

K-MOBIL

THE  KIRCHHOFF GROUP MAGAZINE

➤ KIRCHHOFF Group

Development projects will be promoted to ensure a high rate of innovation and further development on world markets, particularly after the crisis.

→ Page 04

➤ KIRCHHOFF Automotive

Germany needs highly qualified young talent and excellent networks between science and industry. KIRCHHOFF and its cooperation with universities of applied sciences.

→ Page 16

➤ REHA Group Automotive

The Hilden-based specialist for vehicle conversions tailored to suit the needs of the aging and the disabled has developed a new lowering solution for the FORD Transit Tourneo Connect – 17% cheaper than before. → Page 55

➤ WITTE Werkzeuge

The new voltage tester from premium manufacturer WITTE features an ergonomic handle, first-class quality materials and the customary high degree of workmanship.

→ Page 56

➤ FAUN Umwelttechnik

On the FRONTPRESS demo tour 2009 this bull of a waste collection vehicle grabs a whole heap of industrial waste by the horns. More from the confident toreros on → Page 59



WE.MOVE.FUTURE.

"The recession has set a process of consolidation in motion. Now it is all the more important to persevere and make use of the opportunities the crisis offers."

Dr. Karl-Theodor zu Guttenberg, p. 10

K>MOBIL 33

↗ List of contents

After five years of growth the upward trend in the automotive industry ended abruptly during the fourth quarter of 2008. How will the automobile market develop during 2009 and in the years to come? The bottom of the trough is expected to be reached sometime during this year and a gradual recovery is likely to begin in 2010. According to this forecast the sales volume figures of 2007 are not likely to be equaled until the year 2012 at the earliest. The automotive industry will experience change during this period. The estimated surplus capacity held by OEMs worldwide must be reduced by 15 million units. The number of global automotive suppliers will continue to shrink. Does this mean there is dangerous road ahead? **Page 06**

KIRCHHOFF Automotive is currently sponsoring students from a number of different departments of the University of Siegen, the Speeding Scientists Siegen, in the construction of a competitive SAE formula racing car. Students of mechanical engineering, electronics and industrial engineering are engaged in the planning, design and production of this vehicle. The KIRCHHOFF Automotive R & D department has been in close cooperation with the University of Siegen for a considerable time now. It was therefore an obvious step for engineers of the KIRCHHOFF Tec Center in Attendorn to assist the student team in their optimization of the crash box and the design of the space frame: **page 28**.



06



28

KIRCHHOFF Group

- 04** Editorial: Turning the economic crisis into an opportunity
- 06** Automotive supply industry 2009
- 08** Crisis management strategies
- 10** "This will be a lively year – for you too!"
- 12** A social obligation: the Dr. Kirchhoff Foundation

KIRCHHOFF Automotive

- 14** Commerce is catching on
- 16** Securing innovation, encouraging young talent
- 18** We can kick-start your career
- 20** We all start at the bottom of the ladder
- 22** Efficiency really shows in times of crisis
- 24** HR development is a management-level task
- 26** New Chief Information Officer
- 27** KIRCHHOFF sponsors local artists
- 28** KIRCHHOFF Automotive sponsors young scientists
- 30** KIRCHHOFF supports media project
 - Expansion of core competencies in Gliwice
 - GM Supplier of the Year
- 31** "Experience what moves": IAA 2009
 - Employees' jubilee at KIRCHHOFF Portugal
 - China: certification in record time
 - Ireland expands customer base
 - Hungary: YP6 – the new generation of the Swift
 - KIRCHHOFF Hungary wins government promotion program
- 32** New technologies and developments
- 34** United we are strong
- 36** Latest news from KIRCHHOFF plants:
 - Mielec, Gliwice, Attendorn: certification by PORSCHE AG
 - Successful SAP rollout in Attendorn and Saarwellingen
 - New production building at the Iserlohn plant
 - Iserlohn: investment in a 1,250-ton cutting/transfer press
 - Spain: capacity expansion for the new model OPEL MERIVA
- 50** Environment report 2008
- 52** Plant visits and company presentations

When in Rome, do as the Romans do: the differences in the various national markets make careful preparation and individual market research necessary. Particularly in times of economic difficulty we do our best to recognize the exact requirements of customers and fulfill them to the best of our ability. Together with WITTE representative for Russia Michael Grenz, apart from the group catalog WITTE has compiled a product summary brochure tailored to suit the needs of the growth market Russia, in which the German premium manufacturer featured a brief, concise summary of its range of products. See and read more about this on **page 57**.

The highlight of the joint China trip undertaken by Dr.-Ing. Jochen F. Kirchhoff and Dr. Johannes F. Kirchhoff was the official handing over of a ROTOPRESS to the waste disposal company BESG in Beijing. FAUN associate Johannes F. Kirchhoff passed the keys of the demonstration vehicle to the managers of BESG. Household waste in Beijing mainly consists of leftover food, which can be dealt with very efficiently by the ROTOPRESS with all its advantages: 1,000 kg more payload, considerably lower operating costs than for a comparable waste disposal vehicle using compaction plate technology and long-term sealing when wet waste is collected. More on **page 62**.

**57****62**

REHA Group Automotive

- 54** Can you still drive a car with spina bifida?
- 55** Innovative conversions by REHA Group Automotive

WITTE Werkzeuge

- 56** New voltage tester from the PROTOP II series
- 57** New WITTE brochure for the Russian market

FAUN Umwelttechnik

- 58** Looking back at 2009
- 59** FRONTPRESS Tour
- 60** DUALPOWER
- 62** Proprietors visit company sites in China
- 64** FAUN TRACKWAY team's timely success in Sweden
- 66** FAUN puts rugby team on track
- 67** TERRAJET for the capital's airport
- 68** 62 VARIOPRESS IIs for a megacity
- 69** New sales manager on board
- 69** ROTOPRESS for the islands across the wind
- 70** FAUN Service strives for 100%
- 72** Education as success factor
- 73** Meat is better than fish!
- 74** "Girls' Day" – day of the future – not only for girls
- 75** You live and learn – REFA training course successful
- 76** Have you had a new idea today?
- 78** Synchronously into a prosperous future

Imprint

K>MOBIL:
the KIRCHHOFF Group magazine

Publisher: KIRCHHOFF Group,
Dr.-Ing. Jochen F. Kirchhoff
Stefanstraße 2, D-58634 Iserlohn
PO box 26 26, D-58634 Iserlohn
Tel: +49 2371 820-261
Fax: +49 2371 820-264

Responsible for the content:
Dr.-Ing. Jochen F. Kirchhoff;
Staff: Sabine Boehle, Uwe Kittling,
Kerstin Rinscheid, Claudia Schaeue,
Ulrich G. Schröder;
Photos: private, Michael May (IKZ),
Shutterstock, Fotolia, Patrick Galeski,
WIRKSTOFFGRUPPE, KIRCHHOFF
Group, Tölle photo studio

Translation: Tom Cullen;
Editing, design, typesetting:
WIRKSTOFFGRUPPE.de
Dortmund, Attendorn;
Printing: FREY Print & Media

Front page: from left to right: J. Wolfgang Kirchhoff COO KIRCHHOFF Automotive, Arndt G. Kirchhoff, CEO KIRCHHOFF Automotive, Dr. Karl-Theodor zu Guttenberg, Federal Minister of Economy and Technology, Dr. Johannes F. Kirchhoff, CEO FAUN Group, Dr.-Ing. Jochen F. Kirchhoff, Chairman of the Advisory Board of the KIRCHHOFF Group



In 2009 the economy is still suffering from the impact of the worldwide financial crisis and global recession. Large sections of the economy are affected by the downswing. Order intake, particularly in the export field, has dropped to an extent never seen before. Turning the economic crisis into an opportunity means setting the right signals in order to safeguard the competitiveness of our companies and locations in the long term.

Turning the economic crisis into an opportunity

↗ Promoting development projects, maintaining training and further education targets

In order to achieve these aims, global policymakers must first establish the basic principles of a liberal policy on competition. A functioning price system is required as the basis for a competitive order. The price mechanism indicates the relative shortages; it channels the resources to their optimal applications and encourages efficiency and innovation. Currency policies require regulation in order to achieve long-term monetary stability. In order to eliminate the danger of protectionism, markets must remain open, meaning that competition may not be shut out by means of state regulations or tariff protection policies.

The principle of a social market economy forms the concept for an economic system that successfully combines the principle of liberalized markets with that of social balance. The principle of freedom of action is contrasted with individual responsibility and linked to the common welfare via the principle of social balance. This concept depends on each and every one of us, as we, the people, are the origin, the support and the goal of all economic systems.

For KIRCHHOFF this means maintaining our training and further education targets, meaning that we will be providing the same number of apprenticeships as in previous years and we will not be slashing budgets for either further training in sales, project and innovation management or for individual further education.

Furthermore, development projects will continue to be pursued to ensure that a high rate of innovation and further development is achieved on world markets, particularly after the crisis. In this context we are initially particularly affected by the worldwide recession due to our high dependence on exports, but on the other hand we and our customers are making steady gains on world markets, which goes to show that intelligent and innovative products are appreciated even in times of crisis.

We are trying to adapt our investment volumes to suit the current market situation without, however, jeopardizing new projects or the launching of new products.

For each and every one of us it is essential to work persistently in achieving our goals and not be deterred by the many negative reports.

Our customers are counting on us not only to negotiate the crisis with level heads, but in particular to participate in the next economic recovery

after the crisis, whereby it can be assumed that structures in all economic fields will be changed and adapted, not only for our customers but also for our competitors.

With our four business divisions we are well positioned to deal with the long-term trends we see:

The common desire for individual mobility remains unchanged and within a few years will result in a worldwide demand for over 80 million vehicles (+ 30%). The continually changing environmental awareness is leading to sustained growth in both supply and disposal (FAUN). In this regard we see an enormous backlog of demand, particularly in densely populated regions such as China. The demographic development means that people are becoming older and older so that mobility in old age is also a growth market for our REHA vehicles and, last but not least, hand tools represent a lasting product range in a premium segment for us with WITTE, where demand will continue to grow to satisfy the needs of a global population soon expected to reach nine billion.

An economy cannot be successful if it contravenes the needs of the people and the environment. We have the means to handle our resources efficiently, through our daily work to further develop products and processes and to make the face of society friendlier by carrying out honorary work to further the common welfare and the community as a whole. Albert Einstein once said:

"I am more interested in the future than in the past, as I intend to live in it."

Let us seek the opportunities and meet the obligations we have towards the future generations of our children and our children's children.

We wish you the best of luck!

Arndt G. Kirchhoff



Automotive supply industry 2009

↗ Fasten seatbelts please: dangerous road ahead! Gazing into the crystal ball...

With a sharp decline in automobile sales during the fourth quarter, the year 2008 brought over five years of continual growth in the global automotive industry to an abrupt halt (see chart 1). The drastic reduction during the past three months of the year resulted in worldwide production of only 69 million vehicles, 4% fewer than in the previous year.

The drastic change was caused by the worldwide financial crisis. It is interesting to note that since then the global economy has been divided into a financial economy and a real economy. Unfortunately, however, the one cannot function without the other. It is, therefore, the number one priority to re-establish a functioning banking economy to support the real economy. This is a task primarily for the banks, but also for the policymakers. They need to create a business environment that enables banks to provide credit at economical conditions.

The second most important factor required to overcome the crisis is to regain consumer confidence, or in the words of former German Chancellor Ludwig Erhard: *"The worst thing in a crisis is the fear of fear."*

What will 2009 bring? How will the global automotive industry fare in the years to come?

The renowned forecasting institute CSM ventured to predict the following schedule: 2009 will see a 16% worldwide decline in the number of vehicles manufactured to 52 million units, whereby North America at -27% and Western Europe at -20% will be the worst affected (see charts 2 and 3). That is the bad news.

The good news is: in 2009 the nadir will be reached and as of 2010 the situation will begin to improve, albeit slowly. According to this forecast the 2007 production figures will not be matched again until 2012 at the earliest.

The automotive world will go through changes during this period. The manufacturers will have no choice but to reduce their worldwide surplus capacity of an estimated 15 million units drastically in order to remain competitive. The number of global automotive suppliers will continue to decrease. The only competitors to survive will be those who have made the corresponding strategic preparations for the crisis over the recent years, who are outstanding in terms of financial and technological strength, who have sales markets with growth potential and those who display leadership qualities. In our view KIRCHHOFF Automotive belongs to this circle.

An important point for our domestic market locations: the Germany of the future will be made up of people who seek further training and education, as mere knowledge is a thing of the past and will not suffice to meet the demands of the future. Flexibility and quality are just as necessary as a positive belief in the future: we will succeed!

For a long time now family-run companies have been pitting human value against shareholder value. And – the word crisis in Chinese consists of two characters – one means danger, the other opportunity. Can we make use of it? Yes, we can!

Ulrich G. Schröder

World automobile production

In thousands

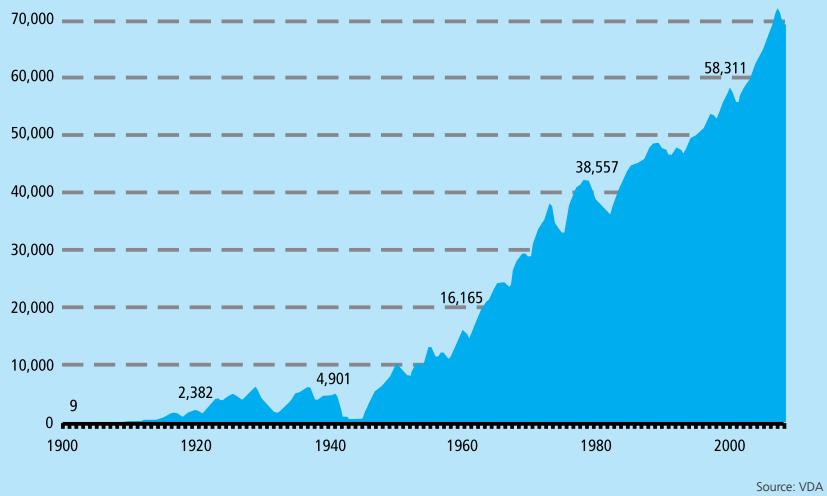


Chart 1:
Automobile production since the beginning of the last century was a continuous success story until 2008.

Development of global passenger car production:

Adaptation to the difficult market situation unavoidable

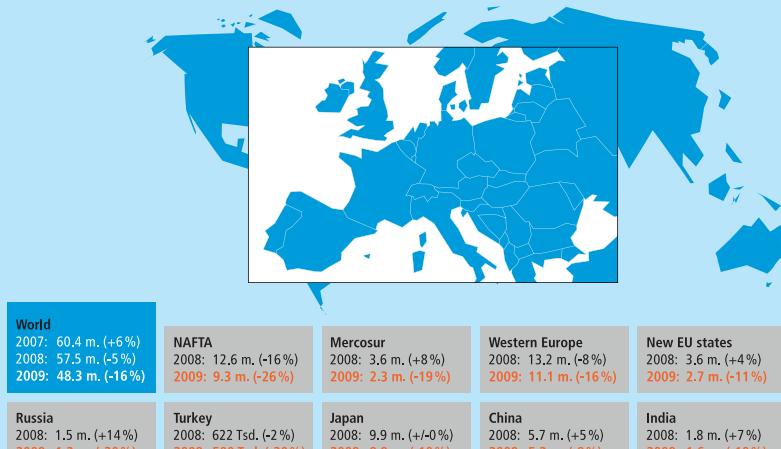


Chart 2:
The recession in 2009 is having differing effects in the various car manufacturing regions of the world.

Domestic production and exports

Lowest point crossed in 2nd half of year?

Forecast?

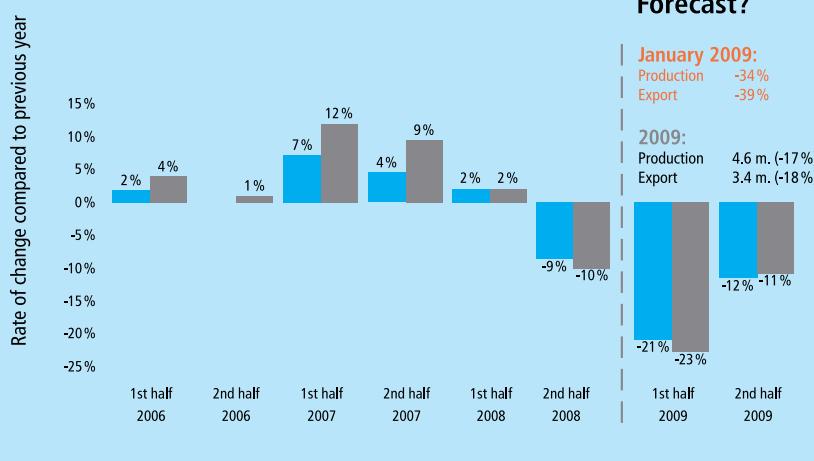


Chart 3:
Will the lowest point be crossed during the second half of 2009?

Crisis management strategies

➤ Family-run companies offer something to rely on in times of crisis

The IKB industry report on automotive suppliers maintains that this branch of industry is facing its greatest challenge in 20 years this year. Car sales will decline by up to 20% worldwide in 2009 (see chart 1). Because outsourcing policies have transferred ever greater order volumes from manufacturers to suppliers over the past few years, the decline in sales in the automobile industry will have a much greater impact in that area (see chart 1).

One noticeable aspect of developments in the first half of 2009 is that substantially fewer family-run, middle-market suppliers are ending up at risk of insolvency than companies owned by corporations. The reasons for this are partly to do with the long-term strategic thinking of the owner families, who have made preparations for possible recessions during the preceding years of growth. Arndt G. Kirchhoff, Chairman of the Middle Market Committee of the Federation of German Industry (BDI) and CEO of KIRCHHOFF Automotive: *"We are going to see a consolidation of the market. Those who dress for the weather and have maintained their equity will survive."*

A study by Rothschild/Roland Berger listed three priorities necessary for survival:

- The safeguarding of short-term liquidity
- The introduction of more efficient production methods and
- Growth through acquisitions (see chart 2)

The topics of the 9th VDA Middle Market Day on 6 May were chosen accordingly (for details, see www.vda.de).

The government also has a role to play, though less through direct intervention as through improving the framework conditions. Arndt G. Kirchhoff: *"The government should not place additional pressure on the middle market in this difficult situation by taxing costs. Regulations such as the interest ceiling rule, the restriction of tax loss offsets and the obligation to make social security payments earlier than in the past serve to further worsen the already tight liquidity situation of many companies. A fundamental tax reform that simplifies the tax system and relieves both citizens and companies needs to be on the agenda in the medium term."*

However, in the end the market and the global car-makers will decide which suppliers are recognized as long-term partners and therefore also able to survive in times of recession. Here as well, a preference for family-run companies has been recognizable for some time.

KIRCHHOFF Automotive is well equipped to meet the challenges of the future and in particular the difficult year 2009 for the following reasons:

- International orientation
- Broad customer portfolio with the focus on small and medium-sized cars
- Development activity integrated in a long-term strategy
- Healthy capital structure

WE MOVE.FUTURE.

