

BHTC – comfort in motion

A company in motion

Interview with Norbert Gruber, Managing Director, and Friedrich Waldeyer, Technical Director

Mr Gruber, Mr Waldeyer, what is the meaning of the new BHTC-claim „Comfort in motion“?

Waldeyer: Our key business is comfort, the „good feeling“ of passengers in the car – under all driving and climate conditions. This includes a lot more than just the temperature! It is our goal that the passengers feel so well in the car, that they actually forget to think about how this comfortable feeling is generated. *Gruber (supplements):* To achieve this goal, we continuously develop new concepts and solutions. It is also in this broader sense that BHTC is a “company in motion”. We are constantly on the way to find new ideas and better comfort concepts.

What is BHTC’s present market position?

Gruber: We are the European market leader in climate controls, and we share the segment of electrical auxiliary heaters with two competitors.

Founded in 1999, BHTC is still a young enterprise. Which were the most important milestones in the short company history?

Gruber: The first was the laying of the ground stone in Lippstadt in June 1999. Only nine months later, in March 2000, we moved into the new facilities and production started in May 2000. Another milestone is of course the quick increase of our staff, reaching ca. 800 employees worldwide within six years. During that period, our income grew from 84 million € in 1999 to 218 million € in 2004. The latest milestones were the founding of our companies in the US in 2003, and in China one year later.

You company owns 80 patents – you are surely a very inventive enterprise. Which innovations are you most proud of?

Waldeyer: For a technology-driven company like us there is no difference. Each patent, whether in control or control algorithm, operating elements or sensors, is a strong illustration of our innovative power. However, we are proud of the fact that each of our patents actually resulted in a product for series production.

How do you explain your success? What differentiates you from your competitors?

Waldeyer: Here at BHTC, the competences of our founding partners have been combined: The Behr

know-how in thermo management and Hella's competence in mechanics and electronic-hard- and software. Concentrating on this focus of key competences we have been able to develop the technological leadership in our market segment. There are also certain technical processes which are unique to BHTC and which provide a clear differentiation to competitors. Additionally, as a young enterprise with no „structural burdens“ and a clear market focus, we can react very quickly and flexibly, which is an important competitive advantage.

However, our success is only possible with our team of highly qualified and motivated employees, who benefit from excellent technical infrastructure.

How did you manage this quick growth?

Gruber: Such a rapid development can only work with the right team. With a highly qualified starting team we were able to find and integrate new employees and to nourish their enthusiasm to solve the challenges in automotive climate control. This was and remains an important basis for our success.

Where will BHTC be in 5 or 10 years?

Gruber: Mid-term it is our goal to achieve a strong and stable market position in China and in India. By 2015 we plan to expand our global market position significantly.

What makes BHTC a global player? What kind of influence has globalization for you?

Gruber: Today, a local or national car market is virtually nonexistent. Our customers are globally active, and so are we. Research and development, manufacturing and distribution are coordinated globally. As we strive to be international in management, too: In our international companies, leadership functions are implemented by local managers.

Today, your portfolio includes climate controls, blower units, sensors and auxiliary heaters. What will your product portfolio be in 2015?

Waldeyer: Clearly different (*laughs*). All we can say at the moment is, that there are certain market trends which will lead to an extension of our product offer. We are monitoring these trends very closely, and we will be actively managing them together with our customers.

BHTC is in the process of starting operations in India. What will be your activity there? What is the strategy behind this move?

Waldeyer: We are in the process of establishing research and development, manufacturing and distribution in India. Together with Behr we will serve the local market, and we have already successful

acquired contracts with customers there. From a strategic perspective, India is a very important future market.

BHTC is a joint venture. How do you cooperate with your parents?

Waldeyer: With Behr we have a strong cooperation regarding actual products. Our climate controls are carefully adjusted to the whole air conditioning system. On system assignments, we operate in conjunction with them. With Hella, there is a fruitful cooperation regarding research, software development, technological transfer and shared infrastructure.

How do you characterize your company philosophy?

Gruber: We actively support our staff, and we demand a lot. As a globally active enterprise we highly value an international company culture. We regard this as an enrichment of our culture and as a motivation for our employees. Many teams are multinational. Both from our management as well as from our employees in the manufacturing divisions, we expect entrepreneurial thinking and action in their respective areas. From a leadership perspective, BHTC works with flat hierarchies and active communication structures.

What is BHTC's contribution to the development of operating elements for climate controls?

Waldeyer: Car manufacturers, our customers, expect and receive several proposals for the design of buttons, surfaces and knobs. We generate ideas for the ergonomics and the design of the climate controls.

Which developments do you expect with the MMI?

Waldeyer: The man-machine-interface, the „communication“ device between driver and vehicle, is an important topic. We cooperate scientifically with several universities in order to make the control of car functions simpler. Our goal is, that one can operate the different control units in the car as easily and intuitively as possible.

One last question: Driving becomes more and more expensive, one reason being increasing petrol prices. What is the contribution of climate control technology towards lowering the energy consumption of air conditioning units and to protect the environment?

Gruber: We continuously refine the development of our climate controls. Thus, we can optimize the exactness of the regulation and conserve energy. In addition, together with Behr we work on further applications for R744, the new environmentally friendly cooling substance. It contributes less to global heating than the “old” R134a, and is therefore another contribution to protect the environment.

Mr Gruber, Mr Waldeyer, thank you very much.