives of KIRCHHOFF Automotive were also present including Dr.-Ing. Jochen F. Kirchhoff and J. Wolfgang Kirchhoff as well as management members from further KIRCHHOFF subsidiaries.

The entire staff of all KIRCHHOFF plants in Poland were also proud to be present. Their hard work and high degree of commitment played a significant role in KIRCHHOFF receiving this award. This was also repeatedly stressed by both the GM representatives and the Kirchhoff family.

In recognition of the great efforts of the staff, the management of KIRCHHOFF raffled an OPEL Astra II. The happy winner was Witold Wójtowicz, a member of the KIRCHHOFF Polska maintenance team.

In his speech, J. Wolfgang Kirchhoff gave a great vote of thanks to all those hard-working employees who had made it possible to win this coveted award. He also thanked the GM representatives for the trust their company had placed in KIRCHHOFF Automotive and expressed his optimism



Left to right: Dr.-Ing. Jochen F. Kirchhoff, Tomasz Zwyrtek (GM), J. Wolfgang Kirchhoff, Janusz Sobon, Robert Duszkiewicz, Rafal Lechowski, Dariusz Zelasko, Richard Muzyczka, Helmut Kittler (GM)

regarding a continuation of the successful collaboration between GM and KIRCHHOFF.

The Managing Director Janusz Sobon then held a speech describing the development of the business relationship between the two companies and the Assembly Plant Manager of KIRCHHOFF Polska, Rafal Lechowski, personally thanked the entire staff for their outstanding contribution to the success of Kirchhoff Automotive. He also went on to express his gratitude to the representatives of GENERAL MOTORS Manufacturing Poland for the mutually successful business relationship. During the day, the guests also had the opportunity to visit both the KIRCHHOFF Polska Assembly plants in Gliwice, the first of which is located at the Bumar production plant and the second one located in the Special Economic Zone.

At the presentation which followed, the participants were informed about the achievements of the KIRCHHOFF subsidiaries in Poland and about the future plans of the company locally.

The official part of the event continued on into the afternoon. In the evening, the celebration was then concluded with an official dinner.

"If all of our efforts to maintain this strong partnership with GM are successful, we will see each other at the same event next year," concluded Janusz Sobon.



Helmut Kittler, Director Global Purchasing Structures, Closures & Steel at GM, hands the trophy to Rafal Lechowski.



Witold Wójtowicz, member of the maintenance team at KIRCHHOFF Polska, is the happy winner of the OPEL Astra II raffled by KIRCHHOFF Automotive.



New plant for KIRCHHOFF Automotive in China

➤ Suzhou. 10,000 square meters of new production space are being created

Training and career at KIRCHHOFF

➤ More than 9 % of KIRCHHOFF Automotive's employees in Germany are trainees

Left: the project team – Eva Kirchhoff, Wen Leyendecker and Lutz Leibe
Middle: Hartmut Schauerte
Right: touring the construction site



In mid-September, construction work began on the new KIRCHHOFF production plant in Suzhou. By the end of April 2008, a 10,000-sqm production building will be completed, destined to house a pressing plant with tool shop, a welding facility and logistics areas. Approximately 1,000 sqm of offices and recreational facilities will also be created in a further freestanding building.

The necessary earthworks were already begun in July 2007 because the entire plot of land with a total area of 40,000 sqm had to be raised in height by 60 cm. Due to the low load-bearing capacity of the ground in the entire Yangtze delta region, 32,000 meters of concrete pylons had to be rammed into the earth in order to guarantee the stability of the ground for the presses, some of which weigh up to 100 tons.

The order for this construction project was awarded to a local company. In the months to come, work on

the site will be carried out around the clock in three shifts, seven days a week. The whole project will be monitored by our experienced team comprising Eva Kirchhoff, Wen Leyendecker and Lutz Leibe, ably supported by a consulting company from Shanghai.

In order to present both our existing activities and also the construction project, we have already received prominent visitors from Germany. The State Secretary in the Federal Ministry of Economics, Hartmut Schauerte, made good use of his stay in China to view our activities personally on location, accompanied by Dr. Kreuzberger, Deputy General Consul of Germany in Shanghai and a competent Chinese escort, and to discuss strategic topics with the management of KIRCHHOFF China, such as behavior towards local competition, the development of qualified employees and future business activities in China.

Stefan Leitzgen

Including the new entrants in 2007, we currently employ nearly 100 trainees in Germany and a total of more than 130 within the entire KIRCHHOFF Group. In 2007, it was again possible to engage very well qualified and motivated apprentices for the specialized divisions of tool making, production, engineering, administration and logistics at KIRCHHOFF Automotive.