Ulrich G. Schröder

CAR SALES VOLUME IN STATE OF EMERGENCY 2009 DOWNTURN WORSENING						
	2007	+/- 07/06 in %	2008	+/- 08/07 in %	Forecast 2009	+/- 09/08 in %
USA	16,089	-3	13,195	-18	11,500-10,000	-13/-24
Mercosur	2,876	+27	3,252	+13	2,940-2,600	-10/-20
China	5,310	+25	5,692	+7	5,700-5,300	+/-0/-7
India	1,509	+15	1,543	+2	1,500-1,400	-3/-9
South Korea	1,049	+7	1,030	-2	950-900	-5/-13
Japan	4,400	-5	4,228	-4	4,100-3,900	-3/-8
Turkey	357	-4	306	-14	280-240	-8/-22
Russia	2,524	+29	2,930	+16	2,600-2,300	-10/-21
New EU states	1,162	+14	1,154	-1	1,010-930	-12/-19
Western Europe	14,780	+/-0	13,558	-8	12,350-11,650	-9/-14
Total	50,056	+4	46,888	-6	42,930-39,220	-8/-16
World	55,651	+4	52,421	-6	48,200-44,000	-8%/-16%

Source: VDA

Chart 1

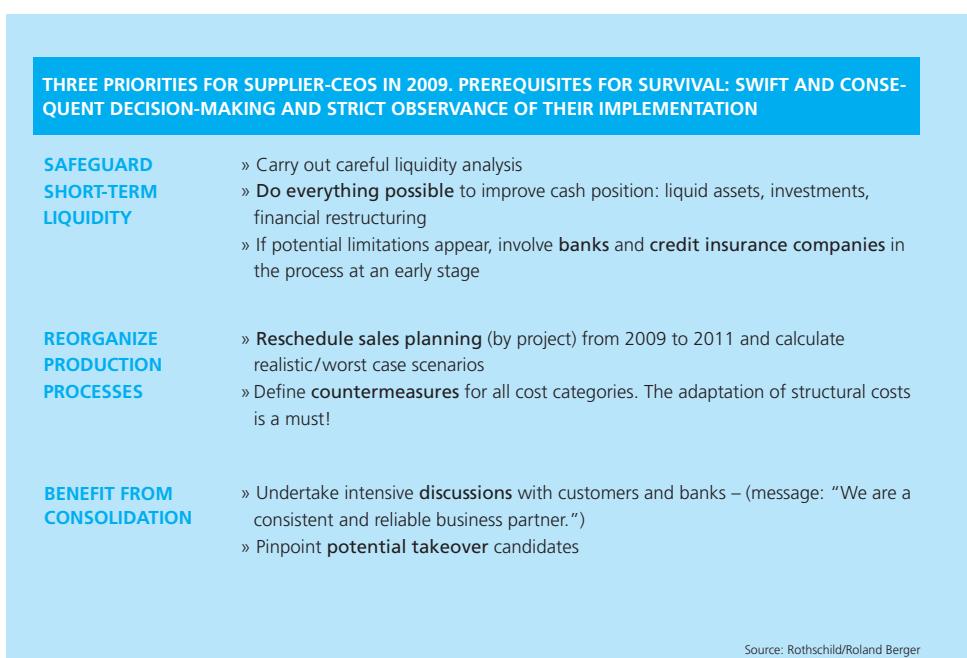


Chart 2

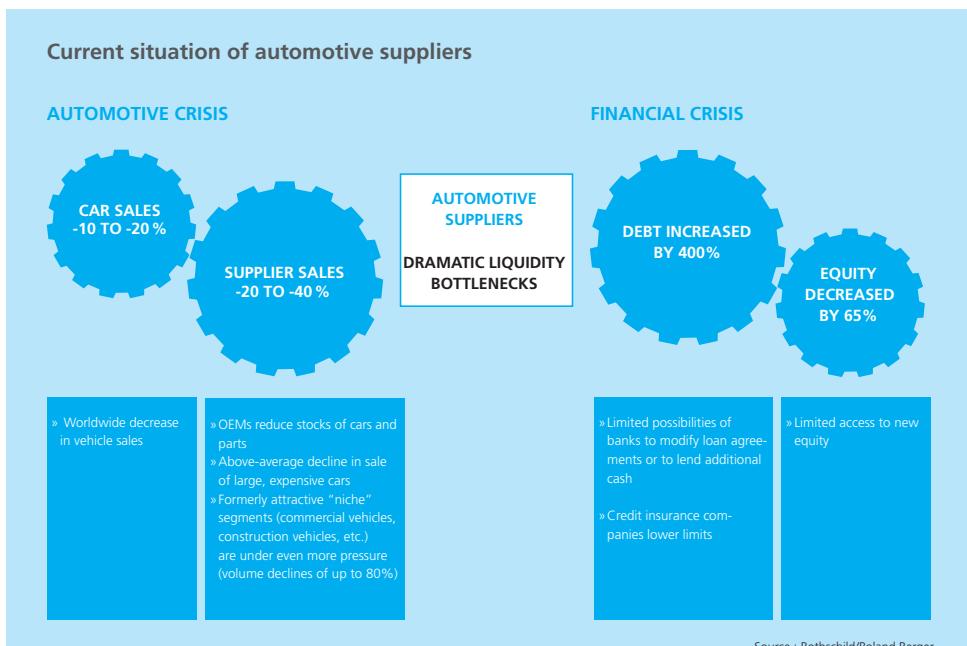


Chart 3



"This will be a lively year – for you too!"

↗ Iserlohn. Dr. Karl-Theodor zu Guttenberg, Federal Minister of Economy and Technology, visits the KIRCHHOFF Group

Dr. Peter Liese (Member of the European Parliament for South Westphalia) (l.), Dr. Karl-Theodor zu Guttenberg (Federal Minister of Economy and Technology) (r.)

The KIRCHHOFF business family received the Federal Minister of Economics along with other important figures from European, national and regional politics in the "heartland of metal forming, South Westphalia," as Arndt G. Kirchhoff put it in his welcoming speech.

During his visit the minister sought direct discussions with companies, employees and works councils. He referred to the middle-market South Westphalian economy as "the backbone of our national economy, which, in contrast to stock corporations, pursues the goal of creating and maintaining values over several generations."

As an assessment of the current economic situation and in response to the concerns and desires expressed by the proprietors of the Group to policymakers, the minister commented: "We know the outstanding significance of this family of businessmen and for this reason I am very willing to listen to your concerns. Please be assured: the word of the Kirchhoff family is being heard in Berlin." The minister viewed innovations from KIRCHHOFF Automotive and FAUN with great interest during a tour of the company.

Page 11 (l. to r.) 1. Dr. Karl-Theodor zu Guttenberg 2. Dr. Peter Liese, Dr. Karl-Theodor zu Guttenberg, Dr. Johannes F. Kirchhoff (Managing Partner of FAUN) 3. Georg Sandkühler (FAUN Development Manager), Dr. Karl-Theodor zu Guttenberg 4. J. Wolfgang Kirchhoff, Arndt G. Kirchhoff, Dr. Karl-Theodor zu Guttenberg, Dr. Johannes F. Kirchhoff, Dr.-Ing. Jochen F. Kirchhoff 5. Dr.-Ing. Jochen F. Kirchhoff, Tim Decker (trainee), Felix Deus (trainee), Dr. Karl-Theodor zu Guttenberg, Christian Ostermann (trainee), Max Röttgers (trainee), Nils Kaya (trainee), Sebastian Kumbruch (trainee), Max Ermentraut (trainee) 6. Dr. Karl-Theodor zu Guttenberg 7. Klaus Müller (Mayor of the City of Iserlohn), Dr.-Ing. Jochen F. Kirchhoff, Hartmut Schauerte (Federal Commissioner for Middle-Market Affairs) 8. Peter Malkowski (Pressing Plant Employee) in discussion with Dr. Karl-Theodor zu Guttenberg 9. Peter Malkowski, Dr. Peter Liese, Artur Rath (Pressing Plant Manager), Dr. Karl-Theodor zu Guttenberg, Klaus Müller, Thomas Gemke (District Administrator for the district Märkischer Kreis), Dr. Johannes F. Kirchhoff, Christel Voßbeck-Kayser (CDU Federal Parliament candidate) 10. Dr. Karl-Theodor zu Guttenberg, J. Wolfgang Kirchhoff 11. Numerous visitors at the reception in the new hot forming building in Iserlohn 12. Christel Voßbeck-Kayser, Thomas Gemke, Dr. Karl-Theodor zu Guttenberg, Dr. Peter Liese, Hartmut Schauerte 13. Dr. Karl-Theodor zu Guttenberg 14. Georg Sandkühler, Dr. Peter Liese, Dr. Karl-Theodor zu Guttenberg 15. Harald Rutenbeck (SIHK President), Dr. Karl-Theodor zu Guttenberg



A social obligation

↗ Realignment of the Dr. Kirchhoff Foundation



left to right: Kerstin Garmatter,
Dr.-Ing. Jochen F. Kirchhoff,
J. Wolfgang Kirchhoff

Dr. Kirchhoff, the new Dr. Kirchhoff Foundation has been in existence since the beginning of 2009. What are its objectives?

The aims of our new foundation are the charitable promotion of education and child development, art and culture, sports, and also beneficent and ecclesiastical causes for the good of the people of Iserlohn and those in the plants of our company group, both in Germany and abroad.

What precedents are there for this in the Kirchhoff family?

The oldest foundation of our family was established in 1915 by my grandfather Dr.-Ing. e. h. Friedrich Kirchhoff for the city of Iserlohn. During the First World War (1914-1918), it served to support "shamefully impoverished, invalid war veterans in need and the families of prisoners of war." After the war the funds were used "to fight child mortality and tuberculosis, primarily in the interest of the factory workers of the city." (Note: a company health insurance plan for the employees of the company Stephan Witte – our parent company – has existed since 1855). In later years, the foundation provided help in learning foreign languages and trips abroad for students and apprentices who distinguished themselves through special achievements. The foundation, which is administered by the city of Iserlohn, recently took action on behalf of wheelchair

users and the seriously disabled as well as for the promotion of language skills for primary and secondary school students with learning disabilities. Another of our family's foundations was established by my father and my grandfather in 1940 in memory of my uncle, who was killed in France in the Second World War, under the name of "Hans-Kirchhoff-Gedächtnisstiftung e.V." At the beginning, the foundation's exclusive purpose was to provide emergency aid to company employees and their families in cases of illness, death or unemployment. Later and until the end the foundation served the recreation organization of the company Stephan Witte.

What was the motivation for establishing a new foundation?

I desired to bolster the activities of the foundation and combine the foundation administered by the city of Iserlohn with the Hans-Kirchhoff-Gedächtnisstiftung into a new private foundation with modern facilities under our direction. The city of Iserlohn has accepted this plan by decision of the city council and has already transferred the assets of the foundation it administers to our new foundation. In compensation, the city can use 50% of the annual proceeds for charitable purposes within the city.

How have you organized the foundation?

The foundation initially owns fixed capital of 1 million euros that cannot be touched. Only the "proceeds" (interest) are available for expenditures. KIRCHHOFF Automotive GmbH of Iserlohn administers the foundation. Ms. Kerstin Garmatter has been appointed managing director. The foundation board includes Dr. Jochen F. Kirchhoff as chairman, J. Wolfgang Kirchhoff and the mayor of the city of Iserlohn.

Who benefits from the foundation? And how?

With the exception of the share for the city of Iserlohn, the funds are to be used in the interest of our company employees. Applications can be made by the works councils and managements of our companies as well as by individual persons from the plants to the management of the foundation, taking the purpose of the foundation into consideration. From there they are presented to the foundation board for decision.

How do the foundation's activities differ from those of sponsoring?

Sponsoring is to a great degree dependent on the economic situation and is often directed toward immediate advertising purposes, which is nothing objectionable in itself. A foundation, however, is designed for the long-term and has more constancy because it is independent of the economic situation. It usually concentrates on goals that are desirable based on humanistic, public good or social interest considerations.

You are known as a proponent of business ethics and as a representative of culture, tradition and values within the company. To what extent is your foundation a part of this?

When I finished my education 56 years ago and began my professional career at an international company in the Ruhr district, I was not only excited by the technical and commercial processes, but also by the encounters with people of different backgrounds and origins. I soon learned that there are a great many things more important than business, namely family, community, city and country, associations, etc., or, to sum it up, the human, religious, ethical and cultural side of life in general. It is true that none of these things can exist without business, but business serves only to lay the foundation and provide the material prerequisites for being able to live with human dignity. Both my father and my grandfather were exemplary role models of this



attitude for my children and me. I myself summarize this in the statement: "A company is not a private event. It has a social obligation."

What do you wish for your foundation in the future?

My wish is that it never suffers damage from inflation like its two predecessors did, and that my children and I will be able to continue increasing the foundation's capital from time to time in the future.

The interview was conducted by Ulrich G. Schröder

“Commerce is catching on”

↗ Hagen. Partnerships promote youth career orientation



NRW Minister of Commerce and Energy Christa Thoben (l.), NRW Minister of Education Barbara Sommer (r.)

The South Westphalian Chamber of Industry and Commerce in Hagen (SIHK) has initiated the project “Commerce is catching on” to systematically promote the formation of school partnerships. In conjunction with the inaugural event held on 21 January, the Minister of Education Barbara Sommer and the Minister of Commerce Christa Thoben signed the “Hagen Declaration” together with the President of the SIHK Harald Rutenbeck and Chief Executive Hans-Peter Rapp-Frick.

“In the Hagen Declaration the SIHK and the ministries undertake to actively support all schools of general education and companies in the Ennepe-Ruhr district, the City of Hagen and the district Märkischer Kreis. Our goal is that every school finds a cooperating company by the end of the school year 2009/2010,” the president of the SIHK emphasized. “Partnerships between schools and companies are partnerships

with a future. Whether it involves promoting the basic understanding of commerce, practical career orientation or a transition to vocational training or university studies, the close contact between schools and companies is worthwhile for all participants.” Harald Rutenbeck is convinced of this.

KIRCHHOFF Automotive is already taking part in the scheme. The cooperation between the KIRCHHOFF Automotive Iserlohn plant and the Iserlohn Comprehensive School was already established one year ago. From the sixth grade onwards the technically orientated pupils visit the company and the trainers visit the school at regular intervals. This helps to awaken the interest of the pupils in metallic engineering and the visits and practical job experience familiarize them with the subject. Thus the pupils are instructed on the subjects of production, technical



drawing and working materials. In grade 9, after a brief getting-to-know course, the pupils then gain in-depth work experience. Pupils who perform particularly well and also have good school grades are often rewarded with an apprenticeship contract.

A further project has been running for the past six months together with the Junior High School in Attendorn. After a meeting with the school directors in Attendorn Arndt G. Kirchhoff took it upon himself to fully equip the technology class with electronic construction kits. After working together at school, the pupils then visited the CAD department of the Iserlohn plant to be taught "technical drawing" on the computer.

The school computers with too low a performance were then immediately replaced by more powerful PCs from KIRCHHOFF Automotive, which particularly

pleased the pupils. The work group then rounded off its program with the practical production of components previously designed and drawn. We are looking forward to the presentation of the practical results of the class before the summer holidays.

We are proud to say that the Hagen Declaration is already being put into practice at KIRCHHOFF.

Dietmar Epe

Hands-on technology: the engineering class of the Junior High School in Attendorn is pleased with the technical construction kits donated by Arndt G. Kirchhoff



Securing innovation, encouraging young talent

➤ Long-term cooperation between industry and universities of applied sciences

The competitive ability of a technologically advanced country is sustainably secured not merely by maintaining low costs and low salaries, but also through a high level of knowledge and innovation. Research, training and further education and a readiness to proliferate and put new technologies to practical use are vital prerequisites in enabling Germany to remain a location of innovation capable of facing international competition in the long term.

Close cooperation between industry and universities of applied sciences represents an important innovation factor in this regard. Germany needs motivated young talent, highly qualified specialists and excellent networks between science and industry. For this reason, cooperation between KIRCHHOFF Automotive and numerous universities of applied sciences, particularly with local universities such as the University of Siegen and the South Westphalian University of Applied Sciences, is of great significance. Thus on the one hand research and development projects are carried out in cooperation with the scientific institutes and on the other hand continuous support is provided for motivated young academics writing bachelor and master's theses.

Furthermore, Christoph Wagener, head of the KIRCHHOFF Automotive Research and Development department, has begun teaching the course on the

subject of "passenger vehicle concepts/package / development processes" at the South Westphalian University of Applied Sciences, which is held at the Iserlohn plant, since the winter semester 2008/2009. The primary objective of this course is to instruct those studying the "Automotive" course in the systematics of complete vehicle development and the processes involved.

As part of this course a one-day excursion to the FAUN plant in Osterholz-Scharmbeck was undertaken. After a brief word of welcome and introduction to the company and its activities by Production Manager Markus Palluch, the students were given a guided tour of the production facilities. Immediately after the tour, Development Manager Georg Sandkühler presented the technical processes and innovations to the students. A special highlight of the visit was the presentation of the latest FAUN vehicle fitted with a hybrid drive system.

The subsequent, very animated discussion showed how important it is for the students to have a direct link to industrial practice: on the one hand in order to gain a more profound understanding of the theoretical knowledge gained and on the other hand to generate enthusiasm for the usefulness of this know-how.

Christoph Wagener

Training and practice at KIRCHHOFF Automotive



SCHOOL EDUCATION

- » Secondary General School
- » Secondary Modern School
- » Grammar school 10th class
- » Secondary Commercial School
- » Grammar School

VOCATIONAL EDUCATION

- » 2-year apprenticeship (plant and machine operator, specialist storeman)
- » 3-year technical apprenticeship (tool mechanic, industrial mechanic)
- » 3-year commercial apprenticeship (industrial management assistant, IT specialist ...)

SECONDARY EDUCATION

- » A-levels (e.g. evening classes)
- » Vocational baccalaureate diploma
- specialized secondary school technology
- specialized secondary school economics

FURTHER EDUCATION/STUDIES

- » studies university / university of applied sciences
- Dual Studies
- Compound Studies Bachelor/Master's degrees
- » Technician
- 2 years full-time
- 4 years extra-occupational
- » Master craftsman
- 1 year full-time
- 2 years extra-occupational

For further information please go to: www.kirchhoff-automotive.de/cms/en/karriere



Fachhochschule
Südwestfalen
Hochschule für
Technik und Wirtschaft
University of Applied Sciences



Studies and practical experience at KIRCHHOFF Automotive



COMMERCIAL AND TECHNICAL INTERNSHIPS

- » Support from our competent departments, preparation for future tasks
- » Cooperation in concrete Projects
- » Support and advice from the competent department
- » Practice-oriented studies

SEMINAR PAPERS, BACHELOR, MASTER'S AND DIPLOMA THESES

- » Collaboration in interesting projects within the scope of student research projects
- » Intensive advice and support
- » Best prerequisites for a successful career start

Trainee programs

- » Operations
- » Finance / Controlling
- » Human Resources Management

After successful completion of studies

- » Transform theoretical knowledge into practice
- » Intensive training on the job
- » Extensive support in career start
- » Dissertations

DUAL OR COMPOUND STUDIES

- Alternative** to full-time studies at university
- » Presence phases at university or university of applied sciences
- » Phases of practical work at KIRCHHOFF Automotive

For further information please go to:
www.kirchhoff-automotive.de/cms/en/karriere

We can kick-start your career

↗ Olpe/Soest/Bochum. Lively interest at training fairs



Photo left: Again this year a great many interested pupils gathered information at the VIA group booth during the Careers Fair in Olpe.

Again in 2009 KIRCHHOFF Automotive is continuing with the training fair activities it initiated in previous years aimed at attracting talented young specialists and management candidates. Here are a few examples:

Photo right: Career Day Soest:
(left to right): Malou Tuschen,
Eva Rademacher, Dietmar Epe,
Sabine Boehle

Careers Fair Olpe

On 26 and 27 May KIRCHHOFF Automotive presented its comprehensive training program at the ninth Careers Fair in Olpe. The fair took place from 1 pm to 7 pm in the Olpe City Hall. Pupils and their parents had the opportunity to gather information on a wide variety of vocational profiles, acceptance requirements and vacant trainee positions from a range of regionally and locally based companies.



Career Day Soest

On 8 April under the patronage of Dr. Jürgen Rüttgers more than 80 companies made presentations at the Career Day of the South Westphalian University of Applied Sciences Soest campus to all pupils, parents, teachers, students, young professionals and professionals who were interested. KIRCHHOFF Automotive also received a considerable number of visitors and provided information on the various ways of joining the company and the career possibilities in an internationally operating company. Human Resources Development Manager Dietmar Epe was on hand to receive every visitor for a personal discussion on job opportunities, trainee offers, master's or bachelor theses and practical courses at KIRCHHOFF Automotive.

Sabine Boehle



International Car Symposium

More than 2,000 interested visitors were present when KIRCHHOFF Automotive gave its first presentation at the International CAR Symposium in Bochum on 27 and 28 January. The main theme was career possibilities in the car manufacturing and automotive supply industry. In the course of the specialized talks Human Resources Manager Jürgen Dröge provided a graphic description of the broad range of career opportunities on offer at KIRCHHOFF Automotive, including the traditional apprenticeship, the study opportunities available through the dual and integrated study system and the various trainee programs.

Core competences: The KIRCHHOFF team at the Car Symposium Bochum

Eva Rademacher

"We all start at the bottom of the ladder."

↗ Iserlohn/Attendorn. Training at KIRCHHOFF Automotive

The saying certainly also applies to the training period at KIRCHHOFF Automotive. K>MOBIL asked a representative group of eight former trainees who recently completed their apprenticeships about their impressions during their training.

