

## **Positive business development at Behr-Hella Thermocontrol (BHTC)**

### **Over-proportional growth in a competitive market – Internationalization and quality convince at BHTC**

*Lippstadt, July 2008.* A high reputation for innovation, reliable products and progressive internationalization are the factors behind the success of the Lippstadt-based automotive supplier BHTC. Accordingly, the company has reported an increase in turnover of 2.6% to 254 million Euros for the last business year (2007), and a growth in aggregate operating performance of 6.3% to over 275 million Euros. Such figures confirm the young and dynamic company's consistently positive business trend. The aggregate operating performance includes considerable in-house development work in the future-facing areas of vehicle climate control with alternative drive technologies, intelligent control concepts for increased energy efficiency and premium surface design for vehicle interiors. Such activities constitute an excellent basis for over-proportional growth in the coming years.

At present, approximately 1,300 people are employed at BHTC sites in Germany (Lippstadt), the US, China and India. The progressive internationalization of its business, currently focusing on Japan and the US, is a strategic measure aimed at further enhancing the company's competitive position. "As usual, such decisions are taken with the full involvement of our customers, as we seek to provide them with the best, most effective support," comments Norbert Gruber, spokesperson for the board at BHTC. BHTC works for all of the leading European, Asian and American vehicle manufacturers, covering all segments from the high-volume, compact category to luxury models. Customers supplied include the VW-Group, the Daimler-Group, BMW, PSA (Peugeot-Citroen-Group) and Porsche in Europe, the American manufacturer General Motors (Opel) and Chrysler, as well as the Renault-Samsung-Group, operating in the Asian market, and the brands Tata and Mahindra in India.

### **Substantial production expansion in the US**

BHTC is investing the equivalent of over 5 million Euros in a new facility for the manufacture of climate control panels for the north-American market – a substantial commitment by its American subsidiary, which has been based in Michigan since 2002. The increase in production capacity is required to fulfill an increasing number of orders from customers such as Chrysler, Freightliner, Navistar and Mercedes Benz, as well as to meet newly-acquired platform orders as from 2009. The new facility will initially create up to 70 new jobs – rising to around 150 – for the region. Wixom is located in the vicinity of BHTC's existing development center in Troy, with both facilities at the heart of the American automotive industry around Detroit.

### **BHTC establishes Japanese subsidiary**

BHTC has opened a new development and marketing facility in the center of Tokyo: Officially established at the end of last year, **BHTC Japan K.K.** commenced full operation in 2008. “Following on from China and India, the start of commercial activities in Japan is the logical continuation of our Asia strategy,” explains Gruber. “A global presence is essential in the automotive industry; it is crucial to be close to our customers around the world.”

Japan is the location of the world’s largest automotive manufacturer Toyota; many of the global automotive manufacturer alliances, such as Nissan-Renault or Mazda-Ford, also operate from Japan, while many of the decision makers at Japanese automotive companies are also situated there. “The local presence of our new offices is fundamental to the extension of our customer relationships within the Japanese automotive market,” emphasizes Bernd Kuhlhoff, marketing manager at BHTC Japan. “Local access to the BHTC facilities in China and India ensures the best conditions for a successful start.”

BHTC Japan will start life as a centre for sales and technical support for Japanese automotive manufacturers, gradually developing into a development centre. Such long-term strategic planning and development corresponds with Japanese corporate culture, whereby great value is placed on stability and reliability. Experts from Lippstadt and Tokyo form the initial team at BHTC Japan, encouraging the best possible exchange of know-how amongst its members.

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Behr-Hella Thermocontrol GmbH (BHTC) is one of the leading manufacturers of control panels and control units for automotive climate control. Its most important product group is electronic climate control panels; climate sensors and blower controllers extend its portfolio. BHTC provides a full range of services, from design and development through to the serial production of complete climate control systems.

BHTC was founded in 1999 as a joint venture of Behr GmbH & Co. KG and Hella KGaA Hueck & Co. Today, it has a workforce of around 1,300 employees worldwide. BHTC has facilities in Lippstadt/Germany (headquarters), Shanghai/China, Pune/India, Tokyo/Japan as well as Troy and Wixom/USA. Turnover during the business year 2007 was approximately 250 million Euros.