New entrants (m/f) 2007 at the Attendorn and Iserlohn locations:

- 7 industrial clerks
- 2 IT specialists
- 3 technical draftsmen
- 3 tool mechanics
- 3 electronics technicians for the engineering department
- 4 industrial mechanics
- 1 specialist for warehouse logistics
- 12 machine and plant operators
- 4 students - dual studies course

We were particularly successful in re-employing our former trainees. Eduard and Alexander Günther, industrial mechanics in the production engineering department at Attendorn, both state best in their year, Tim Holterhof, tool mechanic in the tool shop at the Olpe plant and Christoph Filusch, tool mechanic at the tool shop in Iserlohn, who is now a works student in Iserlohn. After the successful completion of their matriculation examinations, the ex-trainees returned to our company as dual/plant students and continued their in-house training.

The results of our finals candidates show us that we are on the right track. This year again some of our trainees are among the best in their year.

Dietmar Epe



We would like to congratulate Benjamin Harfenmeister (l.), Norman Renfordt (r.) and Norman Baumbach (not in picture) with instructor Gerhard Hosenfeld who were honored as the best examinees at the Chamber of Industry and Commerce of South Westphalia in Hagen on 11 September 2007.

Human Resources

Personnel marketing at the German plants



KIRCHHOFF Automotive promotes young talent

In the article "No chance without personnel marketing" in its September 2007 issue, the magazine "Automobilproduktion" draws the conclusion that German companies now require an average of 64 days until they can fill an open position - 20 days more than it took one year ago. Medium-sized companies are particularly affected by this. They currently need up to one year to find the suitable specialists they are looking for.

How does the KIRCHHOFF Group, with its future growth-orientated requirement for specialists and management staff, react to this "emergency situation"? We already reported on some of the measures being taken in the previous issue of K>MOBIL and pointed out that the main emphasis was on trainee professions within the KIRCHHOFF Group.

We were able to celebrate the success of our training program on Tuesday 11 September at the South Westphalian Chamber of Industry and Commerce in Hagen as the honors for the trainees with the best examination results were presented. The SIHK award for the best of the year in their training professions was awarded to the KIRCHHOFF employees Benjamin Harfenmeister, Norman Renfordt and Norman Baumbach. We would like to take this opportunity to again heartily congratulate both them and their instructor, Gerhard Hosenfeld, on their excellent performance (see page 19).

Personnel marketing in the KIRCHHOFF Group, however, already begins prior to training with the appropriate activities at schools and universities and is also continued after training has been completed by means of consistent programs of further education. As an example for our support of school pupils, trainees and students we would just like to mention four high-grade projects that we have supported during the last twelve months:

- The school pupil trainee report by Luca Hänßel was judged by the Märkische Employers' Association as the best work of the year and given a grade of 1.0, i.e. the highest grade possible (first picture).
- Semester project by Eike Brinkmann: the essay on the challenge of internationalization to a medium-sized company also received the high grade of 1.7 at the University of South Westphalia (second picture).
- Assignment marketing by Jens Schoettler: his analysis of existing and potential growth markets for KIRCHHOFF Automotive received the good grade of 2.0 at the University for Economics and Management in Dortmund (no picture available).
- Dissertation by Fabian Kirchhoff: the Eurobusiness College in Düsseldorf rewarded his work under the title "Opportunities and risks for German car component suppliers in China" with the excellent grade of 1.3 (third picture).

Visitors to the KIRCHHOFF Automotive trade fair booth during the International Frankfurt Motor Show were able to sample further personnel marketing measures intended to raise young people's enthusiasm for technical careers at an early stage:

- The already traditional invitation to visit the fair extended to KIRCHHOFF Automotive trainees to participate in a professional guided tour again met with a considerable response this year and nearly one hundred trainees from our German plants took this opportunity (see page 19).
- The "GOING" campaign, organized in conjunction with the VDA with the objective of introducing school pupils to an engineering career, was also

successful. A total of 600 pupils and their teachers from grammar schools throughout Germany participated in the lectures and tours (fourth picture).

- We were happy to note a great deal of interest in a lively question-and-answer game on the part of international exchange pupils, who were visiting the KIRCHHOFF Automotive headquarters Attendorf at the time of the fair (fifth picture).
- We were also particularly pleased that our invitations to professors of several engineering colleges and universities were accepted. Apart from the presentation on our state-of-the-art core competencies, we were also able to promote the possibility for qualified young engineers of making international careers in our medium-sized company.
- Together with the SIHK of South Westphalia, we compiled a leaflet containing information on career opportunities in the medium-sized companies of South Westphalia and the positive aspects of this region compared to others and distributed this at fairs and universities.