It is best summed up in a liberal quotation from Goethe's Faust: "Whoever makes a real effort, him we accept."

1. What was the main factor in your decision to do your apprenticeship at KIRCHHOFF Automotive?

2. What expectations did you have prior to training regarding departmental changes, support through specialist departments and further development, and to what extent were these fulfilled?

3. What was the special feature of your training at KIRCHHOFF Automotive (give examples)?

4. How would you judge the preparation for the intermediate and final Chamber of Commerce examinations (support by the various departments) and the career practice subsequent to training at KIRCHHOFF Automotive?

5. What is your present duty at KIRCHHOFF Automotive and how did your training prepare you for this?

6. What is your overall assessment of the training and what recommendations can you pass on to future trainees?

7. Which particular events or challenges will you still remember long after your training is completed?

Eva Rademacher and Nicole Richter conducted the interviews.

Chris Brenscheid, tool mechanic 2005–2009



Daniela Deutscher, industrial commercial assistant 2004–2007



Felix Homeyer, technical draftsman 2006–2009



1. My father used to work here and my brother also did his training here.

2. We were not force-fed with information, the contexts were explained to us slowly and in detail, the machines were explained to us from scratch.

3. Our trainers always answered our questions with a practical reference and examples from the production.

4. The products for the examination could have been ordered as finished goods, but we manufactured them ourselves. The experience provided us with insight into the practical working world.

5. I currently work in the new tool department. Here you learn how a tool evolves, how it is constructed and how it functions.

6. You could certainly not ask for better training either in the job or in the entire field because you learn what orderly and correct working methods mean for your future career.

7. The visit to the IAA Cars in Frankfurt and working on CNC machines. At the beginning all you see are numbers which are collated logically, and at the end a finished tool appears.

1. In this family-run company the personality of the individual plays a far greater role.

2. I was expecting to be continually supervised, but we were able to deal with a great many tasks independently and thus got to know the processes better.

3. The personal support within the department – you were always allowed to ask questions. At the beginning the support was more intensive but later you could set your own priorities and make independent decisions.

4. The preparatory trade school course was financially supported. I presented my technical report to colleagues and received feedback with suggestions for optimization.

5. Since the middle of December I have been working as a personnel assistant. Through the training I have developed a better understanding of company structures.

6. Very versatile and informative. I recommend taking the initiative and requesting information from the trainers.

7. Firstly, the trip to the IAA; secondly, the class excursion to Prague and thirdly the Christmas celebration together with all the other trainees.

1. KIRCHHOFF is a locally based international company.

2. The various courses have enabled me to gain perfect command of the software. Colleagues, seniors and other departments were always approachable.

3. The good working atmosphere in the company and relatively smooth training process.

4. The preparation was "brilliant": before the examinations we were released from routine work for two-and-a-half months in order to prepare ourselves. Material was put at our disposal in a separate room and the specialist department supported us at all times with answers to our queries.

5. I feel well prepared for the duties I will carry out after completing my apprenticeship (probably in the OPEL team) as far as specialist knowledge is concerned, particularly after completing a software course in Cologne.

6. Although at times I felt that some of the standard tasks were boring, I would recommend the training as it provides good opportunities for further education (dual study system).

7. The technical drawing course in Cologne – learning a second program improves one's career chances.

Marcel Schneider, electronics technician 2005–2009



1. I have always been interested in technology and found the KIRCHHOFF product range and the automation extremely interesting.

2. I want to learn a lot and definitely wanted to complete an apprenticeship in a company. The external courses right at the beginning of the apprenticeship were nevertheless very useful. I selected the apprenticeship and job that were right for me.

3. The trip to the IAA and the SPS equipment controls were interesting. During training I had the opportunity to program a stationary press in the workshop.

4. I was released from routine duties for the SIHK course. Not all companies are willing to do this. In the examinations I was always successful, always one of the best.

5. I work in the maintenance department. If a machine breaks down, I either analyze the cause and rectify the fault myself or obtain help from a colleague.

6. Personally, I enjoyed my apprenticeship. If you are offered an opportunity to train at KIRCHHOFF, it makes sense to take advantage of it.

7. During the tour of the plant I got to know how the robots work. I was also able to construct and program a metering unit for the cataphoretic immersion painting plant, which has meanwhile been commissioned.

Michael Krall, material tester



1. I found it interesting being involved in the automotive field in order to find out what happens behind the scenes in automotive parts production.

2. I was very happy to get a comprehensive insight and also to benefit from further education programs. The support provided by colleagues was also very good.

3. Altogether I was very happy to be able to broaden my horizon and to comprehend the overall context of the car industry.

4. Thanks to the support provided by KIRCHHOFF Automotive I always felt well prepared for the examinations and now have the best prerequisites for a successful future.

5. I work in the material laboratory and my duties include performing corrosion tests, hardness tests and metallographic measurements.

6. I found the entire training period to be very positive. You always receive plenty of support and meet people with an open ear.

7. At the first visit I was impressed by the dimensions of the enormous presses.

Michael Pahl, industrial mechanic 2005–2009



1. Acquaintances told me that the company offers excellent training. The possibility of later working overseas also attracted me.

2. I had expected to be simply watching what others do and be shown the basics required, but I found out that I actually became involved in what was going on. Apart from that, the company held in-house training on pneumatics and hydraulics.

3. That the trainers looked after us so well and always had time to explain things thoroughly.

4. Every day we had two hours' time to ask questions and prepare for the examination. The trainer explained everything clearly and always had time for us.

5. After the apprenticeship was completed you did not have the feeling of being thrown into deep water because you had already worked for a while in the department beforehand. I am currently working in the machine maintenance fitters' shop.

6. It is important to pay attention at all times and get the best out of the training period. Given the choice, I would again decide to do my training at KIRCHHOFF.

7. The fact that I was offered further employment after my training and the trip to the IAA were special events for me.

Nico Wullenweber, industrial mechanic 2006–2009



1. I was enthusiastic when I heard from an acquaintance that KIRCHHOFF does a lot for its apprentices.

2. We received support not only from the trainers, but also from the skilled tradesmen. The trainer also explained the various further education opportunities to us.

3. During our training we were immediately able to take part in the work process and see from the start what work is like in practice.

4. The preparation for the examinations was very good. Apart from the support by the trainers, the presentation required for the final examination was practiced almost weekly.

5. As a result of working in various departments I came to be in my present job as a fitter in the maintenance department. Thanks to my training I feel well prepared to carry out this duty.

6. As my apprenticeship was highly varied and informative, I also recommended it to acquaintances who are meanwhile also training at KIRCHHOFF.

7. Firstly my intermediate examination, as I had to find my own way for the first time working under time pressure, and secondly that in some cases I was already able to perform work usually only done by skilled tradesmen.

Stefanie Schurig, industrial commercial assistant 2005–2008



1. Due to the good reputation KIRCHHOFF has as an employer I chose to join KIRCHHOFF.

2. My expectation that there would always be someone there to give advice was completely fulfilled, as there was always somebody there for us in each of the separate departments.

3. Working for Ms. Wagner in the purchasing department was really something special. Here I was given full responsibility for my duties and was assigned my own workstation.

4. Through the weekly on-site instruction I was able to prepare thoroughly for the intermediate and final examinations. I received a great many helpful individual tips.

5. Today I am assistant to the production manager and responsible for the production operating figures. As my present activity has only very little in common with the training curriculum, I familiarized myself with the job on my own.

6. I was very satisfied with the apprenticeship and was able to gain insight into all of the main departments. My recommendation is not to do the apprenticeship immediately after matriculation, but first to attend a commercial college.

7. The trip to the IAA was really something special.

“Efficiency really shows in times of crisis”

↗ Attendorn. An interview with Dr. Thorsten Gaitzsch, Executive Vice President Sales & Technical Development KIRCHHOFF Automotive



Dr. Gaitzsch and staff
(left to right): Peter Otto
Schmidt, Christoph Wagener,
Andreas Nebeling, Dr. Thorsten
Gaitzsch, Winfried Willeke,
Knut Stinn.

Dr. Gaitzsch, difficult times such as the current worldwide sales slump in the automotive industry require special efforts from sales departments. How is KIRCHHOFF Automotive aligned to meet these challenges?

Due to its highly effective customer service team, KIRCHHOFF Automotive has the best prerequisites for crisis management. The further standardization of processes and the future use of a specific project management system for all areas guarantee us high flexibility in the assignment of our employees. In doing so, we are giving priority to the support of the customer service teams that currently have the greatest potential. However, we will also promote the formation of new customer teams and the increased use of residents at our customers' locations.

What changes will you make to the current organization of KIRCHHOFF Automotive Sales and Technical Development?

The key point remains matrix organization with the already existing customer service teams, which are managed by a combined sales and technical management dual leadership. With the exception of the above-mentioned expansions, sales will remain unchanged and engineering will be merged with research and development to form a single technical development department. The new department will be divided into three sections: product development, process develop-

ment and project management (see the organizational table on the right).

Which priorities will you set when the new S&TD organization has been set up?

The new organization has been in place since the beginning of April 2009. The customer, of course, has priority in external relations. The clear structure will ensure that the customer is served as well as possible. In internal relations we want to go beyond previously existing interfaces and avoid the resulting communications problems and deficits. We will implement this by redesigning the reporting structure and setting up regular channels of communication that combine the various departments and customer service teams.

To avoid redundant work, where do you draw the line between development and engineering?

The two previous departments (E and R&D) have been merged and the departments will soon also be located together – insofar as possible and practicable. Due to the precise definition of the areas of responsibility, cooperation among the three sections as well as communication with neighboring departments (CME, sales controlling) is already now running smoothly.



research stage. We are already well positioned for this today, but we will have to continue growing.

Is there any concept for the “blank spaces” that still exist on the KIRCHHOFF Automotive world map?

We do, of course, have a concept for this and we are very well aware of where the “blank spaces” are located. One strength of KIRCHHOFF Automotive is its extremely high flexibility and speed in decision-making, which enables us to react very quickly to market changes and we will also capitalize on this advantage.

However, in the current situation in particular, it makes sense to review our strategy at regular intervals. This applies both to regions and to customers. We currently see a need to move into two of these “blank spaces” with the help of residents.

How do you summarize your experiences during your first eight months at KIRCHHOFF Automotive?

Despite, or perhaps even due to, the current market problems, I can only give positive feedback. Particularly in difficult times, the family-run company KIRCHHOFF Automotive is well prepared due to its structure, its strategy and its company policy – especially when seen in comparison to competitors. The efficiency of a company really shows in times of crisis. Despite the current cuts, which are painful for us all, KIRCHHOFF Automotive will continue to grow. The company will emerge stronger from the crisis and continue to progress down the successful path of previous years.

A very positive image of our company and our efficiency has been projected in all of the discussions held so far with our customers, right up to the executive board level. The access to the customer and the type of communication and cooperation show a high level of respect and acceptance of our performance by our customers at all levels.

Dr. Gaitzsch, thank you very much for the interview.

The interview was conducted by Ulrich G. Schröder.

And where is the border between the central sales department in Attendorn and the sales departments of our sites abroad?

All plants and customer service teams receive an updated weekly overview of the respective activities with the customers. The customer activity overview (CAO) of each customer service team and each plant is distributed every Friday. The cooperation between the plants must be defined and implemented individually because no generally valid solution is conceivable due to the differing structures, tasks, customers and products.

Which focal points will you set for technical development with regard to future KIRCHHOFF Automotive fields of business?

“From single part to module” – KIRCHHOFF Automotive is well on the way from being a mere producer of small parts to a supplier of modules and components to a development and production partner of the original equipment manufacturers. The Technical Development department is of crucial significance in the course of this continuing development. In order to increase our chances of obtaining orders and to set ourselves apart from our numerous competitors, we need to communicate with our customers at a far earlier stage than we have in the past, in the development phase at the latest, and in individual cases as early as in pre-development or even at the applied

HR development is a management-level task

↗ An interview with MBA Uwe Hartmann, Director of Human Resources for KIRCHHOFF Automotive

Mr. Hartmann, how in your view does the family-run, middle-market enterprise KIRCHHOFF Automotive differ from a large global corporation?

The essential difference in my view is the actively practiced corporate culture. The family takes responsibility not only for the company's economic prosperity, but also and above all for its employees. The decision-making processes are very short, which makes it possible to react swiftly and purposefully to changing market and customer requirements.

KIRCHHOFF is well on the way to defining its processes for all of the Group's locations. In doing so, consideration must also be given to local specifics. Our objective, however, is the process-oriented implementation of "best practice" methods worldwide. In this regard we can certainly learn from larger companies and increase our competitiveness through consistent implementation.

Have you been able to detect any deficits in the human resources policies previously practiced at KIRCHHOFF Automotive?

The internationalization that safeguards the fast growth of KIRCHHOFF Automotive was insufficiently supported by the human resources department in the past. There is a need for action in this respect. The creation of structures for international human resources work laid the basis for improved cooperation between the individual countries. We must learn to see different cultures and the specific features of each country as opportunities. Knowledge transfer is not a one-way street. The goal is to redefine our company culture in cooperation with all of our employees and to incorporate their values.

What priorities do you derive from this?

Human resources development is of decisive significance for the future development of our company. **Human resources development is a management-level task and is therefore the responsibility of each individual executive who receives the tools needed for the task from the Human Resources department.** The identification and further development of the specialists available in each plant is one of the essential tasks in this respect. A career path within the company must be available to them. Technical knowledge and professional careers are the key elements here, not the leadership function. Finally, a group-wide development and succession plan needs to be installed.

The current sales crisis demands a balancing act: necessary human resources adaptations on the one hand and a long-term, qualified human resources base on the other in order to ensure growth. What is your concept for KIRCHHOFF?

It is exactly in this time of crisis that the foundation for the further development of the KIRCHHOFF Group must be laid. The crisis will only continue for a limited time and also lead to a shakeout of the market. The essential parameters of the labor market such as the demographic development of the population and shortage of skilled workers will continue to pose challenges. Broad job cuts are, in our opinion, the wrong approach. Firstly, this instrument does not lead to a rapid reduction in costs and secondly, the company loses important knowledge carriers who will be painfully absent when the economy starts picking up. The KIRCHHOFF Group's answer of reacting to the crisis-related decline in sales with reductions in overtime and built-up holidays and introducing reduced working hours is certainly the better solution.

Training, the promotion of young talent and cooperation with schools and universities have a long tradition at KIRCHHOFF. Is that liable to remain so?

Our company recognized early that good young talent does not grow on trees. The cooperation programs KIRCHHOFF has installed with all kinds of educational institutions in numerous countries needs to be retained and even expanded. This is the only way to confront the specialists of the future early enough with the requirements of the automotive supply industry, to exert influence on educational contents and – not to forget – on the later decision to choose KIRCHHOFF as an employer.

The industrial and commercial education system practiced within our company is another essential component. It does not help to complain about the lack of skilled staff. The training received at KIRCHHOFF gives young people good career prospects for the future. This is, of course, not entirely done with selfless aims in mind – after all it also gives us the chance to train the specialists of tomorrow ourselves.

What benefits does KIRCHHOFF offer to qualified employees in this competitive environment?

Our international deployment provides employees with the opportunity to broaden their horizons and become familiar with other working environments



as well as other cultures. Working in international projects and multinational teams is an indispensable experience for a manager in today's world of industry. That is what we can offer. The structured human resources development system which is currently being set up will also contribute to targeted career planning and thereby open up a number of development opportunities.

We, of course, also offer specific opportunities to achieve qualifications in all areas, such as support to our successful trainees for further education to become technicians, training courses for master craftsmen and compound study courses.

Is KIRCHHOFF Automotive in your view well positioned for the continuing internationalization in global competition?

The global automobile market demands the same globalization capability from suppliers as it does from original equipment manufacturers. Therefore even today we have to address the continuing internationalization of our customers.

This includes not only the appropriate alignment and any necessary restructuring of our existing sites, but also accompanying the customer into new markets. I think we are well positioned in this regard.

Mr. Hartmann, thank you very much for the interesting conversation.

The interview was conducted by Ulrich G. Schröder.

Developing Human Resources strategies: Uwe Hartmann (l.) in discussion with J. Wolfgang Kirchhoff, Chief Operating Officer KIRCHHOFF Automotive (r.)

New Chief Information Officer

↗ Iserlohn. Stefan Sauskat moves from Magna Car Top Systems to KIRCHHOFF Automotive.



Stefan Sauskat, CIO KIRCHHOFF Automotive, is looking forward to a broad range of tasks

As of 1 May 2009 graduate engineer Stefan Sauskat has been appointed Chief Information Officer (CIO) of KIRCHHOFF Automotive.

After completing his studies in general mechanical engineering with specialization in production technology in Dortmund, Mr. Sauskat began his career in work preparation for metal production at the company Gebr. Happich in Wuppertal. In 1990 he moved to the subsidiary Fibron in Bretten, where he worked as departmental director for work preparation.

After the merger with Menzolit, Sauskat first took over central logistics, which were combined with information technology to form an independent department as part of an SAP project. In 1998 Stefan Sauskat was named Director of IT and Organization at Menzolit-Fibron.

Sauskat has gained international experience, particularly through the introduction of SAP in plants in Slovakia and Italy.

The graduate engineer last worked at MAGNA Car Top Systems GmbH in Bietigheim-Bissingen, where he occupied the post of Director of Information Technology.

Born in Wuppertal, he is married and has three children.

We wish to extend a warm welcome to Stefan Sauskat and wish him every success in his new function at KIRCHHOFF Automotive.

Ulrich G. Schröder

KIRCHHOFF sponsors local artists

↗ Attendorn. Annual meeting of the Southern Sauerland Artists' Association at KIRCHHOFF Automotive Germany



Companies demonstrate social responsibility as sponsors; they maintain the cultural values and traditions that also give rise to technical and scientific advances.

A special form of sponsoring can be found in the office building of KIRCHHOFF Automotive in Attendorn, which was opened in 2005.

Many of the works of the Southern Sauerland Artists' Association, an association of visual artists in the district of Olpe, are to be found in the form of paintings and sculptures at the KIRCHHOFF premises.

As a supporter and patron of the artists' association, KIRCHHOFF has established a sustained dialog between regional art and local industry. By purchasing exhibits, KIRCHHOFF Automotive

has followed up on the concept of presenting the original works of local artists in modern office spaces.

The tasks of the artists' association include maintaining contacts between artists and those with an interest in art as well as promoting artistic activities. For example a small in-house exhibition was set up in order to present artistic works and concepts to the employees.

The association, which consists of 24 active members and has been in existence for 20 years, was this year again glad to accept the invitation of Arndt G. Kirchhoff, who also acts as chairman of the art association in the district of Olpe, and held its annual meeting in Attendorn for the third time.

Kerstin Rinscheid

Overview of the numerous works of the Southern Sauerland Artists' Association



Arndt G. Kirchhoff welcomes the members of the Southern Sauerland Artists' Association in the administrative offices of KIRCHHOFF Automotive in Attendorn



KIRCHHOFF Automotive sponsors young scientists

↗ Siegen. Putting it into practice: how education and commerce work together as a team

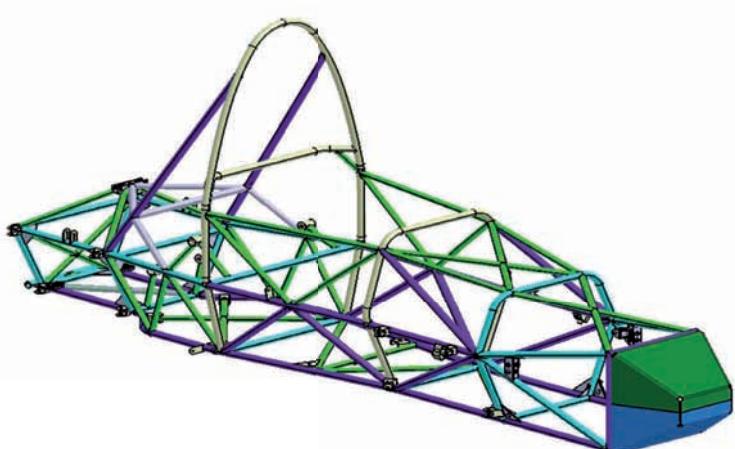
Left to right: Dirk Junglas, Sebastian Graumann, Christoph Meisterjahn, Christoph Wagener (all KIRCHHOFF Automotive), Markus Junge, Jan Achenbach, Alexander Tump (Speeding Scientists Siegen)

The challenge is to develop and produce a competitive formula SAE racing car within one year. This racing car, however, is not to be designed and built by racing team specialists, but by students from widely varying faculties of the University of Siegen, the Speeding Scientists Siegen.