"Personnel development has top priority for us" said Arndt G. Kirchhoff during an interview with the magazine "Automobilwoche" and continued: "The requirements of the working world are growing faster than many people realize. Many of our tasks can often no longer be performed with the old structure of skilled workers." Our personnel marketing activities serve to recruit the new generation of managers and engineers for taking on the future challenges facing the KIRCHHOFF Group at the earliest possible stage. Rapid internationalization, shorter product life cycles and more frequent

positional and occupational changes are leading to an increase in the number of engineering functions for which the classical degree is no longer sufficient. With our measures, which run parallel to the traditional educational system, we are trying to assist young people to obtain qualifications that will ensure success in international competition for both them and for us. And our efforts have been appreciated: the "Top Employer Automotive 2007" study initiated by A. T. Kearney not only placed KIRCHHOFF Automotive Germany (sixth picture) among the 40 best companies in the country, but furthermore assessed the company as far as attractiveness as an employer is concerned as a benchmark for all participants in this competition. The complete appraisal of our company by A. T. Kearney can be found on our internet website at: www.kirchhoff-gruppe.de

The trade journal "Automobilwoche" noted in its issue of 27 August 2007: "Personnel planning for the future is the basis for the ability of companies to innovate. In the wake of globalization, the requirements regarding training and further education are increasing rapidly. Those who fail to realize this trend will be left behind."

The KIRCHHOFF Group feels well equipped in the field of specialist acquisition due to its personnel marketing policies. The success we have experienced proves us to be right. It is also an incentive to continue our efforts in personnel promotion programs, both within the company group and even more so outside of it.

We work with people for people!

Ulrich G. Schröder

KIRCHHOFF Automotive is among the foremost employers in the automotive industry

KIRCHHOFF expands personnel expertise

Attendorn. Getting prepared for the growth of the future

Left: Jürgen Dröge
Head of Personnel Management



Middle: Dr. Heiko Engels
Liaison Manager



Right: Bruno La Motte
Customer Group Director



In order to provide the high degree of technical competence necessary to meet the organizational demands of the high level of growth planned during the coming years and to remain focused on the highest objective, i.e. customer satisfaction, KIRCHHOFF Automotive has consolidated its personnel in essential areas.

On 1 October 2007, **Jürgen Dröge** took over the position as head of personnel management. Among his other functions he is also responsible for personnel operations, personnel development, personnel acquisition and management support for both KIRCHHOFF Automotive Deutschland GmbH and KIRCHHOFF Witte GmbH.

After graduating from commercial high school and completing his training as office administrator, Jürgen Dröge was active in the personnel department of the German Federal Armed Forces in Münster until 1992. During this period, Dröge pursued further education to become a qualified personnel administrator. In 1992, he matriculated and subsequently studied at the Administration and Business Academy in Essen. In 1994 he completed his studies, qualifying as a business economist for personnel (VWA).

From 1993 onwards, the new KIRCHHOFF man worked for a number of well-known medium-sized companies as personnel officer, personnel manager for salaries, divisional manager for personnel and finally as HR Director Germany.

On 1 August 2007, **Dr.-Ing. Heiko Engels** joined the company as liaison manager between KIRCHHOFF Automotive and Van Rob. His task is to improve and intensify cooperation for continued success in the global automotive business through increased utilization of common synergies and services. Apart from monitoring common projects – particularly

where performance in the form of schedules, quality, engineering and costs are concerned – his main task is to optimize common resources and the flow of information and work between the partner companies. Dr. Engels will be employed by KIRCHHOFF Automotive and located at Van Rob Stampings in Aurora/Canada. On completion of his vocational training as a toolmaker at Bruno Willmes GmbH in 1991, Dr. Engels commenced his general studies in mechanical engineering at the University of Siegen and completed these in 1998 with an engineering degree. He received a doctorate in engineering in 2003 and then joined ISE in Bergneustadt, where he was able to gain additional practical experience. In his last position he was head of the technology center for tooling and was responsible for tool design, process technology and calculation.

As part of the re-organization of the Sales and Engineering Division, **Bruno La Motte** took up his position as Customer Group Director for French customers on 1 October 2007. After completing his engineering degree at the UTC (Université de Technologie de Compiègne), La Motte began his career in 1984 with a consortium led by General Electric, which worked for the aircraft industry, including Airbus. In his further positions at Ciba-Geigy, Valeo and Arvin Meritor he was responsible as Sales Director for PSA, Renault, Nissan, Toyota, GM, Hyundai, Ford and other companies. Finally, Bruno La Motte worked for Convertteam, Paris (previously Alstom Power) as Commercial Director in the equipment division for the steel industry.

We would like to give a hearty welcome to these new members of our staff to KIRCHHOFF Automotive and wish them every success in the performance of their duties.