Students of mechanical engineering, electronics and industrial engineering will plan, design and produce the car.

Students of business economics, commercial law, media sciences and industrial engineering have the tasks of ensuring that the project is cost effective, preparing a professional business plan, carrying out controlling and taking the challenges of marketing into account.

Thereby the foremost task is to establish contacts and partnerships with various companies in order to acquire financial and technical support.



KIRCHHOFF Automotive has been cooperating closely with the University of Siegen in the research and development field for some considerable length of time now. It was therefore an obvious step in this sporting venture to persuade experienced technical staff of the KIRCHHOFF Tec Center in Attendorn to join the project and gain KIRCHHOFF Automotive as one of the two main sponsors.

Since October 2008 a team of three young KIRCHHOFF Automotive engineers has been avidly exchanging know-how with the students. In a very short time the crash box for the formula SAE racing car was optimized and a space frame constructed.

Sebastian Graumann, the engineering project manager for the formula student project is the contact person for the students when queries on producibility and design are involved. He coordinates the areas of design and FE simulation as well as prototype construction – in this case especially for the prototype construction of the crash boxes. Dirk Junglas as the FE mechanical design engineer is providing assistance for the FE calculation and for optimizing the crash box, while Christoph Meisterjahn, also an FE mechanical design engineer, is performing the same tasks for the space frame.

The weight of the crash box, which in the case of a head-on collision has to channel the resulting force away from the driver's cell into the sides and

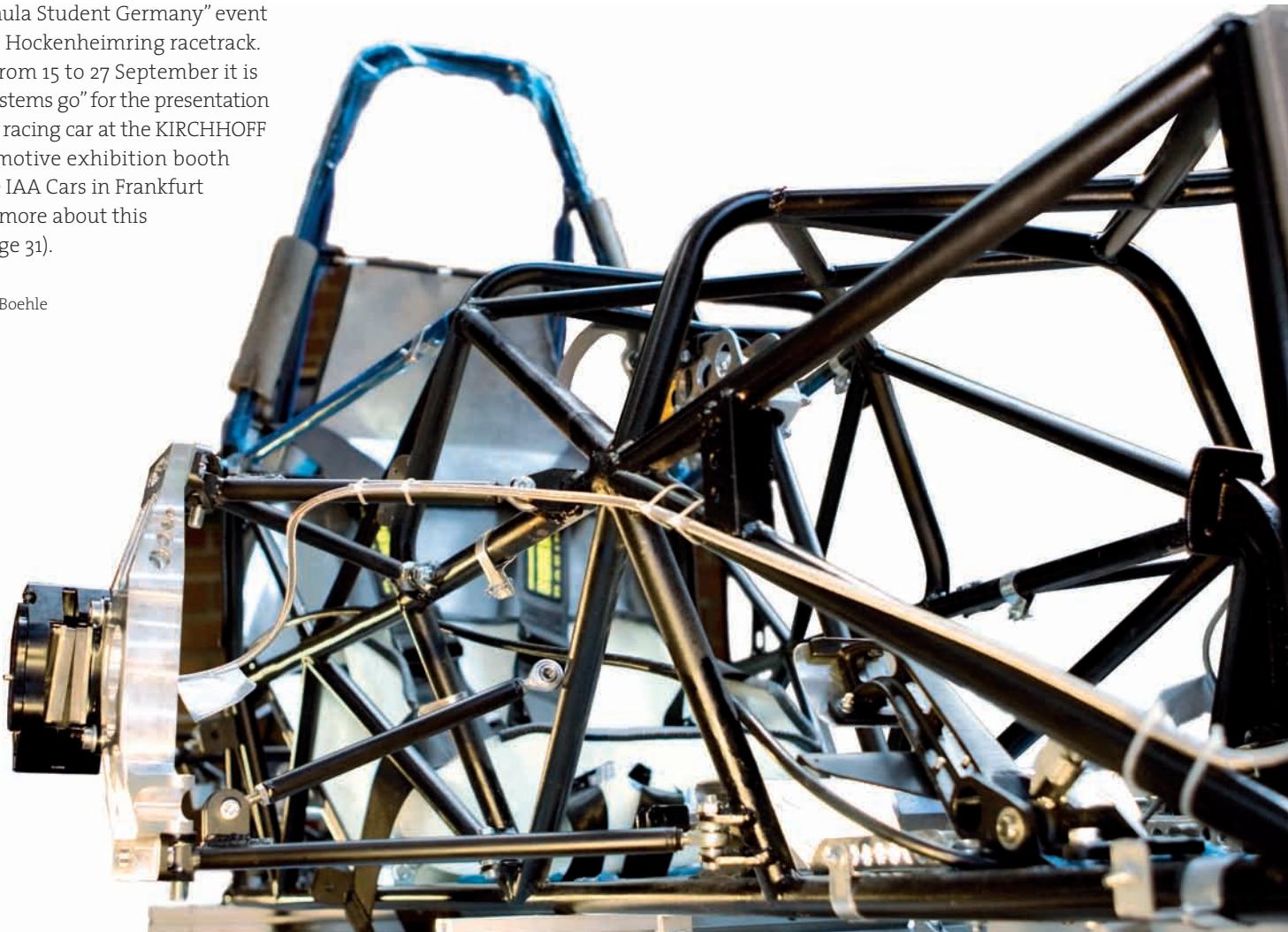


Left to right: Prof. Engel, University of Siegen, Arndt G. Kirchhoff, CEO KIRCHHOFF Automotive, and Markus Junge, student at the University of Siegen and member of the Speeding Scientists Siegen

rear parts of the racing car, is, thanks to a special aluminum damper device, 25% under the maximum weight requirement – an important factor for reaching the finish more safely and quickly.

The first practical test will be taking place from 5 to 9 August 2009 during the "Formula Student Germany" event at the Hockenheimring racetrack. And from 15 to 27 September it is "all systems go" for the presentation of the racing car at the KIRCHHOFF Automotive exhibition booth at the IAA Cars in Frankfurt (read more about this on page 31).

Sabine Boehle



KIRCHHOFF supports media project

↗ Iserlohn. Young girls enthusiastic about technically oriented training



Interview of the junior high school pupils at the KIRCHHOFF production site (picture: Michael May, IKZ, 14 Jan. 2009)

It was “camera on“ for a dozen eighth-grade girls of the Hemberg Junior High School at KIRCHHOFF Automotive in mid-January 2009 as part of a media project with the aim of informing young girls about the profession of power plant electronics technician.

Supervised by the Equal Chances Officer of the City of Iserlohn, Helena Haack, and in cooperation with the Cologne Media Center and KIRCHHOFF Automotive, a DVD was produced from the film material recorded during the one-week project, which is to be subsequently used to assist girls in career orientation.

The girls had previously been given the opportunity to practice using the camera and interview techniques as well as cutting and shooting under supervision. They then used the equipment to conduct interviews with staff from the KIRCHHOFF Automotive Human Resources, Marketing and Training departments. They clearly enjoyed working with the cameras and gained insight not only into the commercial-technical working fields but also an impression of how journalism works.

KIRCHHOFF Automotive has an above-average contingent of 9% of trainees on its staff. But here again “only” 4% of girls applying actually look for training in technical professions. Dietmar Epe, heading the Personnel Development is convinced that *“this project is very important to familiarize young girls with alternative vocational fields”*.

Sabine Boehle

“Experience what moves”

↗ Frankfurt. Welcome to the 63rd IAA Cars



In spite of the difficult business conditions worldwide and the global economic downturn there is still a certain amount of willingness among consumers to buy new cars and KIRCHHOFF Automotive looks with confidence to the international trade fair of the automobile industry and its suppliers, which is being held at the Exhibition Center in Frankfurt/Main, Germany from 15 to 27 September 2009.

The 63rd IAA Cars, this year hosting 700 exhibitors as compared to 1,000 in 2007, will be taking place on a far smaller scale, but sometimes less can really be more! There are already visible signs that this year's IAA will be an exhibition of performance concentrating on highly developed technologies.

KIRCHHOFF Automotive is participating in this presentation of product innovations from the automotive industry for the eighth consecutive time, but for the first time customers and associates of our corporate group will find us at a new location in hall 4.0.

From this new position we look forward to presenting to visitors product innovations and latest

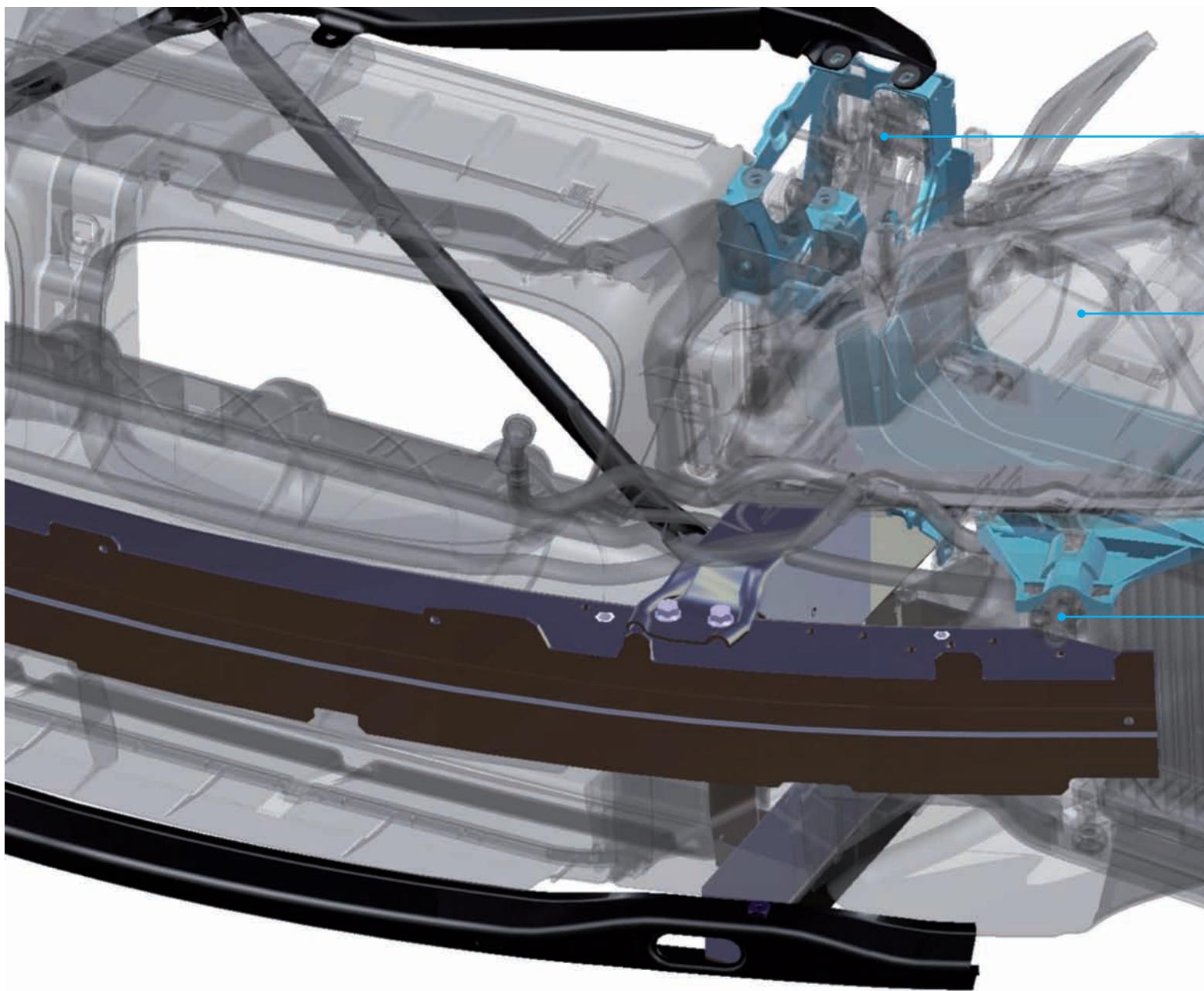
technologies in the lightweight bodywork sector as well as the cooperation with our joint venture partners VAN ROB and SHAPE in the field of joining and forming processes.

Again this year, KIRCHHOFF will be taking part in the campaign “GOING – young engineers for the automotive industry” during the second week of the trade fair. The initiative, launched by the VDA and supported by its member companies, aims at contacting talented, motivated pupils of both sexes to kindle their interest in the engineering professions or a scientific education.

We cordially invite you to visit the KIRCHHOFF exhibition booth at this year's IAA Cars. We look forward to seeing you there for an interesting discussion.

Sabine Boehle

The newly designed KIRCHHOFF booth at the 63rd IAA under the motto “We develop innovations” is looking forward to lots of visitors.



New technologies and developments

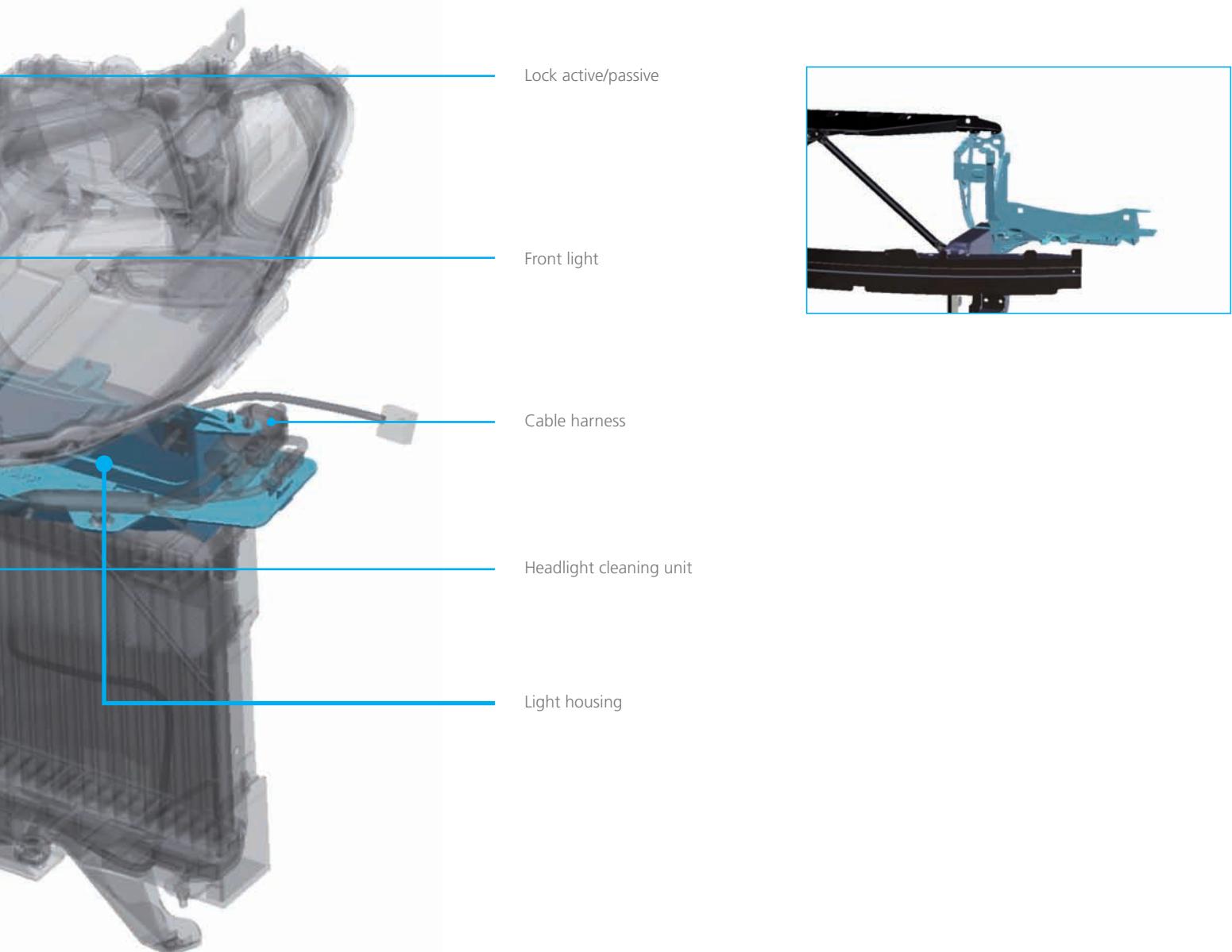
↗ Attendorn. BMW front-end structure incorporating headlights

The “Stütze Schloss” development project for BMW began in August 2005 with a concept competition for the front end of the future L6 platform (BMW 5, 6 and 7 Series).

Concept definition was completed in February 2006 with the decision to adopt the bonded hybrid steel-polypropylene solution. The development target was a new front-end concept that meets future requirements with regard to:

- Crash
- Pedestrian protection active/passive
- Integration and assembly as a modular system for four vehicle types

implemented as a lightweight construction. The “Stütze Schloss,” which incorporates the headlights, performs a central function in this structure. The steel components – some of them high-tensile – provide the required strength for loads such as



hood cable, crash and others, as well as incorporating the hood locks (active/passive) and the sensors. The bonded plastic component on the other hand provides rigidity and is responsible for the integration of front lights, headlight cleaning units, cable harness, hoses and many other parts.

The spot-welded and cataphoretically coated sub-assemblies are bonded together with the plastic part in a specially designed system. For this pur-

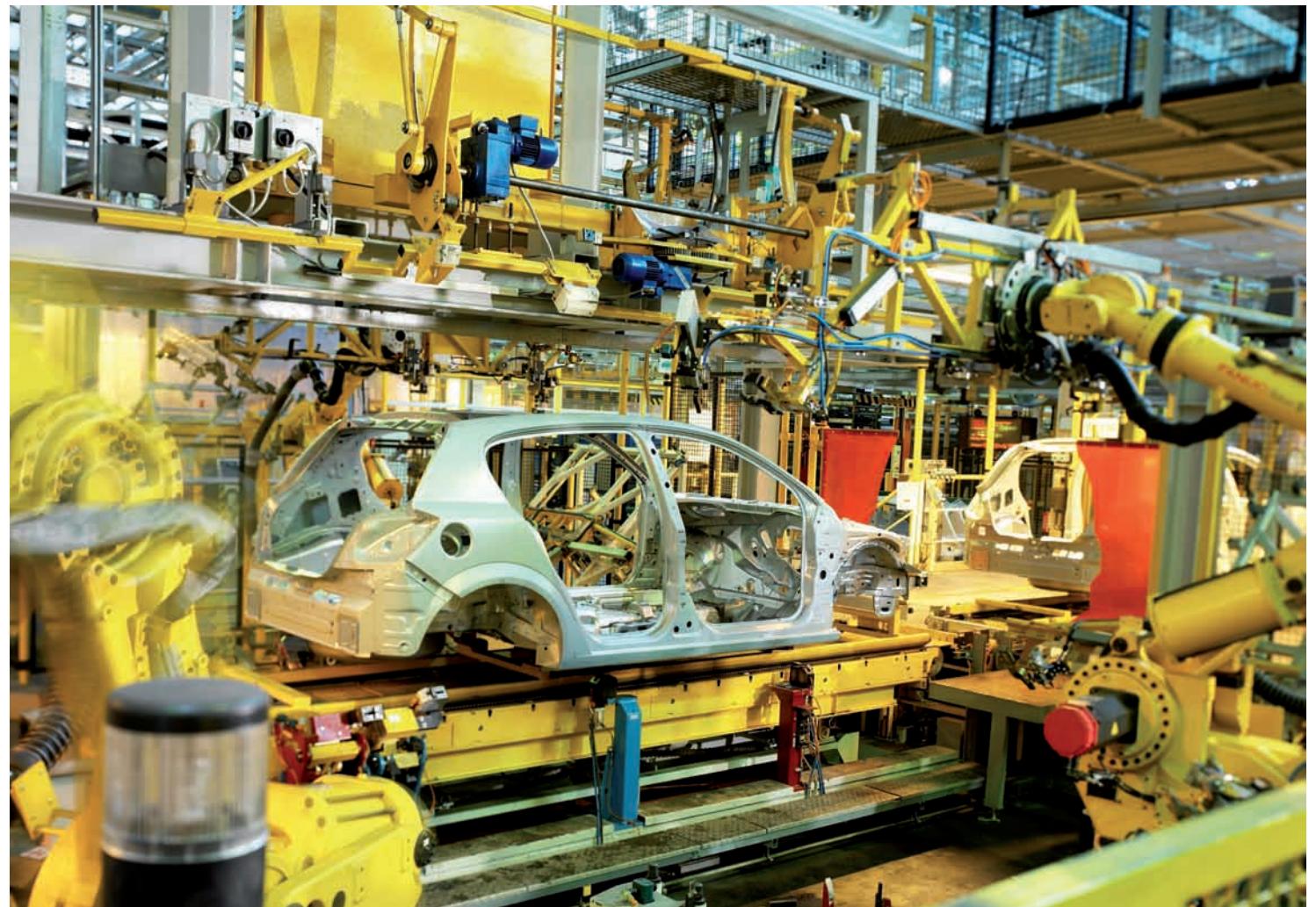
pose a completely new development in two-component adhesives for low-energy acrylate-based substrates is used.