Kerstin Rinscheid

New organizational structure for S & E

Attendorn. Matrix organization for Sales and Engineering



Womanpower in KIRCHHOFF Automotive Sales: Peter Gauchel, Executive Vice President Sales & Engineering in discussion with (left to right): Alexandra Klein-Teske, Silvia Rauterkus, Petra Knappstein

With effect from August 2007, KIRCHHOFF Automotive introduced a new Sales & Engineering organization concept, which enhances the previous organization from a single line system to a matrix organization and results in the stronger involvement of sales and engineering staff in our overseas plants.

This new organization enables KIRCHHOFF Automotive to adapt in an improved, more flexible way when dealing with customer requirements in future. The company group will continue to grow over the coming years and the optimization of business workflows and management principles will be critical factors in determining the success of the group.

The organization is intended to enable KIRCHHOFF Automotive Sales & Engineering to concentrate their performance more effectively on the requirements of customers. Clearly defined responsibilities for management executives and their staff are intended to increase working efficiency and avoid wasteful double working. Furthermore, our increasing internationalization demands the competent, decentralized presence of our Sales & Engineering staff in the various regions directly on-site at customer locations.

Important deciding factors in the configuration of the new organization are the matrix design "customer orientation versus sales and engineering functions", the implementation of our "one face to the customer" principle and the guarantee of short and clearly defined reporting channels.

In conjunction with the objective of the new organization to guarantee a stronger focus on the customer's requirements, one of the essential components is the nomination of Customer Group

Directors and Customer Group Teams:

the **Customer Group Director** and the members of his or her staff are responsible for the day-to-day business within their customer group. The **Sales Director** and his or her team are responsible for the sales-specific aspects just as the **Engineering Director** and team are responsible for the specialized engineering aspects. The **Executive Regional Vice President** and staff are responsible for all organizational aspects.

With this new organization, we are certain to achieve our objective of more efficient customer orientation: standardized project processing with greater involvement of the overseas plants, stable processes, a stringent management with a lean hierarchy, clear responsibilities and shorter decision-making processes.

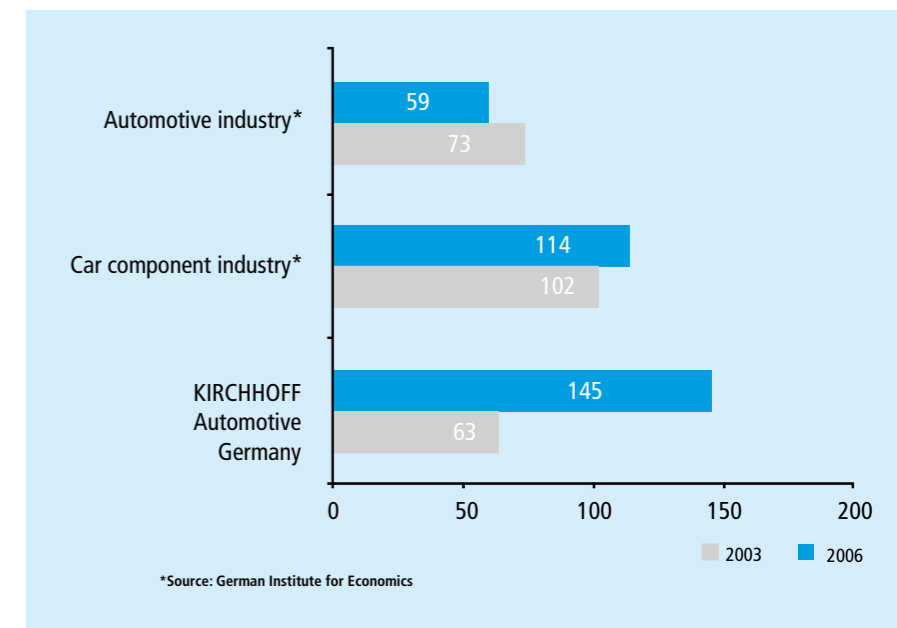
Peter Gauchel



Strategic discussion (left to right): Knut Stinn, Klaus Lötters, Peter Gauchel, Ludger Engels, Peter Otto Schmidt

Suggestion system sets high standards

➤ KIRCHHOFF employees show active participation in the suggestion system – and their good ideas are helping to improve processes.



Brainstorming: Jan Cemberecki with Frank Meier

Matthias Schandelle's idea to change to a different brand of floor cleaning agent earned the company a saving of 9,000 euros and the "cool" calculator himself a bonus of 4,000 euros

Holger Hündorf (middle) proudly receives the acknowledgement of receipt for the 120th suggestion by the Technical Director Martin Richter (l.) and Ralf Bensmann (r.).