Again in this project KIRCHHOFF Automotive amply demonstrated its clear orientation as a development supplier to the international automotive industry.

Joachim Höning

United we are strong

↗ Düsseldorf. Arndt G. Kirchhoff appointed foremost representative of AutoCluster.NRW



It has always been a great benefit to have strong partners nearby during difficult times. But working together in a network has always had its advantages, even during good times.

KIRCHHOFF Automotive is highly experienced in this regard, being one of the founding companies of the VIA, an organization that can look back on over ten years of successful work for and with its member companies (further information under www.v-i-a.de).

At the beginning of 2008 KIRCHHOFF Automotive also participated in founding the Commercial Vehicle Cluster Rhineland-Palatinate, an organization specially formed to promote the prosperity and further technological development of the truck and its supply industry in this region. The CVC organization was complemented at the end of 2008 by the establishment of a scientific advisory board, whose members were selected from universities, associations and research institutes (further information under www.cv-cluster.de).

Our organization is also involved in discussions within the North Rhine-Westphalian Automotive Specialists Group. The purpose of the dialog conducted by members from politics, boards, associations, unions and business enterprises is to discuss challenges in the key industries of North Rhine-Westphalia, to establish plans of action and to define fast and effective concrete measures for dealing with the economic crisis.

One recommendation resulting from the discussions within the industry that has already been implemented was the foundation of AutoCluster NRW as the "umbrella organization" for the many similar activities already being carried out by boards and associations. Its task is to integrate these networks. Arndt G. Kirchhoff has been appointed top representative of AutoCluster.NRW (further information under www.autocluster.nrw.de).

With about 200,000 employees the automotive industry in North Rhine-Westphalia is one of the most important in the state. Apart from three OEM plants, about 30% of German automotive suppliers are located in this federal state. 85% of these approximately 800 companies belong to the middle market and have to be very flexible in adapting to meet market requirements. Therefore AutoCluster.NRW is in demand, particularly when large technology projects and international trade fairs are involved, but also in order to increase the attractiveness of NRW as a location and thus, first and foremost, to secure jobs in the region.

With its experience as an international partner of the automotive industry and with its "home base" in South Westphalia, KIRCHHOFF Automotive will be fully committed to these tasks and we hope that the other member companies will do likewise.

Ulrich G. Schröder

Latest news from KIRCHHOFF plants



➤ Mielec/Gliwice/Attendorn. Certification by PORSCHE AG

The project team (left to right):
Ulrich Wittkugel, Maria Schmitt,
Josef Bartzik, Torsten Franzpötter
and Stephan Lagin

In November 2008 PORSCHE AG carried out a classification audit for the three KIRCHHOFF Automotive sites Mielec, Gliwice and Attendorn. Prior to this, the Attendorn Tec Center had been working on the development of complex chassis parts for Porsche for approximately the past two years.

It is standard policy at Porsche to first obtain proof of the capabilities of a partner before granting a serial production order to a previously unknown supplier. During the one-week audit the central areas of product development, purchasing, sales and engineering in Attendorn and the production areas at the Mielec and Gliwice sites were all subjected to close scrutiny.

The four-person auditing team was visibly impressed, in particular by the high level of competence shown by the Research & Development department. In the testing department, in addition to possessing the CAD systems and calculation tools required by the customer, the additional ability to validate self-built prototypes according to requirements specifications received particular recognition. The centralized purchasing activities and the environment management system were also evaluated positively.

At the Polish production sites, the auditors found proof that KIRCHHOFF Automotive places great value on the qualification of its employees and modern production equipment. At the Gliwice plant, the auditing team also had the opportunity to evaluate the numerous new start-ups and the cataphoretic immersion painting system which is currently under construction.

After a week of hard work with a lot of time spent traveling, words of recognition were spoken about all of the sites during the concluding discussion. The efforts of the staff based at the various locations and the project team were honored with a total rating of 93% and a very good starting basis was established for upcoming orders.

The efforts of everyone involved paid off handsomely: as a result, the KIRCHHOFF sites are now not only approved without restriction for supplying PORSCHE AG, but have also been able to book series production orders for in-house developed assemblies.

Ralph Kowalke



➤ Successful SAP rollout in Attendorn and Saarwellingen

After the successful introduction of the SAP system in Iserlohn in February 2007, two more sites of the KIRCHHOFF Automotive Group, Attendorn and Saarwellingen, were integrated into the system in October 2008.

Tasks to be performed during the rollout included adapting the already existing system to the site-specific requirements and transferring the data from the old system to the new system. The tasks of the key users included primarily the testing of the processes and functionalities and the comprehensive testing of the migration.

Although all employees involved dealt with the rollout while also performing their normal daily business, the team displayed full commitment and exceptionally well functioning, effective cooperation at all times.

Our most important goal during the introduction was to ensure constant smooth cooperation with our customers and to adhere to agreed delivery deadlines. For this reason, we decided to perform the "go-live" of the new system on a weekend. In this way, we had sufficient time to disable the old system and to both migrate and test the databases and process the first "real" deliveries live.

The introduction went off successfully and daily work became routine after a short familiarization phase. The new SAP system now enables us to both automate and streamline our business processes. The high level of integration and transparency allows staff to make quick, competent decisions and react swiftly to changing market conditions.

Carola Schmidt

Project director Carola Schmidt speaking with the user Alexandra Schulte



↗ Iserlohn. New production building with new hot forming technology (press-hardening) and assembly line for radius arm bushings

The new production line for automatic production of radius arm bushings for trucks

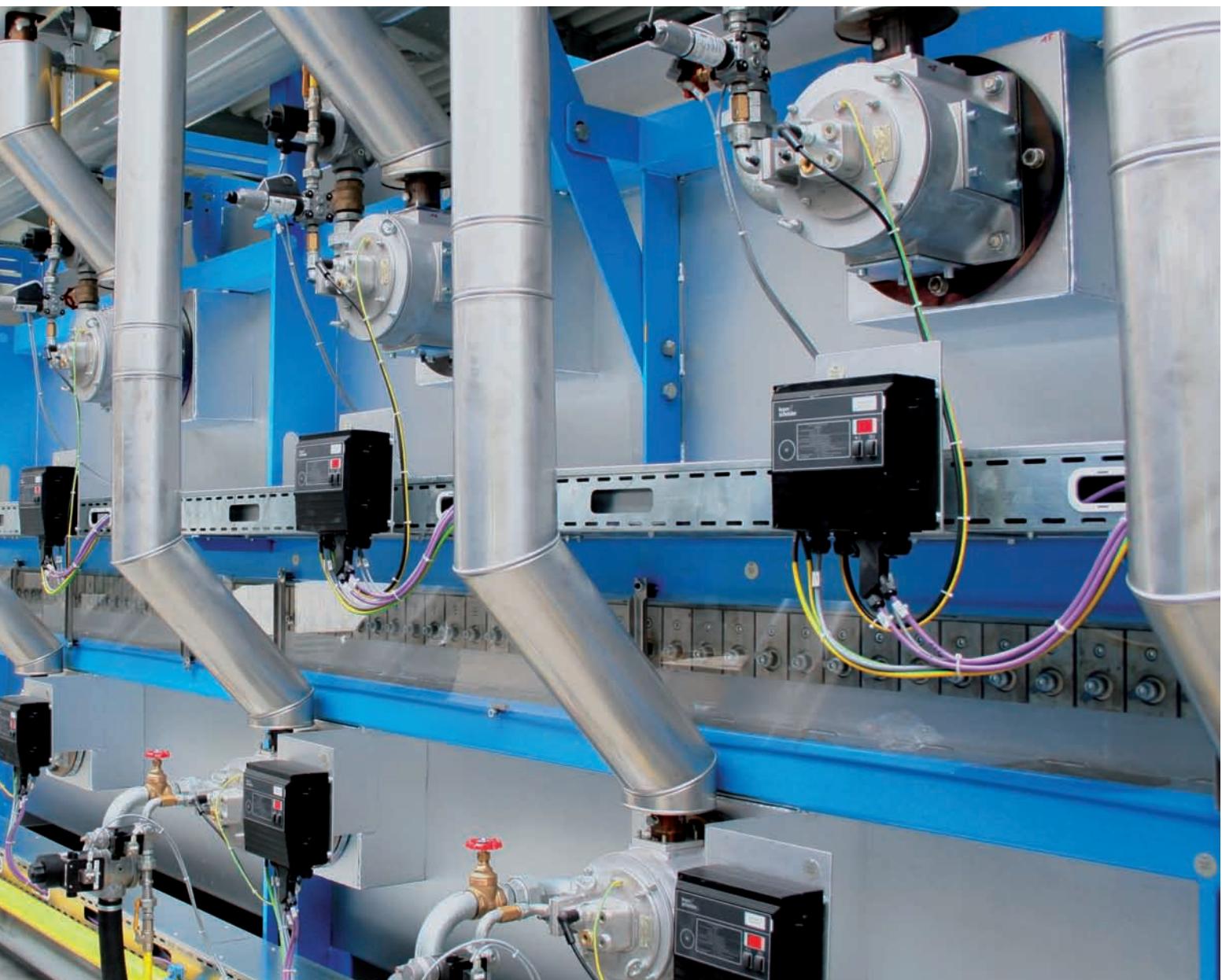
A new building with a production area of 4,250 square meters has been constructed over the past six months at KIRCHHOFF Witte in Iserlohn. The space is divided into two modern production areas: a hot forming plant and laser system for press-hardened components and a production line with welding systems and mechanical processing centers for manufacturing radius arm bushings for trailer axles.

In the hot forming system, plates of low alloyed boron steel (22MnB5) are first heated to approx. 950°C in a roller hearth continuous furnace in a direct press-hardening process. The hard martensitic microstructure is created in the component because it is formed while hot and simultaneously cooled in the tool at a rate of more than 27 K/s. Starting in June 2009, KIRCHHOFF will be

using this technology to manufacture very light and extremely rigid structure- and safety-related components in various material thicknesses for automobile chassis construction.

The main components of the system are:

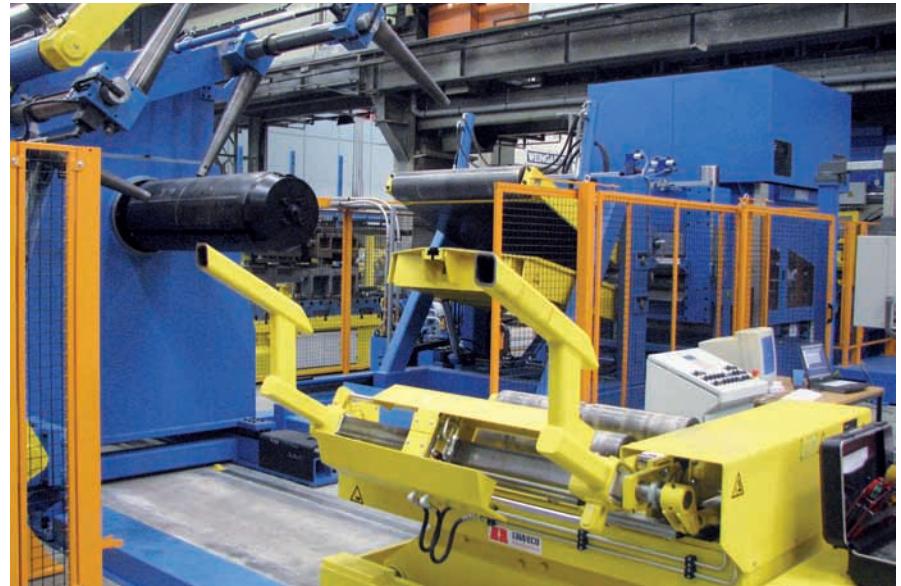
- Plate-loading station with four placement areas
- Roller hearth continuous furnace with low-wear drive technology and ceramic rollers
- An 8000-kN hydraulic press
- Speed feeder for automatic loading and unloading of the press
- A tool change system
- Superimposed system control unit for complete monitoring of the hot forming system



The production line for the radius arm bushings is designed based on a modular system and was built for the automatic manufacturing of axle casing components. The radius arm bushing serves to integrate trailing link, axle tube, brake flange and axle stub into one unit. The components are produced in compact processing centers and welding cells in several process steps and transported to the individual processing stations using flexible robot and conveyor systems.

The total investment in the production building including the hot forming system and the trailer axle production line was 15 million euros.

New hot forming system consisting of continuous furnace and forming press



↗ Iserlohn. Investment in a 1,250-ton cutting/transfer press

A new 1,250-ton cutting/transfer press began production in April this year. The unit is designed for processing materials in the medium to coarse sheet range with material thicknesses of 3-11 mm. The press is equipped with a strip system for endless coil and remnant strip processing.

The number of punched parts per coil decreases considerably as the material thickness increases and thus the coils need to be changed more frequently. This leads to both higher setup costs and increased material consumption. By using a combination of cutting and welding it is now possible to process the coils more or less "endlessly", reducing the setup cost and using fewer resources due to the lower level of material wastage.

The automated unstacking system is an additional special feature of the system. The plates, which can be as heavy as 50 kg, are precisely positioned in the provided loading carrier after cutting, and can therefore be fed automatically into the following processing steps.

Benchmarks and technical data:

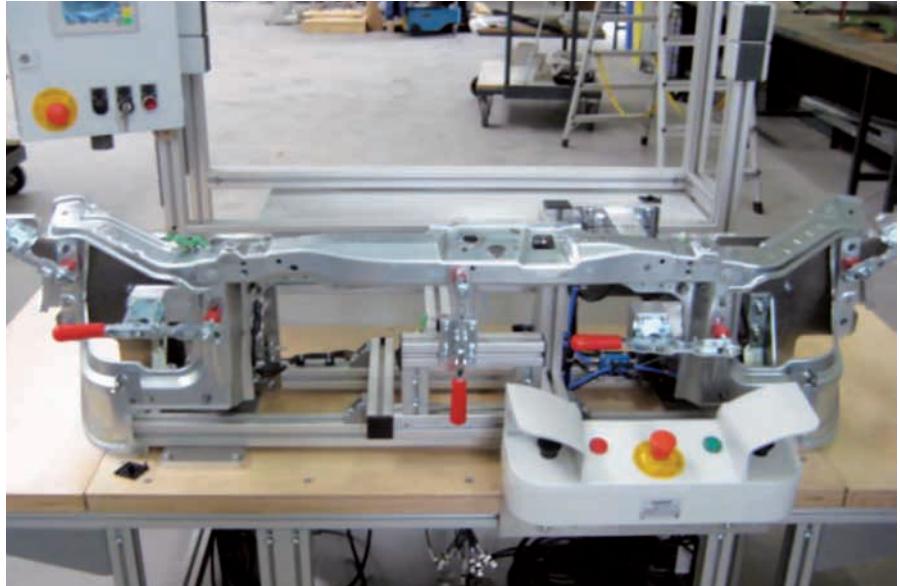
Press:	cutting/transfer press (1,250 t)
Table size:	4,000 mm x 1,800 mm
Max. stroke rate:	30 strokes/min.
Coils:	width up to 1,200 mm
Material thickness:	3 – 11 mm

Remnant strip processing (magnetic feed)
Endless coil processing
(scissors and TIG welding area)
Readjustment unit through profile rolling
(transverse cambering)

Oiling:	spray oiling
End of line:	plate unstacking unit, 4 magazine areas max.
Stroke rate:	15 strokes/min.
Shuttle holder:	fully programmable
Axle feeder:	2-piece, fully programmable

Total investment volume: 4.8 million euros

Frank Buchholzki



↗ Figueruelas. Capacity expansion for the new model OPEL MERIVA

In the previous winter edition – K>MOBIL 32 – we announced the planned expansion of the KIRCHHOFF assembly plant in Spain. This has meanwhile taken on a more concrete form. The new assembly building, where assemblies for future GM models will be produced, was equipped with the first MAG welding cell in January 2009. Cross car beams are already being assembled here for GM in a three-shift operation.

In the second step, the assembly line is being installed for the Meriva front-end production in April. The expansion will be concluded with investment in a robot welding line comprising eight robots, which can go into operation in July this year. It will be producing front wheel housings for the new OPEL Meriva.

This capacity expansion will guarantee our customer GM, whose plant in Saragossa is in the immediate vicinity of the KIRCHHOFF Figueruelas site, the customary high standard of delivery service and quality in the future as well.

Dr. Miguel Tena



➤ Gliwice. New cataphoretic painting system now in operation

The project team (left to right):
 Edward Zuczek, Michał Wojtkowiak, Grzegorz Sikora, Wiesław Sroka, Maciej Bochenek, Mariusz Wiśniewski, Rafał Bedkowski, Łukasz Palus, Jacek Pentek, Tomasz Lewandowicz, Ryszard Muzychka, Rafał Lechowski

Front row (left to right):
 Wojciech Michałowski, Dariusz Zelasko, Aneta Piechutta, Radosław Zelek

KIRCHHOFF Automotive Polska's Gliwice site has been able to implement a decisive expansion of the "joining" and "surface treatment" competency areas. This required both setting up a new coating system and the merging of the joining and surface refinement processes into one area.

After seven months' construction time, KIRCHHOFF Automotive's fourth cataphoretic painting system went into test operation at the KIRCHHOFF Polska Assembly II plant in Gliwice in February. Test operation of a complex engine cradle module, which works with special, robot-capable painting and transport frames, began at the same time. The engine cradle module is MAG-welded and goes through an additional joining process after the painting process.

The new cataphoretic painting system is a dipping cycle system with 15 process stages of pre-treatment and a cataphoretic painting application with subsequent baking of the paint.

The goods carrier size is 1,500 mm x 1,600 mm x 3,000 mm.

The new system is capable of processing 24,000 square meters of coating surface area per day, which is about the size of four football fields. Up to 40 trucks drive out of our plant in Gliwice every day transporting the fully painted components.

We were able to obtain the services of Herbert Schulz as project manager, who had already gathered a great deal of experience during the installation of a similar system at the Iserlohn plant. In order to meet the challenges of coating parts that form hollow spaces, the cataphoretic painting system was developed in collaboration with the companies DÜRR, CHEMETALL and PPG. Using special techniques, together we succeeded in achieving a high level of interior coating without painting gaps. A specially developed type of furnace for baking the cataphoretic paint complemented these positive results.

↗ GM Supplier of the Year 2008



Shortly before the editorial deadline we received the message that KIRCHHOFF Automotive has been appointed Supplier of the Year 2008 by GM for the fifth consecutive time and the sixth time in all.

Thus KIRCHHOFF Automotive heads the list in the GM portfolio of suppliers; it should also be put on record that we firmly believe in the future of OPEL and provide evidence of this belief in all of our daily actions. The management wishes to cordially thank all those who participated in achieving this repeated success.

A detailed report on the award presentation will appear in the next edition of K>MOBIL.

Ulrich G. Schröder

The start-up process of the cataphoretic painting system was carried out with the following components:

- GM engine cradle
- GM striker plate
- BMW bumper

We organized the joining process and the painting process under one roof for these projects. Efficient logistical systems are a decisive feature in the production of complex painted components. We intend to additionally network joining and surface coating processes.

The management of KIRCHHOFF Automotive, and particularly that of KIRCHHOFF Polska, wishes to thank Herbert Schulz and his team for the excellent work, which was crowned by the timely and economical introduction of the new system at the Gliwice site.



➤ Ovar. Employees' jubilee at KIRCHHOFF Portugal

In recognition of the loyalty and engagement of its employees, a jubilee celebration took place at KIRCHHOFF Portugal on 7 November 2008. All employees with more than ten years' company service were duly honored.