Improvement suggestions per 100 employees



The subject of the "plant suggestion system" has been topical for quite a number of years now. Since 1999, however, there has been a change in tactics. At that time, the Attendorn plant joined the "inter-factory suggestion system" network and since then it has been expanding the scope of its own formula for success. During summer 2003, the system with its guidelines and methods was also adopted by the Iserlohn plant. A year later the system was also introduced at WITTE Werkzeuge in Hagen.

The ideas coordinators at each of the individual plants deal with the numerous suggestions made by staff members and form the interface between evaluator and applicant.

During regular information events, every employee has the opportunity to express his or her criticisms and suggestions, which are gratefully accepted by those responsible. This is seen as the only way to make sure that the suggestion system continues to be of interest for staff and that queries and problems are solved promptly. The positive effect of this approach is that after each information mee-

ting the number of suggestions submitted increases. Regular raffles, special events and information meetings have so far proved to be a very effective way of fostering this system and these measures will continue to be intensified in future. During this year alone more than 1,600 ideas have been submitted. The planned annual target at WITTE Werkzeuge had already been exceeded in October. The acknowledgement of receipt for the 120th suggestion was handed to Holger Hündorf, the submitter of the idea, by the Technical Manager Martin Richter personally. All in all, more than 46% of the staff at the Hagen plant participated in submitting a large number of good ideas. At the Attendorn and Iserlohn plants, by the end of October the participation quota was around 40% with over 1,520 suggestions having been submitted.

The important factor for the continued success of this system is to look past the end of one's own nose. Working in the "Companies learn from and with each other" network offers a fruitful interchange with like-minded people. But the idea coordinators are not only provided with new ideas for their work from within the network itself;

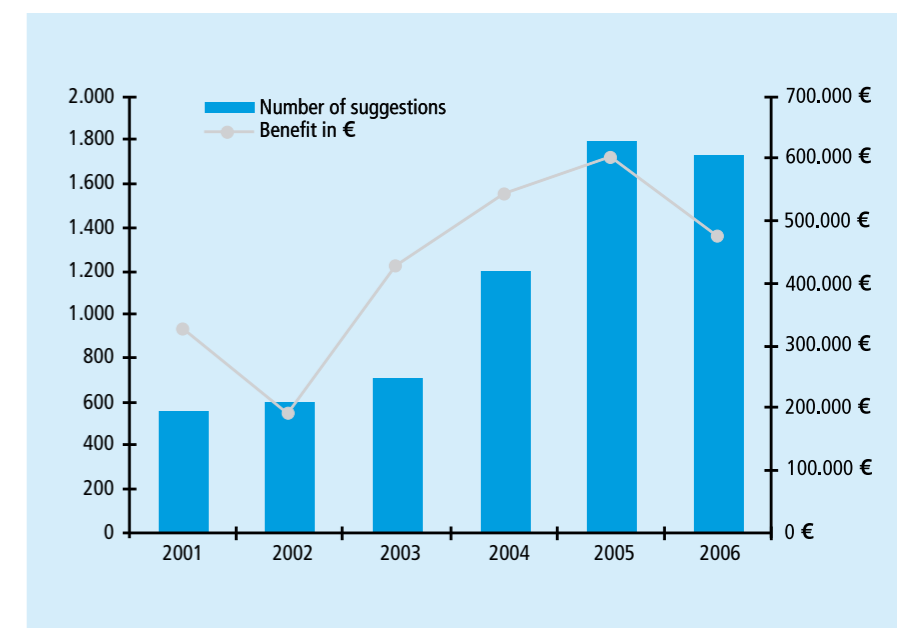
contacts to other companies outside the network also continuously lead to the further development of our ideas management.

During the course of this year, the suggestions earned about 500,000 euros for the company. The employees received bonuses to a total value of over 200,000 euros.

One example worth mentioning is the "cool" calculator Matthias Schandelle. He recommended changing to a different brand of floor cleaning agent, thereby enabling the company to make a saving of 9,000 euros. For this clean piece of work Mr. Schandelle received a bonus of 4000 euros.

The suggestions implemented are definitely worthwhile - both for the company and for the employee. For not only the financial factor is crucial, but also the personal recognition and the motivation of each submitter are of central importance. Ideas shape the future!

Bianca Neumann



Number of suggestions and benefit for KIRCHHOFF Automotive including WITTE Werkzeuge

Family Day in Sümmeren

➤ Iserlohn. Family Day 2007 closed with contented smiles on the part of both visitors and organizers



Impressions of the Family Day

On 8 September 2007, KIRCHHOFF Witte celebrated a large family festival at its Iserlohn plant. All KIRCHHOFF Group works personnel, their families and all former employees were cordially invited to attend. The Managing Director J. Wolfgang Kirchhoff greeted many of the early guests, who arrived in the morning in pouring rain and in the afternoon in bright sunshine.

The Iserlohn production plant also opened its gates to all of these guests for several hours. The ensuing tour of the plant gave visitors the opportunity to view the tool shop, the pressing plant and the welding shop. The heads of these departments were happy to provide answers to all questions posed by their guests.

A visit to the impressively decorated canteen was also well worthwhile. Here, the guests were treated to a variety of delicious homemade cakes at the kitchen buffet. The canteen was, of course, a hive of great activity all day long, as was the barbecue stand and the drinks truck.

There were some exciting moments during some exercises carried out by the Sümmeren Volunteer Fire Brigade, during which they demonstrated a number of things including the rescue of an injured person and firefighting after a grease explosion. Somewhat more easy-going was the leisure ride for

children in a historic firefighting vehicle provided by Hendrik Pfänder.

In addition to that, a carefully prepared program was provided for guests both large and small: the technical trades apprentices, together with their instructor Gerhard Hosenfeld, demonstrated their newly gained skills in an electro-pneumatic test. The works council sold WITTE screwdrivers manufactured at the Hagen plant at a greatly reduced price.

Very well accepted were also the offers of nutritional tips from the BKK Health Insurance Company and the spine measurements from the Medivital Fitness Studio.

A great many children enjoyed being turned into pirates, lions and fantastic legendary animals by having their faces painted by the employees Rebecca Pahlke and Andrea Rohe. Others enjoyed themselves on the go-kart track of AMC Iserlohn, just as Michael Schuhmacher had once done. The bouncy castle and football target shooting were, of course, also part of the fun.

The day was pleasantly rounded off with some rousing music in the marquee.

Ulrich Kunz

5th KIRCHHOFF international football tournament

➤ Gliwice. 17 teams from seven countries came together in Poland



The happy winner and best player of the tournament Aquiles Emanuel Silva Ferreira (2nd from r.) next to J. Wolfgang Kirchhoff (r.); from left: Paul van Rooij, Arndt G. Kirchhoff, Dr.-Ing. Jochen F. Kirchhoff and Januz Sobon

The winning team of 2006 and 2007: KIRCHHOFF Portugal

The first weekend in June this year signaled the kick-off for the 5th KIRCHHOFF Group international football tournament. This year's host was the KIRCHHOFF Automotive location at Gliwice in Poland.

A total of 17 teams from seven countries – over 245 participants, again including numerous fans ranging from various locations throughout the KIRCHHOFF Group – all came to southern Poland for this year's competition. Again the football-loving Kirchhoff family was almost entirely present and enthusiastically followed all 53 matches. This year too, many of the teams made good use of the opportunity to spend the whole weekend in Poland. Many of the visitors also took part in the opening ceremony of the tool shop in Mielec and spent time viewing all four of the KIRCHHOFF plants at the location. A visit to the city of Krakow with all its sights 95 kilometers away was, of course, also an integral part of the agenda for many of the visitors.

Everyone got into the spirit of the following day's tournament with a sumptuous welcome dinner featuring typical Polish specialties – both culinary and musical. This awakened memories of the previous year's tournament and everyone celebrated a great international party without communication problems of any kind! In spite of the dull weather, the atmosphere the next day was absolutely terrific. The teams fought hard but fairly until finally KIRCHHOFF Portugal again stood out as winner of the tournament.

We would like to thank the team of KIRCHHOFF Automotive Polska Assembly for their perfect organization of this event. At this point we would also like to give a warm vote of thanks to Marta Hajok and Rafal Lechowski and, of course, the Kirchhoff family for making this event possible!

Kerstin Rinscheid



All hands on the trophy; jubilant Portuguese players

Prizes were presented by the Kirchhoff family to the following placed teams:

1. KIRCHHOFF Portugal Team 1
2. KIRCHHOFF Polska Mielec Team 1
3. KIRCHHOFF Polska Assembly Team 1

Further prizes were also awarded as follows:

Best goalkeeper:	Pawel Piasecki	KIRCHHOFF Polska Assembly Team 2
Best goalscorer:	Piotr Wysoglad	KIRCHHOFF Polska Assembly Team 1
Best player:	Aquiles Emanuel Silva Ferreira	KIRCHHOFF Portugal Team 1

New Internet appearance for WITTE Werkzeuge

Hagen. Intelligent user guidance for quick results



REHACARE 2007

Düsseldorf/Hilden. The sector event creates best prospects for 2008

At the beginning of October, the world's largest trade fair for rehabilitation and care needs opened at the "Messe Düsseldorf" trade fair center. The Düsseldorf RehaCare is the most important trade fair displaying products for people with physical disabilities. During the four-day fair, a wide variety of innovations, product improvements and well-trying solutions were exhibited.