The employee with the longest employment record joined GAMETAL in the service of KIRCHHOFF Portugal 44 years ago and 15 further colleagues also celebrated up to 20 years with the company. In a moving speech the members of management expressed their gratitude to those celebrating anniversaries and presented each one with a certificate and a personal gift. The employees, in their turn,

thanked KIRCHHOFF Portugal with a moving poem expressing their confidence in the common future together in the company. The presentation was followed by a highly successful day of celebration that showed all participants: in order to achieve long-term success it is necessary to work sustainably for the things one considers important. Both management and employees demonstrated the mutual importance of values such as willingness to compromise, dedication and loyalty, not only in individual situations, but also as a maxim for life as a whole – particularly in everyday working life.

António Rosas



Pressing and assembly plant
in Suzhou

↗ Suzhou. Certification of KIRCHHOFF China in record time

As reported in the previous edition, K>MOBIL 32 in June 2008, a new pressing and assembly plant was opened in Suzhou, China to serve the growing needs of the Chinese market.

Just a few months after commencing operations we are happy to announce a particularly good piece of news: after the plant had been certified in accordance with ISO / TS 16949 in October 2008, certification in accordance with ISO 14001 was also confirmed by the official certification company TÜV Nord in December. Both distinctions are almost six months ahead of the schedule drawn up for the Suzhou plant.

The prompt certification at our Chinese location provides further proof of the high international quality standards set by KIRCHHOFF Automotive. The presentation of the coveted certification after such a short period illustrates the outstanding work being performed by the staff team in Suzhou.

Armin Berthold

↗ Letterkenny. KIRCHHOFF Ireland expands customer base

KIRCHHOFF Ireland was founded as SIGRO Ltd. in 1981 and taken over by KIRCHHOFF Automotive in 1994.

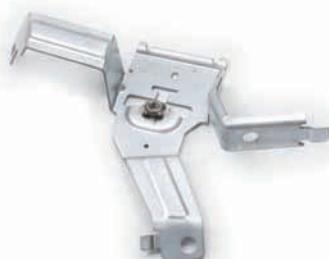
Traditionally, KIRCHHOFF Ireland has mainly focused on the supply of smaller power train components. 70% of the company's production volume is delivered directly to our customers' engine plants.

With the production start-up of the MINI under the management of BMW, the KIRCHHOFF Ireland team commenced close cooperation with the purchasing department in Oxford, UK. Technical support was also provided by the KIRCHHOFF Sales & Engineering office in Munich as a result of its contacts to BMW.

Collaboration with MINI started with the development of brackets needed to support optional extras such as music hard drives or CD changers. The order was something new for KIRCHHOFF Ireland, as many of the products manufactured there to date had not been designed for interior trim, and required a high quality finish. This project resulted in the initiation of a number of new work processes at KIRCHHOFF Ireland. A further example is hot riveting, developed to ensure a high level of safety for the ISOFIX brackets fitted to all MINI vehicles.

With the launch of the new MINI in 2007 KIRCHHOFF Ireland's high levels of expertise in engineering, quality and delivery service were rewarded with a new contract for 60 body components and a further contract of 35 components for the new CLUBMAN model, which was introduced to the market in 2008.

Sean McDermott



Seat belt retainer bracket



Brake dust shield



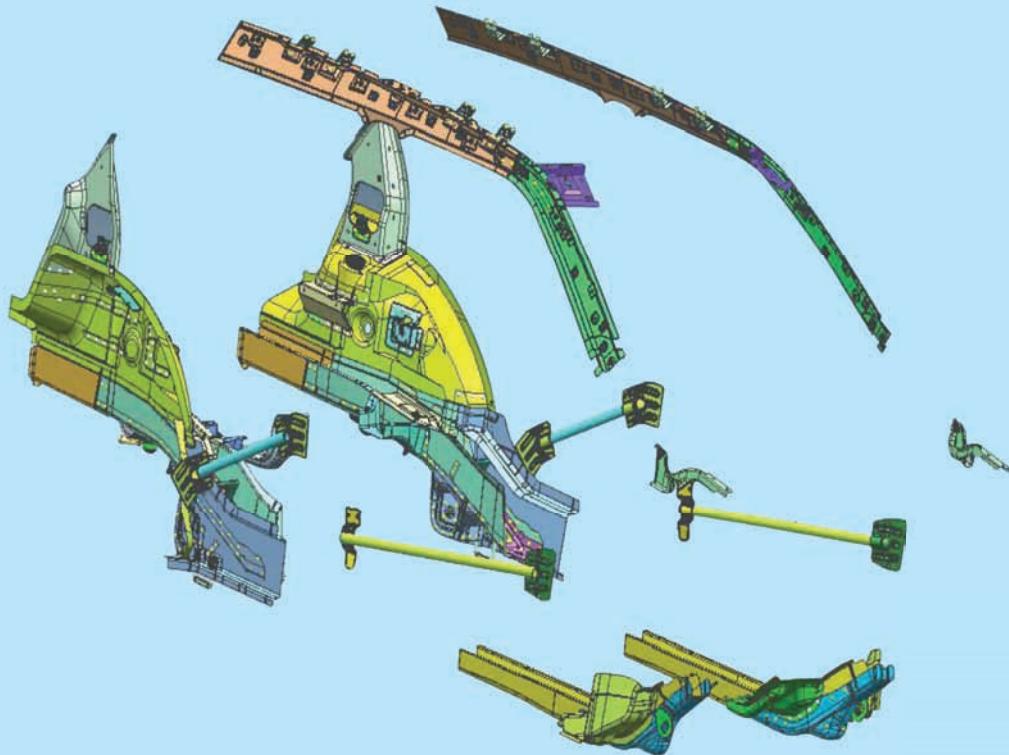
HiFi bracket



Crash hook reinforcement brackets



OE KA 400



► Esztergom. KIRCHHOFF Hungary produces for the YP6 – the new generation of the Swift

The KIRCHHOFF product range for the YP6 (Swift)

In November 2008 KIRCHHOFF Automotive received the official order confirmation from SUZUKI. The KIRCHHOFF plant in Hungary was selected as supplier for the new YP6 project – the new generation of the Suzuki Swift.

Due to the current economic situation it is possible to implement the YP6 project internally with a minimum of expenditure for machinery and no investment at all for additional production space. For this reason KIRCHHOFF Automotive will utilize free capacities at KIRCHHOFF Hungária as well as at other KIRCHHOFF plants such as those in Poland and Germany.

Initially KIRCHHOFF Automotive was selected to supply 22 assemblies and during the course of the development was able to increase this to 30 assemblies.

The project is planned on the basis of 106,000 units per year capacity with a tolerance of +/- 15%. The prototype phase ends in January 2010 and mass production is scheduled to commence in May 2010.

Szabolcs Sólyom



↗ Esztergom. KIRCHHOFF Hungary wins government promotion program

In order to protect jobs in the long term and to support innovative, trendsetting technologies the Hungarian government launched a competition aimed at companies whose strategic orientation fulfills these criteria.

KIRCHHOFF Hungária participated in the competition and in the final received an award to the total value of 300,000 euros for one year.

The sum is divided into three plant-internal programs:

- Direct support for wages and salaries for 84 employees of KIRCHHOFF Hungária
- Promotion for maintaining 46 indirect jobs
- Financing of further training and educational programs

K>MOBIL heartily congratulates Szabolcs Sólyom, Managing Director KIRCHHOFF Hungária, and his team on receiving this award.

For our plant in Hungary the award is a sign of recognition that we are on the right track at this location with the production of high-grade structural parts and innovation in the further development of employment opportunities.

Ulrich G. Schröder

The Basilica, The landmark of Esztergom, where the KIRCHHOFF Automotive plant is located in Hungary

Environment report 2008

↗ Attendorn/Iserlohn. Use of resources at KIRCHHOFF Automotive

Environmentally sustainable activity does not necessarily contradict commercial interests, but rather represents a basic prerequisite for the future well-being of our society. On the basis of this fact an assessment of environmental aspects is performed at the various plants of KIRCHHOFF Automotive Germany every year by means of in-house check lists.

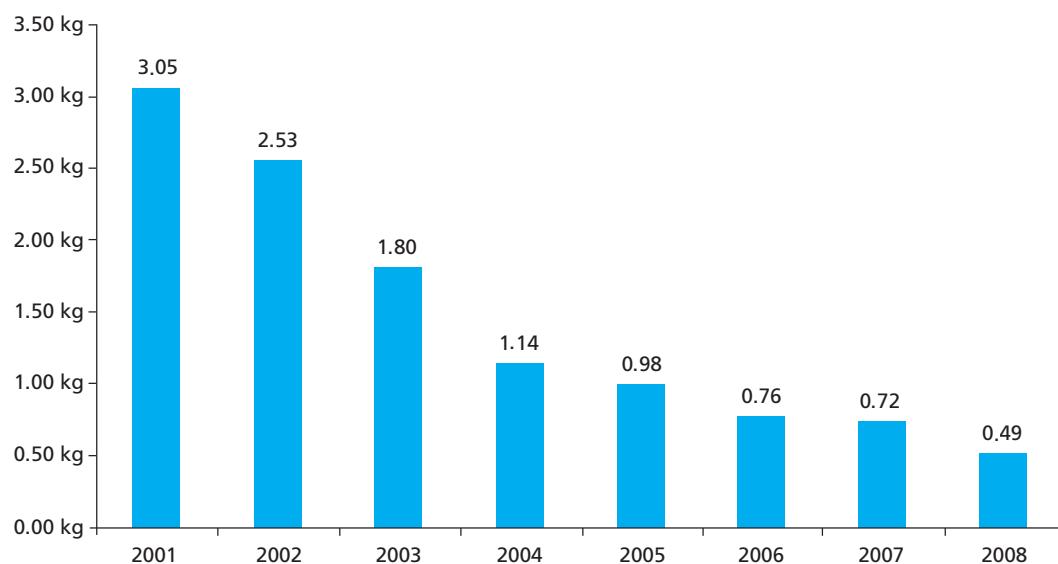
The data gained make it possible to assess the main factors pertaining to environmental protection and calculate potential to improve at each of the various plants. One of the main factors with regard to the impact on the environment at the plants in Attendorn and Iserlohn is the "utilization of resources and raw materials".

This has led to the initiation of programs to reduce oil consumption at both plants and has resulted in saving considerable amounts of oil – without impairing the quality of our products.

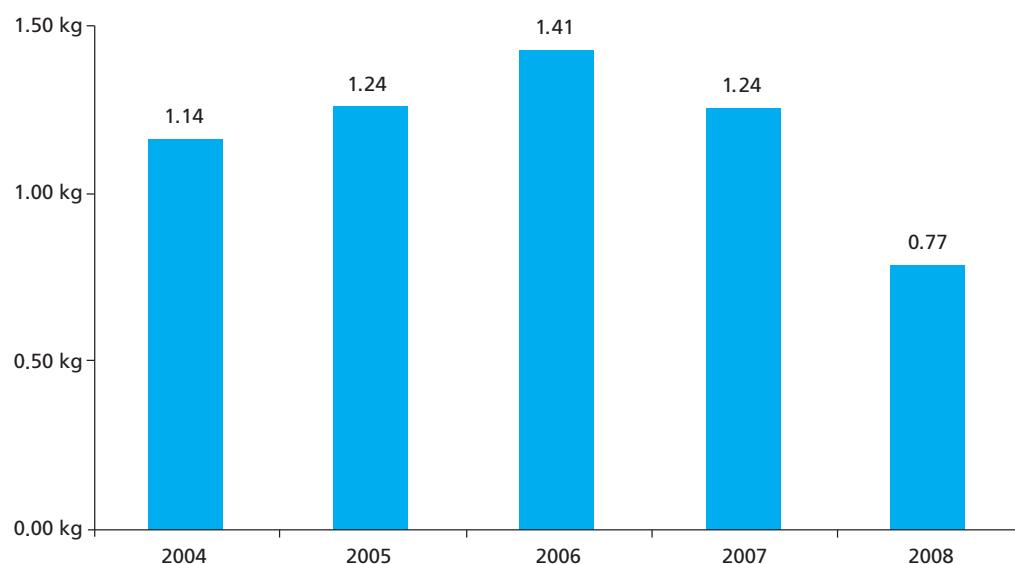
You can read about further examples of environmentally sustainable activity at KIRCHHOFF Automotive in the environment report 2008, which is available for downloading at: http://kirchhoff-automotive.de/cms/en/qualitt_umwelt_umweltbericht

Uwe Suchland





Kgs of oil per ton of raw material
at the Attendorn plant



Kgs of oil per ton of raw material
at the Iserlohn plant



Hagen-Mark Lions Club



Menden Career College

Plant visits and company presentations

↗ Iserlohn. Good public relations work repeatedly praised

KIRCHHOFF Automotive is delighted about the great interest currently being shown in it by various groups from industry and the public and is responding by offering a number of plant visits and company presentations.

Hagen-Mark Lions Club

On 4 February, around 40 members of the Hagen-Mark Lions Club took the opportunity to obtain information on the globalization strategy of a family-run middle-market company, the effects of the current economic situation on the automotive industry and possible ways out of the crisis. They

visited our company site in Iserlohn-Sümmern and inspected the plant after, in the words of Dr. Gerhard Koch, "a splendid, sparkling presentation" given by Ulrich G. Schröder and Sabine Boehle. Lions Club President Dr. Koch praised the event as a "highly informative and in every regard successful evening."

Menden Career College

Great value is placed on education and professional training at KIRCHHOFF Automotive and the company is therefore always happy to welcome attentive young people to visit its premises. A class of management trainees from the Menden Career



College visited the company location in Iserlohn on 17 March. After a presentation on KIRCHHOFF Automotive and the training and further education options offered here as well as a subsequent plant visit, the students and their teachers demonstrated their thirst for knowledge by posing numerous questions to Ulrich G. Schröder, who had held the presentation.

Employment Agency

17 job placement agents from the state employment agency were our guests on 24 March. After the initial presentation of the company, topics were

discussed such as job security in the current economic situation and the demands the family-run company KIRCHHOFF Automotive places on its employees, with Ulrich G. Schröder emphasizing the great value of skilled, qualified specialists.

The “highly cohesive team” (in the words of Dr. G. Koch) at KIRCHHOFF Automotive will also be glad to conduct plant visits and company presentations in the future.

Employment Agency

Eva Rademacher



Can you still drive a car with spina bifida?

↗ Hilden. REHA puts driver with "open back" disability on the road

The nerves run through the spinal column. They bring sensory information from the body to the brain as well as control orders from the brain to the body. Spina bifida is a disturbance of this nervous system. It occurs in more and less severe forms. The closed, invisible form is the least dangerous of them. This form usually has no serious consequences, and treatment is not necessary. Open, visible spina bifida is more dangerous. It can take on various forms. In some cases the nerves emerge from a gap in a vertebra bend and are visible from the outside as a bump. They are no longer protected by the spinal column and can therefore become damaged.

People with spina bifida can have physical restrictions ranging from a slight uncertainty in walking to complete paraplegia, depending on the level of severity. In the case of paraplegia, the affected person requires a wheelchair. The higher the affected

point of the spinal column is, the more areas of the body are endangered.

The photographs above show a sophisticated conversion carried out for a person with spina bifida. The person enters the vehicle with a wheelchair from the rear. Because changing seats is not possible due to the special seat required, which was also developed by REHA, the electric wheelchair thus becomes the driver's seat.

The other adaptations are the usual ones required for a paraplegic person. The gas and brakes are equipped with a manually operated device with integrated radio operation for the indicators, lights and horn.

Christian Fröhlich



Innovative conversions from REHA Group Automotive

↗ Berlin/Hilden. Mercedes-Benz E-Class 2009 and FORD Transit Tourneo Connect

REHA Group Automotive presented its newly developed rotating/swinging seat in its Berlin branch on 28 March 2009 to coincide with the launching of the new Mercedes-Benz E-Class passenger car. This entry aid makes it convenient and safe to get in and out of the new top-class model. The cartridge is integrated in the standard seat and is easy to operate.

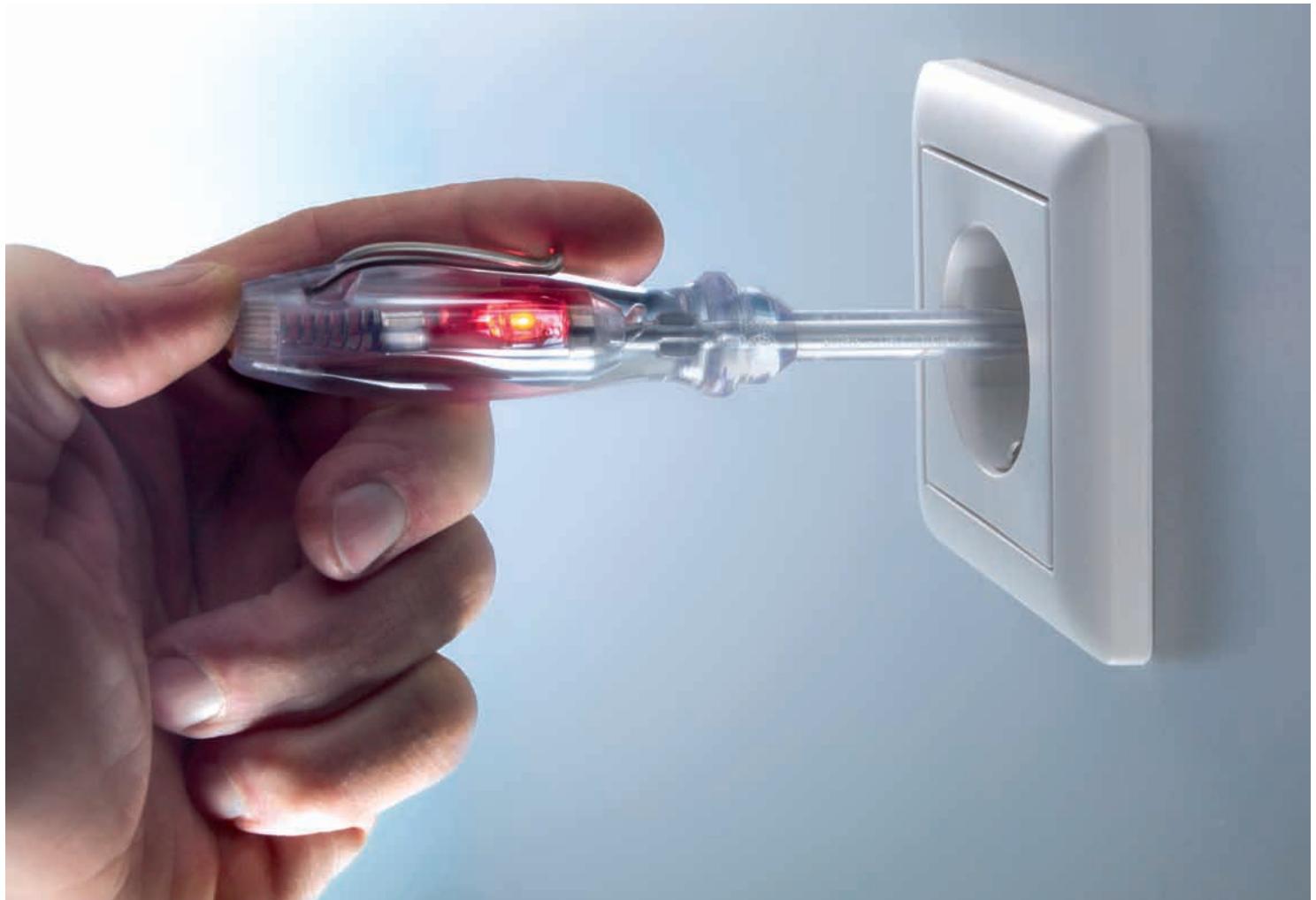
Whether for drivers or passengers with physical disabilities or for enthusiastic mobility fans who do not want to give up driving as they get older, here again REHA offers a good example of an individual solution for motorized mobility for every section of the population.

REHA Group Automotive has substantially increased its own added value for the conversion of the FORD Transit Tourneo Connect since the beginning of the year.

The company procured all parts from a supplier in the form of a construction kit until the end of last year. In mid-2008 REHA decided to change this and reduce the throughput time by 25%. The highly committed REHA team has now managed to realize this ambitious goal – with the additional effect of reducing procurement costs by 17%. The VW Caddy is the next model in the company's sights.

Christian Fröhlich

The swinging seat for the new Mercedes-Benz E-Class – available for driver or passenger side



New voltage tester from the PROTOP II series

↗ Hagen. High safety standard through clearly visible glow lamp

At the beginning of the year WITTE Werkzeuge expanded the new PROTOP II series of screwdrivers to include a voltage tester.

A voltage tester, also known as a mains tester, consists of a small glow lamp and a series resistor that are built into a transparent handle. The tip of the mains tester is held onto a contact – for example an electrical socket – for measuring current. The other end of the mains tester is then touched lightly with a fingertip. The glow lamp then lights up if there is electrical current flowing through the wire. Finger contact with the tip of the mains tester does not endanger human health because the current is usually in the μA range. However, a reliable test should always be carried out using a voltage measurement device.



The new premium mains tester from WITTE Werkzeuge is a cut above the competition due to its large handle and unique degree of transparency. A smooth, crystal-clear grip gives the user a direct, unclouded view of the small, red lamp inside from all directions.

Overall, the new voltage tester offers the following advantages:

- Crystal-clear transparency
- Greater safety due to the better recognisability of the glow lamp
- Graceful look due to PROTOP II handle in screwdriver design
- Practical stainless steel attachment clip

The new voltage tester is a tool for both professionals and handymen that sets new standards in terms of both quality and safety.

Frank Rohlfs, Uwe Kittling

Качество – имеет имя!



Made in Germany

PROTOP II

+ Профессионал – при повседневных работах отвертки серии PROTOP II снова и снова выдерживают все новые испытания. Сочетание твёрдой и мягкой зоны на рукоятке улучшает передачу силового момента и обеспечивает тем самым больше комфорта и удобства при закручивании.

+ **PROTOP II plus**
с интегрированной изоляцией

+ Многофункциональная рукоятка – удобная для держания выполнена из 3-х компонентной пласти массы – и является отличительной чертой серии отверток PROTOP II plus. Округлённая, 3-х граничная форма этих рукояток с зонами из мягкой пласти массы делают рукоятку еще более эргономичной и удобной для держания, а микрофазорное покрытие помогает избежать скольжения.

+ **PROTOP II VDE**

+ Безопасная – там где приходится работать под напряжением отвертка должна быть предельно безопасной – такой как PROTOP II VDE! Каждая отвертка этой серии проходит проверку на безопасность в соответствии с нормами DIN EN 60900 / IEC 60900.

+ **PROTOP II impact**
с керамической изоляцией

+ Сильная – для применения в особо тяжёлых случаях, для отвинчивания слёпшихся, неподдающихся винтовых соединений, отвертки PROTOP II impact – наиболее эффективное решение. 3-х граничная, надежная и проверенная форма рукоятки обеспечивает высокий момент передачи усилия, а особенная геометрия позволяет вращать её на 120°, и при этом значительно уменьшает напряжение рук.

+ **MAXXPRO**

+ Перфекционист – для тех, у кого самые высокие требования, инструмент, который не идет ни на какие компромиссы: это отвертки MAXXPRO. Главный продольный профиль эргономической рукоятки, позволяет добиться высокой производительности при незначительном применении силы.

+ **MAXXPRO plus**

+ Непреклоняющая – имеет запатентованное противопреклоняющее микрофазорное покрытие, отвертки серии MAXXPRO plus являются идеальным инструментом для работы в влажной или масляной среде.

MAXXPRO VDE

+ Мастер своего класса – эргономика, сила и надежность – по всем этим дисциплинам от отверток MAXXPRO VDE самые лучшие показатели. Каждая отвертка проверяется на пробой в водяной бане под напряжением 10 000 вольт, и имеет гарантированную безопасность под напряжением до 1000 вольт при -40°C.

MAXXPRO stainless

+ Нержавеющая – для работ с нержавеющей сталью необходимы винты из нержавеющей стали, а для них, соответственно и отвертки из нержавеющей стали. В противном случае это может привести к появлению ржавчины вплоть до образования сквозной коррозии.

New Witte brochure for the Russian market

↗ Hagen. Specific marketing information for the diversity of markets

Russia is the largest country in the world in terms of land area and with a population of approximately 142 million it represents quite considerable economic growth potential for the future.

WITTE Werkzeuge has already been successful in the Eastern European market now for a number of years. The Russian market in particular offers plenty of opportunities for growth in the field of tools. For this reason WITTE Werkzeuge has designed a new brochure tailored to suit this particular market segment.

The product overview, which was created in cooperation with Michael Grenz, the WITTE representative for Russia, provides brief, compact information on our range of products and services as a German premium manufacturer. Our objective is to increasingly establish the WITTE Werkzeuge brand in this market and to provide information to our existing customers in trade and industry, for example at trade fairs. Tools that bear the "Made in Germany" label still stand for high quality on the Russian market, too. WITTE Werkzeuge, as a manufacturer of German-made

hand tools, advertises in its new brochure with the slogan „Качество – имеет имя!“ which means “Quality has a name.”

The brochure features a compact range of products specially adapted to suit end customers in Russia as well as brief, concise information on the efficiency of the company.

The diversity of the markets will make specific marketing information necessary in the future. This particularly includes product-specific flyers which are specially adapted to the markets apart from the main catalog and put the spotlight on certain tools. More than ever in this increasingly difficult economic climate our focus is on precisely recognizing the requirements of the customers and addressing them as closely as possible.

Uwe Kittling



Looking back at 2009

↗ That was the first half of 2009



1. + 2. 28 ROTOPRESS vehicles in front of the government palace in Baku **3.** Peter Kern, winner of the FAUN Skiing Olympics 2009
4. Skiing 2009 – Viatec Team **5. + 6.** Mayor of Bremen Jens Böhrnsen and District Administrator Dr. Jörg Mielke visit FAUN **7.** Participants in the Junior Management Program meet to exchange ideas at FAUN Viatec **8.** Contract signing with the Turkish army for delivery of 40 units HGMS **9.** Moving forward in the right vehicle: Economy Minister Dr. zu Guttenberg drives a FAUN hybrid vehicle **10.** BDE East association meeting as guests at FAUN Viatec **11.** With 17 vehicles at the Daimler "Communal Live" in Hanover, Germany

We grab your waste by the horns!

↗ Osterholz-Scharmbeck. During the Road Show 2009 prospective FRONTPRESS buyers had the chance to test this bull of a waste collection vehicle for themselves free of charge for a whole day in their own collection areas.



The FAUN front loader FRONTPRESS is mainly designed for collecting commercial and industrial waste. During this special road show FAUN gave disposal companies the chance to experience the advantages of the FRONTPRESS at first hand. After the ROTOPRESS Tour 2007 this was the second road show organized to demonstrate FAUN vehicles and, according to Burkard Oppmann, Sales Manager Germany, the strategy is proving to be both effective and successful. "Customers have to drive and try out our vehicles for themselves. Payloads, compaction and manageability all play a major role. I can only be enthusiastic about and convinced by a product I've tried myself."

With a 33-m³ volume on a three-axle chassis and a 4,200-mm wheelbase, the vehicle is extremely maneuverable. The FRONTPRESS is an impressive combination of strength and volume that likes to flex its muscles at every opportunity. The one-man operating concept means this bull can be tamed by one single person, who enjoys all the advantages of variability, comfort and safety.

The FRONTPRESS has an end-to-end broad body width that includes both the filling section and the reservoir, an optimized ejection and compaction plate as well as lateral roof hatches featuring a new hydraulic control system to avoid paper or other waste from being blown about while emptying. The FRONTPRESS hydraulic control system is capable of handling all commonly used waste bins ranging in size from 1.1 m³ to U5 containers.

The front loader can also be optionally equipped with a fork-mounted weighing system or a special facility for 1.1-m³ bins that can be picked up either using collapsible arms or via a comb and secured with suction cups. Furthermore, the comb pick-up enables the FRONTPRESS to handle 240-liter bins as well.

The FRONTPRESS also features a low-wear, low-consumption variable pump ready to deliver full performance at any time to make sure this vehicle's animal power can be efficiently applied throughout its long service life. The FRONTPRESS compaction principle is amazingly simple. The compaction plate is driven by a twin crossover cylinder system that presses the collected waste in partial strokes with 30 tons of pressure and also acts as an ejection plate when fully extended. Thus the weight is optimally distributed across the entire vehicle. Just like every bull, the horns of the FRONTPRESS are its pride and joy! The gripper arms are attached and secured to the rotating shaft, thus taming its great strength, which can be precisely controlled by joystick from the driver's cab – for all available types of fork.

The rapid clearance of the waste emptying section and the variable size of the tailgate ensures the FRONTPRESS makes an impressive exit and leaves its mark in any arena!

FAUN FRONTPRESS on tour



A vehicle that will one day be standard

↗ Osterholz-Scharmbeck/Aachen. The ROTOPRESS DUALPOWER concept: braking means energy!

The innovation:
FAUN ROTOPRESS DUALPOWER

"A vehicle that will one day be standard," said Jens Böhrnsen, Mayor of Bremen, after test-driving the FAUN ROTOPRESS DUALPOWER hybrid waste collection vehicle. During a joint visit with the District Administrator of the Osterholz-Schambeck district, Dr. Jörg Mielke, Dr. Johannes F. Kirchhoff was able to convince the President of the Senate to take a seat behind the wheel of the quiet waste collection vehicle.

However, Böhrnsen is not the only one to be convinced by the concept. Gerhard Künzel, Purchasing Director for Technology and Workshops of the Aachen city service agencies, is also putting his faith in this new technology. Aachen is working together

with FAUN in the testing of the DUALPOWER. "We are always looking for ways to support alternative measures for maintaining air purity. The principle of energy recovery works, and when we had the opportunity to promote this innovation, we said yes," said Künzel. In a preliminary phase, Aachen will be covering a clearly defined route with one conventional ROTOPRESS. The DUALPOWER has been collecting waste in this region since mid-February. FAUN and the city service agencies are supported in evaluating the measurement data by the Aachen Institute for Automobiles (ika) at the Aachen University (RWTH). Not only the agencies of Aachen but, above all, those at FAUN itself are eagerly awaiting the results. If the simulations of the ika are to be



Okke Heick (left) and Leif Börger (right) both from FAUN, were crucial in the development of the DUALPOWER. Here they hand the ROTOPRESS over to Gerhard Künzel of Aachen city services.



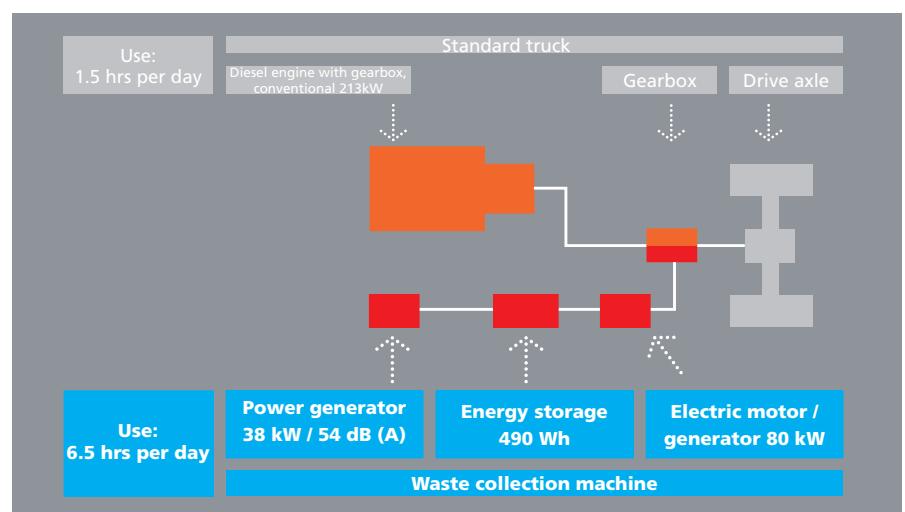
Experiencing that DUALPOWER feeling at first hand: At the Communal Live Reinhold Leiprecht (Sales Manager Communal Vehicles Daimler AG Sales Organization Germany) (2nd from l.) and Michael Dietz (Director Sales Authorities, Direct Customers, Special Vehicles Daimler AG Sales Organization Germany) (3rd from l.) were treated to a demonstration of the hybrid waste collection vehicle by Burkard Oppmann (FAUN) (far left) and Peter Knüfermann (FAUN) (right).

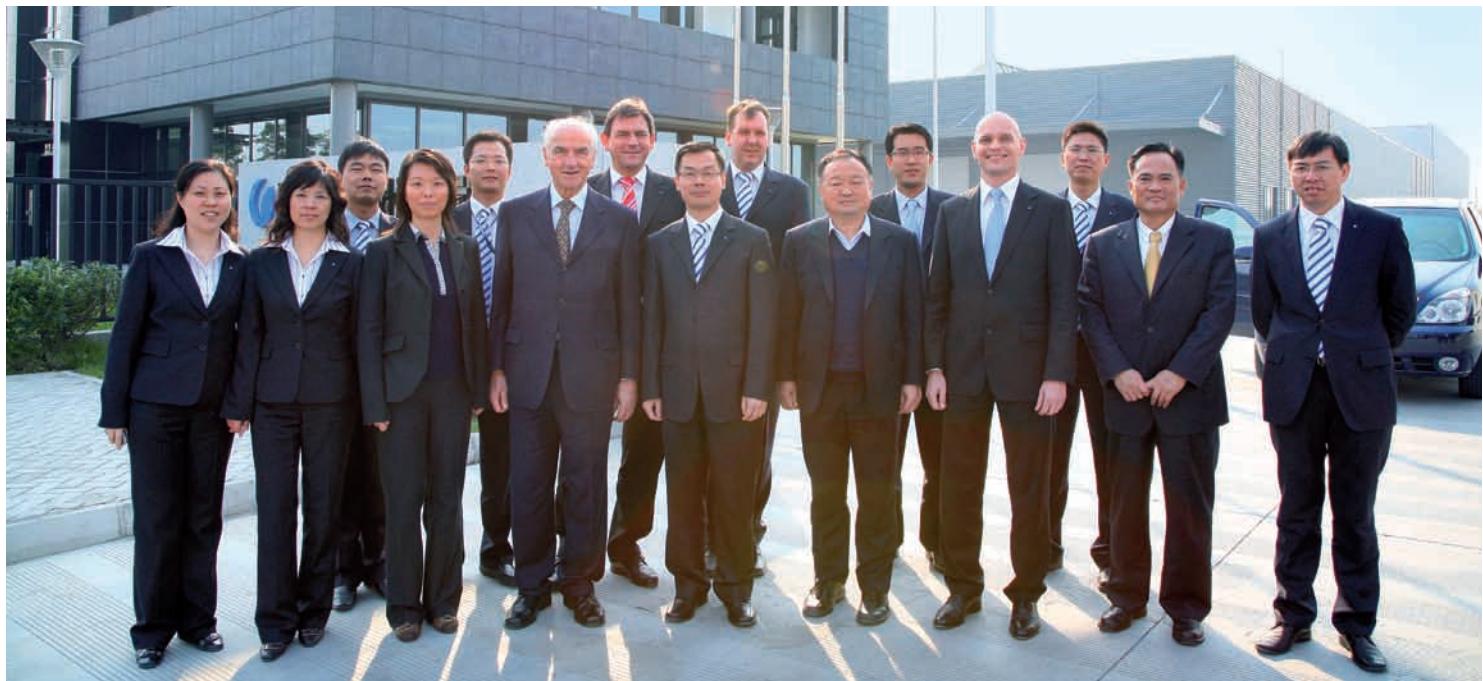
believed, expectations are likely to be surpassed by a broad margin. The next steps have already been taken. FAUN has made an application to the Federal Ministry of Economics for financial support in the building of a small series of over 20 hybrid waste collection vehicles.

ROTOPRESS DUALPOWER

In this drive concept, the entire braking energy of the many "stop-and-go" phases of a waste collection vehicle during collection is recovered and used to power the vehicle's engine, body and lifter. This makes it possible to save more than 30% in fuel and therefore emissions, including CO₂.

Claudia Schaeue





Proprietors visit company sites in China

➤ Suzhou/Shanghai. Expansion of Chinese-German relations

During a joint visit by Dr. Jochen F. Kirchhoff and Dr. Johannes F. Kirchhoff in China at the end of last year, the schedule included visits that were as pleasant as they were constructive. The main purpose of the tour was to form an impression of existing projects and to hand over a new ROTOPRESS to the City of Beijing. The two proprietors were accompanied by Patrick Hermanspann, FAUN Executive Manager, and Lide Chen, FAUN Representative for China.

Suzhou

The tour commenced with a visit to the new KIRCHHOFF plant in Suzhou, which opened in June 2008. This newest KIRCHHOFF Automotive site manufactures pressed parts for various companies, including MAZDA, AUDI and OPEL. Dr. Jochen F. Kirchhoff was visibly pleased by the accomplishments of the young team and congratulated Executive Manager Daniel Cheng heartily on the progress made so far.

Shanghai

In Shanghai, Drs. Kirchhoff Senior and Junior spoke with the Director of the Shanghai Chamber of Foreign Trade, Bernd Reithmeier, about expanding joint economic interests. The guests obtained greater insight into Chinese waste disposal logistics during their visit to the "Shanghai Waste Transfer Station".

Beijing

The official handing over of a ROTOPRESS to the waste disposal company BESG in Beijing was the highlight of the 7-day trip. FAUN proprietor Dr. Johannes F. Kirchhoff presented the keys of the demonstration vehicle to the BESG executive managers.

The ROTOPRESS will be used for collecting household refuse. The advantages of the ROTOPRESS are especially useful in view of the composition of the garbage, which consists primarily of food waste: 1,000 kg more payload, substantially lower operating costs than a comparable waste collection vehicle using compaction plate technology and long-term sealing for the collection of wet waste.

Claudia Schaeue



In position – the official transfer of the ROTOPRESS demonstration vehicle: FAUN proprietor Dr. Johannes F. Kirchhoff (center), representatives of the City of Beijing, Mr. Shao (2nd from right) and Mr. Cui (right) – President and Vice President of BESG



The ROTOPRESS for the waste disposal company BESG in Beijing in front of the "Bird's Nest" olympic stadium



Mr. Jiang-Weidong (left), Chairman of the Wuzheng Group, a vehicle manufacturer, in discussion with Dr. Jochen F. Kirchhoff



J. Alun Jones (l.) presents a framed picture of TRACKWAY to Lt. Colonel Bo-Anders Jensson as a memento. Alan Jones from Team TRACKWAY is on the right.

FAUN TRACKWAY team's timely success in Sweden

➤ Llangefni/Eksjö. TRACKWAY from FAUN MV on the road to success

The FAUN TRACKWAY team, the Defence Division of FAUN Municipal Vehicles Ltd, has successfully completed the first phase of a major contract to supply TRACKWAY Heavy Ground Mobility System (HGMS) units to the Swedish and Swiss armed forces. As a result of the successful delivery and timely completion J. Alun Jones, FAUN Managing Director, and members of the UK TRACKWAY team participated in the official handing over of the equipment to the Swedish Armed Forces on the 21 April 2009 at Eksjö Barracks in Sweden.

The first phase was to supply a total of nine HGMS units to Sweden. Each unit consisted of 100 metres

of TRACKWAY, the aluminium Class 70 panels that make the roadway, a TRACKRACK system for the launch and recovery of the roadway and a SPOOL-RACK to carry additional road lengths to replenish the launch system. Brigadier Anders Carell, Chief of Land Forces Swedish Army carried out the formal hand-over of the equipment to Lt. Colonel Bo-Anders Jensson, Deputy Commander in Chief of the Engineers Regiment.

The Armed Forces of Sweden and Switzerland have created a unique joint purchasing project together for the first time. Marcus Rubbi, Armussuisse, the purchasing partner from Switzerland said, *"This was the first time Switzerland had*



In focus – TRACKWAY demonstration at the military base in Eksjö

entered into such a co-operation with another country and it was surprising how successful this had been. I am sure this template will be copied on future projects.” The contract will supply a total of 32 HGMS units to the two countries.

During the presentation Brigadier Carell commented how unusual it was to have a project delivered ahead of time. FAUN invested £ 200,000, which was partly funded by the Welsh Assembly Government, to install a new production line. “*To facilitate this project we needed to invest in equipment including jigs and fixtures and importantly trained staff who were a key factor in the timely success of this project,*” said J. Alun Jones.

J. Alun Jones made the final speech and presented a framed picture of HGMS to Lt. Col. Bo-Anders Jansson. The TRACKWAY was then demonstrated and Brigadier Anders then recovered the roadway using the TRACKRACK system.