REHA Group Automotive, the youngest member of the KIRCHHOFF family, also participated in the fair.

At this key industry event, REHA Group took the opportunity to present itself in its new corporate design for the first time since the joint appearance with KIRCHHOFF Automotive at the IAA Cars in September. The newly designed fair booth also made its first public appearance. A variety of cars

and modification solutions were presented on a total booth area of 260 square meters. Furthermore, our partners from the car manufacturing industry including BMW, MERCEDES-BENZ and OPEL also displayed their vehicles fitted with REHA Group solutions.

On the whole, the REHA Group can look back on a very successful trade fair appearance. A number of new contacts were made and the REHA Group looks forward with confidence to a successful year in 2008.

Are you interested in receiving further information on the REHA Group? Then come and visit us at our newly designed Internet page: www.reha.com

Udo Späker

WITTE Werkzeuge has now given its Internet presence a completely new look. The revitalized presentation now features both a clear structure and a fast, convenient product search system.

The new website (fig. top left) is divided into three main sections: company information, the product catalog and the contact section.

The **company information** section offers the customer a great deal of facts and data on the company WITTE Werkzeuge. With over 200 years of experience, the tool manufacturer can draw on a long tradition in the manufacture of screwdrivers and similar hand tools. The production plant and development center in Hagen ensures that customers get their hands on innovative and ergonomically sophisticated products – Made in Germany.

The most important section of the website is the **product catalog**. The user is intentionally given a range of ways of finding the desired product or products. If the product name is already known, it can be searched for by entering it in a full text search field. Another method is offered by using a visual product overview (see fig. top right) of the various screwdrivers and bits. After the desired series has been selected, product characteristics, technical information and partly even examples of application are shown to help the user ascertain

the right series for the required range of uses. If the user happens to be interested in the entire product range, a direct link to it is also provided here.

However, users often need to find the tool that matches the head of a certain screw type. The search can often be very time-consuming, especially if it means looking for special drives such as Torx, multi-tooth, tri-wing or similar types. To counter this problem, WITTE Werkzeuge has created an easy-to-use product search feature using symbols of various bit types. Once the head of the screw has been selected, the correct tool for your current needs is only two mouse clicks away.

The comprehensive **contact section** enables the user to take up direct contact either with the company WITTE Werkzeuge itself or with one of its sales partners, depending on the region. A newsletter feature also offers the additional option of registering oneself in order to receive information on new products or offers.

Why not come and take a look at: www.witte-werkzeuge.de

Uwe Kittling

Left: High-ranking visitor to the KIRCHHOFF Automotive fair booth at the IAA Cars in Frankfurt. Left to right: Arndt G. Kirchhoff, German Chancellor Dr. Angela Merkel, Dr.-Ing. Jochen F. Kirchhoff, Jürgen R. Thumann, President of the BDI, and Udo Späker, Marketing REHA Group. Right: REHA fair booth at the REHACARE, Düsseldorf



No more slipping!

➤ with the WITTE DIAMOND bit



Slipping on high-quality surfaces, no thanks - not with the new DIAMOND bits from WITTE

WITTE Werkzeuge has now extended its range of bits to include a new premium variant. The new WITTE DIAMOND bit ideally complements the assortment of high-grade specialist bits made by WITTE Werkzeuge.

The central feature of the golden WITTE DIAMOND bit is its diamond-coated tip. Its micro-particle diamond coating makes absolutely sure that the WITTE DIAMOND bit is firmly embedded in the screw. The risk of it slipping out of the screw head is thus reduced to an absolute minimum. This is particularly important to avoid damage when

screws are being driven into sensitive or high-quality surfaces. The WITTE DIAMOND bit also features an incredibly accurate fit into the screw head. As a further seal of quality, the high-grade gold coating guarantees the best possible corrosion protection.

The extremely hard diamond particles reduce wear and tear to the bit and greatly increase the length of its service life. The WITTE DIAMOND bit is thus ideally suited for both machine-operated serial screw processes in industry and for various skilled trades.

Uwe Kittling

The new premium bit series from WITTE Werkzeuge



MAXXPRO stainless

➤ Hagen. The new stainless steel screwdriver for high-quality applications



The demand for stainless steel products is continually on the rise. Sanitary fittings, windows and doors, solar technology, household technology or shipbuilding: there are a great number of applications in which stainless steel is being increasingly used.

Stainless steel is basically resistant to corrosion. But if, however, errors are made when working with stainless steel, e.g. the use of "wrong" tools, visual damage including pitting can be the unpleasant consequences. The cause of this is the appearance of so-called foreign rust.

How does foreign rust form? If stainless steel screws are used in conjunction with conventional tools, a certain amount of abrasion can occur that

leaves a residue of steel particles on the surface of the stainless steel. This abrasion corrodes within the screw, thereby causing foreign rust to form.

For this reason, stainless steel screwdrivers should always be used together with stainless steel screws. In order to actively minimize the risk of foreign rust, WITTE Werkzeuge has now introduced stainless steel screwdrivers in its range of products:

the new screwdriver series, MAXXPRO stainless. These stainless steel tools have been specially hardened using a vacuum ice technique. This gives the screwdrivers the degree of hardness necessary for industrial use. MAXXPRO stainless – better tools made FROM stainless steel FOR stainless steel!

Left: The new MAXXPRO stainless

Top Right: Foreign rust is highly annoying and simple to avoid by using the right tools: MAXXPRO stainless – made FROM stainless steel FOR stainless steel

Uwe Kittling, Frank Rohlf



Stainless steel products are becoming increasingly common: WITTE Werkzeuge has reacted to this field of applications by developing the MAXXPRO stainless

WITTE: new stores organization

➤ Hagen. Everything is taking a turn for the better in the stores ... not only the products!



The newly planned warehouse at WITTE Werkzeuge in Hagen

An analysis of the logistics workflows in the incoming goods, stores and shipping departments, carried out in 2006, showed that improvements needed to be made by shortening distances, optimizing the flow of materials and booking system workflows and making better use of the available space. A need was also seen for improvements in the areas of industrial safety, ergonomics, environmental friendliness and fire protection.

The project "stores organization" was first initiated in mid-2006. After surmounting various obstacles due to the comprehensive requirements of various insurances and the fire brigade, i.e. regarding fire prevention equipment for a newly planned warehouse, the project phase was then tackled.

Basically, the decision was made to change the storage method from the use of shelves to a pallet system and to turn the contents of the entire store by 90°. The aim of this was to optimize the flow of materials, to shorten distances and make better use of the rack storage capability.

The purchase of a number of high-reach commissioning devices was also planned to improve the handling of the pallets. The incoming goods area was to be physically optimized by the installation of a roller conveyor including an integrated weighing/counting device and by the systemic integration of weighing equipment, a label printer and booking procedures.

As a final measure, the workflow in the shipping department was to be made smoother and faster by creating a shipment storage area.

The great challenge in implementing this plan was to carry out all these measures in spite of the fact that WITTE Werkzeuge does not close for the summer break and so the entire restructuring procedure had to be implemented without interrupting daily business. This placed a large responsibility on those coordinating the internal and external aspects of the project. In several well-prepared stages, old racks were emptied and dismantled and concrete foundations were chiseled away to make way for the new racks, which were then erected and filled with existing stocks. Even while these tasks were being carried out, work had to be repeatedly interrupted to allow a company of specialists to install the complex sprinkler system that is designed to spray each of the racks in case of fire. By September

this year, bit by bit, each single item in the stores had been brought to its new place of storage, re-entered in the electronic data system and labeled.

The final tasks, such as painting and coating the floor, will all be completed by the end of this year. *"The task of coordinating the work was quite an exciting one – always striving to maintain the running of daily business and to ensure that deliveries to customers were punctual"*, said Ralf Bensmann, head of the project. The store now accommodates 1,600 pallet slots for storing blades, screwdrivers, bits and cartons. This process has essentially led to a clearer material flow, shorter distances, a new system of booking including product labeling, a higher standard of safety and ergonomic improvements for the staff working in these areas. The employees involved not only worked with great enthusiasm on this project, but also drove a continuous process of improvement that ensured further optimization as a result of the great number of suggestions they made. For example, this led to solvents, which had been used to clean machine parts used for stamping screwdriver handles, being replaced by an ecologically more sustainable orange oil cleaning agent.

In the shipping department, with the help of a new device, used cartons are specially cut so that the resulting material can be used for packing new shipments. This not only reduces the amount of used cartons that require disposal, but also saves having to purchase the plastic chips that had been used for packing till now, which again in turn had to be disposed of by the customer.

On the topic of safety: The pallet racks have all been equipped with safety bars to prevent pallets being accidentally pushed through and ground-level buffers. Special grates have also been installed at any points where people are required to move under the racks. The sprinkler system has a firewater capability of 82,500 liters and is driven by a 75 kW pump, enabling it to transport water to the almost 1,000 sprinkler jets that make sure any fire is rapidly extinguished.

An approximate total of 250,000 euros was invested in the project.

Things have definitely taken a turn for the better in the stores at WITTE Werkzeuge – faster and safer than ever before.

Martin Richter



MERRY CHRISTMAS



KIRCHHOFF Automotive



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WITTE Werkzeuge



FAUN Umwelttechnik

We wish you and your families a peaceful Christmas and a good start to the New Year!

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