“I am delighted that both customers are satisfied with our excellent product and impressed with its early delivery,” said J. Alun Jones. “It is a great feeling to exceed our customer’s expectations especially and be involved in an innovative joint procurement project.”

Jo Quinney/Rachael Hobbs



FAUN puts rugby team on track

↗ Llangefni/Valley. TRACKWAY from FAUN MV for the Black Hawks

Chris Kendall (l.) in front of an ALPHA jet fighter handing the coveted check to Andy Kenney (officer responsible for the rugby team at RAF Valley as well as training and development officer)

FAUN are sponsoring RAF Valley Rugby Club by providing them with a cheque for £1,000 to purchase a new kit.

Chris Kendall, TRACKWAY Business Development Manager, visited Valley with the team to present Sgt. Andy Kenny, OIC of Station Rugby with the sponsorship cheque on 9th December 2008.

The rugby team at Valley is combined with players from RAF Shawbury where most of the home games are played. Chris said: *"It is great to be involved with the RAF, who benefit from using the TRACKWAY Rapid Runway Repair product and raise product awareness."*

Claudia Schaeue



TERRAJET for the capital's airport

↗ Grimma/Berlin. Airfield sweepers from FAUN Viatec ensure safety at Berlin-Brandenburg International Airport (BBI)

As part of the restructuring of Berlin's Schönefeld Airport into the new BBI capital city airport, the airfield safety department has purchased two large FAUN-brand sweepers. The TERRAJET airfield sweeping vehicles have been specially acquired for cleaning the runways. The 9-m³ container, the two suction and three blowing jets as well as permanent magnets guarantee that absolutely nothing is left lying around on the runway.

BBI Airport (Berlin Brandenburg International)

The Schönefeld airport has been under expansion to become the new BBI capital city airport since September 2006. As of 2011, the entire air traffic of the Berlin-Brandenburg region will be concentrated at this airport in the southeast of the city. The Tempelhof airport was closed on 30 October 2008 as one of the first steps in this process. The Tegel airport will also be closed in 2011 when the BBI opens.

FAUN TERRAJET

(Source: www.berlin-airport.de)

Claudia Schaeue

62 VARIOPRESS IIs for a megacity Hong Kong

↗ Hong Kong. European market leader scores some big points in Asia



FAUN VARIOPRESS 2.30 m wide on twin-axle chassis

Detailed questions: representatives of Zung Fu and FAUN met in January for a technical discussion that clarified chassis specifications (from left to right): Wilson Lam (General Manager Commercial Vehicles Division Zung Fu Company Ltd.), Tim Collet (FAUN Sales Manager), Michael Lee (Chief Executive Zung Fu Company Ltd.),

Dr. Armin Vogel (FAUN CEO), Patrick Hermanspann (CEO FAUN Services) and Matthias Kück (FAUN design)



Michael Lee and Dr. Armin Vogel at the signing of the contract

Patience, endurance and strength are the keys to success in the Chinese Year of the Ox. That was the prophecy of our Chinese partners and it is turning out to be true. After the City of Hong Kong made the decision in December for the combination of MERCEDES and FAUN, a few more months of intensive negotiations were required to agree on the final details with the MERCEDES dealer Zung Fu. A total of 62 VARIOPRESS IIs specially designed to suit the narrow Hong Kong streets will be delivered to the waste disposal companies of the megacity in the course of the current year.

FAUN CEO Dr. Armin Vogel: *"After years of abstinence, we are happy to have finally received a large order in the Asian region that will have a resounding impact on the entire area."* A considerable effort was necessary in achieving this because the requirements of the customer could not be met with existing narrow models. Almost one year ago the decision was made to offer Hong Kong the then still new prototype VARIOPRESS II in a narrower and smaller version as well. *"In only four weeks we developed a concrete offer for a new vehicle from a vague idea, calculated a price, and thereby turned around and won a race that seemed like it had already been run,"* says FAUN Sales Manager Tim Collet, not without pride. *"The unconditional support of our colleagues from Osterholz and the readiness to take new paths were there from the very beginning and paid off in the end. You can really get something done with a team like that,"* adds Collet. The order is also an excellent

example of good cooperation with the MERCEDES representative Zung Fu Company Ltd. in Hong Kong, who was also our partner for FAUN's last success in the southern Chinese metropolis 12 years ago. An important factor in being awarded the contract was certainly the good reputation of Zung Fu as a service partner and the high quality of the VARIOPRESS vehicles, which were then delivered by FAUN Municipal Vehicles Ltd. and are still in daily use today.

Large volume, narrow footprint. At only 2.3 m in width, the new VARIOPRESS II is optimally suitable for the often very narrow streets of the city. The ambitious targets in terms of payload were achieved due to the light, curved body design and the new EVO II tailgate section. Delivery will be made in three lots: one lot of 43 units with 10-m³ bodies on twin-axle MERCEDES chassis and one lot of 13 units with 18-m³ bodies on 3-axle MERCEDES chassis are technically very similar. In addition, six 10-m³ bodies will also be delivered with conventional design. All vehicles will be supplied with the new FAUN CONTROL SYSTEM (FCS). FAUN is thus the only vehicle body manufacturer currently capable of fulfilling the requirements for electrical protection class IP67 outside of the driver's cab: all electrical connections are watertight, which is an extremely persuasive argument for the reliability of the vehicles in the wet tropical climate of Hong Kong.

Claudia Schaeue/Tim Collet

New sales manager on board

↗ Iserlohn. Strong people at FAUN



ROTOPRESS for the islands across the wind

↗ Martinique. FAUN delivers 26 vehicles to the Caribbean



The team at FAUN Expotec, the export branch of FAUN Umwelttechnik, has been strengthened by the addition of Eric Van Velzen, who will be primarily serving Scandinavia, the Czech Republic, Slovakia and the Gulf States. Originally from the Netherlands, Mr. Van Velzen comes to us from a rival company where he worked for eight years both in marketing and in various international sales positions.

Van Velzen knows the international waste disposal market well and learned sales work on the job after completing his technical and business engineer studies. The 41-year-old reports directly to CEO Dr. Armin Vogel.

The enthusiastic pilot and rower is looking forward to the job: *"I can continue to serve many of my customers, and new ones will be added. The new sales regions, the FAUN team and the products will all make for an exciting challenge. I hope to be able to optimally apply my experience."* Van Velzen is married, lives in Zeewolde and is the father of two children.

Claudia Schaeue

In the French overseas department in the Caribbean, the dream destination of many a holidaymaker, the waste disposal company Fisér decided for the purchase of new waste disposal vehicles from FAUN.

By November, 26 ROTOPRESS on MERCEDES and RENAULT chassis will be delivered to the island paradise. True to the motto "A good example is worthy of emulation" and thanks to the first-class cooperation between our colleagues from FAUN Environnement and the team in Germany as well as our licensee MUT in Austria, the local waste disposal company Fisér was suitably impressed by the great success of the vehicles on the neighboring island of Guadeloupe. ROTOPRESS vehicles have already been in service for years in Guadeloupe, which is 250 km away. Both in the Caribbean and in Europe, an increasing number of waste disposal companies are opting for the decisive advantages of the ROTOPRESS concept as opposed to compaction plate technology. The deciding factors for Fisér were the following:

- short tailgate section,
- low body weight and
- low maintenance costs

Thus the new ROTOPRESS will be taking over from the previous compaction plate vehicles and from November onwards in the capital Fort-de-France we will happily be able to say: "Vive la FAUN."

Successful cooperation between Germany and France: Tim Collet (left) and Frédéric Lejeune (right)

FAUN Service strives for 100%

➤ Middlewich. Constant improvement in maintenance standards



A successful story: (left to right) Tony Lowe, National Service Manager FAUN Municipal Vehicles Ltd. and Andrew Towns, FAUN Fleet Engineer.

The FAUN service centre staff at Middlewich, Cheshire are celebrating a 100% first time pass rate for vehicles undergoing the UK annual MOT test over the last 18 months. New 'Workshop Management Systems' brought in by Andrew Towns, FAUN Fleet Engineer, have ensured that vehicles are kept roadworthy throughout their working life and are successfully passing, first time, the MOT (Ministry of Transport) annual test of vehicle safety and roadworthiness including exhaust emissions.

Depending on the maintenance agreement with VOSA, the Vehicle and Operator Services Agency, a vehicle has its regular inspection, service and maintenance every four, five or six weeks. *"When a vehicle leaves a FAUN workshop we strive to ensure it is of a high enough standard to pass its annual test,"* says Andrew. *"Our maintenance programme focuses on keeping vehicles safe and roadworthy, whilst ensuring the workshop operates efficiently and within budgetary constraints."* 45 vehicles are maintained at the Middlewich depot with 400



FAUN Service Team in Middlewich, Cheshire (left to right) Scott Howard - Workshop Foreman, Craig Smith – Workshop Fitter and Ricky Skolosdra – Workshop Fitter



(Left to right) Andrew Towns - FAUN Fleet Engineer and Scott Howard - Workshop Foreman
FAUN Middlewich

vehicles being maintained nationwide in the UK by a team of 50 FAUN service staff.

Tony Lowe, FAUN National Service Manager, says, *"We have a high level of skill and commitment in the UK service team and we are committed to attaining 100% first time pass rate."* The first time pass rate for vehicles maintained by FAUN in the UK was 75.1% in August 08, rising to 82.6% in December 08 and is currently at 92.4% to end of March 09.

Tony and his team have recently secured a contract to maintain 63 vehicles in the Southwest of England that begins in June 09. *"Our customers have been impressed by our commitment to pursuing a 100% MOT first time pass rate," says Tony.*
"Andrew and the FAUN Service Centre staff throughout the UK are working hard to raise the standard."

Jo Quinney



Education as success factor

↗ Berlin. Knowledge is power. Formation of the academy for communal vehicle technology

Contact: AKT – Akademie für
Kommunalfahrzeugtechnik GmbH
Kalckreuthstraße 4, 10777 Berlin

office@kommunalfahrzeuge.biz
www.kommunalfahrzeuge.biz

Tel.: +49 30 31582-450
Fax: +49 30 31582-400

This fact was already well known to the ancient Romans and is not only a prevalent way of thinking since Francis Bacon and the Age of Enlightenment. The formation of the academy for communal vehicle technology has given birth to an institution that offers professional further training programs for those employed in the waste disposal industry. Waste disposal industry employees are to be specifically instructed by means of training courses, seminars and qualification measures. It is this specialization in communal vehicles in particular which makes the training courses, seminars and qualifications offered by the academy different to others conceived merely to comply with the law. Employees should thus be able to identify themselves even more strongly with their companies and perform their duties in a spirit of motivation.

Burkard Oppmann and Dr. Hans-Peter Obladen are joint directors of the fledgling knowledge academy. Thus two of the industry's foremost experts have suitably joined forces. Dr. Obladen is a professional educator and, as managing director of the company Dr. Obladen and Partners, is principally concerned with education and personnel development. In addition he is deputy speaker of the development association VKS within the VKU. Burkard Oppmann is well-known to regular readers of K-MOBIL as Managing Director of FAUN Services GmbH and Sales Manager of FAUN Germany.

Claudia Schaeue



Meat is better than fish!

↗ Osterholz-Scharmbeck. FAUN team wins the District Savings Bank Open in the German Barbeque Championship

Savory barbecue aromas and a will to win were in the air in Osterholz-Scharmbeck on 16 and 17 May 2009. The small town in Lower Saxony was the venue of the 14th German Barbeque Championships. Apart from the official barbecue competitions for the selecting of the professional and amateur barbecue champions, the town councilors also put on a "barbecue and fun" competition for local companies and clubs, which was sponsored by the town's local savings bank. This was a great chance for FAUN to show that not only does it have strong women at the cooking range, it also boasts great men at the barbecue. The team that FAUN put together did its name proud! The FAUNtastics took the title with their hot poultry burgers and deliciously filled peaches. Thus the FAUN team, led by barbecue chef Torben Hedenkamp, qualified for the amateur class of the German Barbeque Championship 2010, which will be held in Gotha, Thuringia. Hot stuff!

Barbeque between the horns

FAUN also insisted on providing a further attraction to contribute to the success of the barbecue championships. On that weekend the FAUN staff barbecued on their own personally constructed FRONTPRESS barbecue. The idea was conceived and constructed by Matthias Kück and then optimized and extended by Torben Hedenkamp and the FAUN apprentices. Many of the guests were more interested in the design of the barbecue than in the sausages being grilled on it.

The FAUNtastics at the barbecue. From left to right: Stefan Kropp, Torben Hedenkamp, Matthias Kück, Michaela Kurk, Melanie Panhans, Edeltraut Riebensahm, Jonas Meyer, Frank Tomassek, Malte Heißenbüttel – not in photo: Kevin Williams and René Brose

Claudia Schaeue

Girls' Day – day of the future – not only for girls

↗ Osterholz-Scharmbeck. On Girls' Day everybody goes to FAUN



23 girls and boys took advantage of the 23 April 2009, the so-called nationwide day of the future, Girls' Day, and accompanied their parents to their places of work.

Curious about where and how their parents work, they spent a day at the plant of waste collection vehicle manufacturer FAUN. The eight- to fourteen-year-olds were welcomed by General Manager Thilo Bollenbach, who showed them the various departments of the European market leader. In the course of an entertaining "paper chase" through the production, the children saw how a waste collection vehicle was manufactured and then had to answer

ten questions in a quiz. They were accompanied by FAUN trainees Jan Tapking, Christian Dost, Malte Heißenbüttel and Jonas Meyer under the keen supervision of personnel specialist Isabel Müller.

The inquisitive children asked a great many questions and then they were all allowed to take a trip in a VARIOPRESS on an Econic chassis with Matthias Pleep and Heinz Becker after touring the plant.

The prize giving for the smartest competitors in the quiz took place in the presence of the proud parents.

Claudia Schaeue

You live and learn – REFA training course successful

↗ Osterholz-Scharmbeck. Two years' intensive study of work organization



On 24 April, after two years of learning, and teaching, 16 FAUN employees received their certificates from Hans Stammerger (REFA Training Director, Bremen) and Markus Palluch (FAUN Production Manager and Chairman of the Bremen REFA Association).

That was the conclusion of the REFA "Work Organization" basic training course. Components of the course, which the employees completed while also working, included work system and process design as well as process data management. Work organization and work design methods were also taught, always closely following the example of vehicle production at FAUN.

The REFA Association for Work Design, Company Organization and Company Development e.V. (founded in 1924 as the Imperial Commission for Working Time Determination) is Germany's oldest and most important organization when it comes to work design, company organization and company development as well as on-the-job training. The association has approximately 16,000 members and is based in Darmstadt. For further information please go to: www.refa.de.

From left to right: Hans Stammerger, Ingo Köppe, Andreas Meier-Klar, Holger Kück, Max Förster, Andreas Renken, Michael Häseker, Bernd Janßen, Jens Schnaars, Bernd Neumann, Karl-Heinz Kabbeck, Thorsten Klaus, Nils Speckmann, Jens Stüber, Thorsten Sasse, Ralf Oldenburg, Markus Palluch – not in photo: Nicole-Patrizia Pelka

Claudia Schaeue

Have you had a new idea today?

↗ Claudia Schaeue spoke with Nicole Wedel, CIP Manager at FAUN, for K>MOBIL.

What is the history of the continuous improvement process (CIP) at FAUN?

The continuous improvement process (CIP) was first implemented at FAUN in 2008. The management took the decision to install an independent CIP department at FAUN as a staff unit responsible to the Production Manager.



Nicole Wedel discussing ideas with Max Förster, who is responsible for reworking in the assembly department

When was the continuous improvement process (CIP) first implemented at FAUN? Tell us about the history and development of the ideas management system.

The company suggestion system (CSS) and CIP have been around for years at FAUN. Unfortunately these were not "living" instruments, but rather more like requirements of no particular importance. Their priorities were clear, but time and responsibilities were lacking.

However, our production processes and the unique vertical range of manufacture indicated a long-term need for a sophisticated and comprehensive CIP management system. For this reason in 2008

the management took the decision to install an independent CIP department at FAUN as a staff unit responsible to the Production Manager.

CIP at FAUN comprises:

- Ideas management
- Workplace organization
- Product improvements
- Continuous reduction of unscheduled deviations
- Process optimization
- Quality assurance

The change commission meets once a week and assesses the suggestions. Responsibilities for implementation are specified at the meetings as to whether it concerns the design department, the QA system, purchasing, etc.

Ideas management:

- Division into CIP and CSS suggestions for vehicles and production
- The employees themselves decide whether they want their suggestion honored monetarily or whether their idea should flow into production as a corrective change.
- The goal for the end of the year: approx. 1.5 ideas per employee per year

Organization at the workplace:

- Suggestions for improving the workplace

Product improvements:

- Monthly CIP meeting, which is always called regarding a specific FAUN product. A wide variety of topics are discussed (e.g. hydraulics, standardization etc.)

- Suggestions resulting from this are incorporated in the ideas management system

Continuous reduction of unscheduled deviations:

- The term "deviations" covers interruption times in production and additional efforts during production. The total amount of the deviations is assessed weekly by department
- Specification of measures for reduction or elimination with the foremen for whom the highest deviation hours were determined.
- CIP potential is sought weekly based on the additional efforts

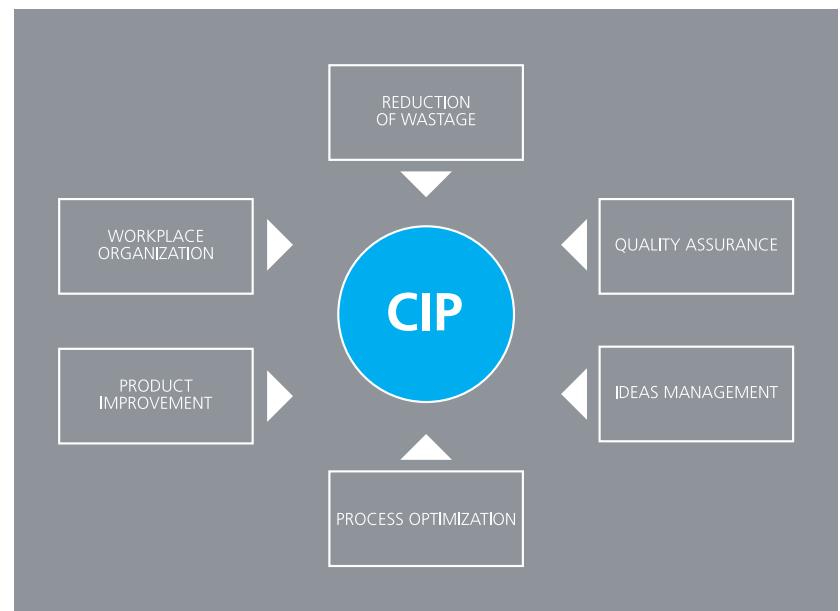
Process optimization:

- Projects for improvement of the production process (e.g. layout planning)
- Automated processes for more efficient production (e.g. new equipment)
- Optimization of the information flow and the throughput processes

Quality assurance:

- Measures are specified weekly to maintain and improve the level of quality
- Change proposals resulting from this are processed in the change system

Nicole Wedel continues: The CIP and the listed measures require the individual responsibility of the employees and have a positive impact on motivation and cooperation both within and between departments. Employees are allowed to design their own workplaces and the process increases identification with the company. Measurable variables also play a role: improvement of quality and reduction of



waste. Last but not least, productivity needs to be improved so that we are economically better positioned and remain competitive, particularly in these times.

Claudia Schaeue

Synchronously into a prosperous future

↗ Osterholz-Scharmbeck. Introduction of synchronous production at FAUN: a project with great implications for the future was started at the main FAUN plant on 10 November 2008.



The team (from right to left):
 Freddie Gehlken, Jens Hastedt,
 Bernd Neumann, Nicole Wedel,
 Michaela Kurk, Tanja John,
 Markus Palluch, Karl Köhn

The “push” control system previously used in the production department was changed over to a new “pull” control system in one single concerted effort. Motivated by the vision of achieving synchronous production, a completely new concept of production management was introduced during what was literally one “power week”.

Reasons for the changeover:

- Due to the enormous increase in the production rate, the planning activities had reached a scope which had become too complex and therefore too instable.
- The flexibility of human resources planning had to be increased in order to react to the order situation more promptly.
- High levels of stocks (work-in-progress, WIP), rescheduling activities and material shortages were to be reduced through synchronous production in steel construction. The basis for this is a complete (synchronous) transfer from one area to the next.

An interdepartmental project team, which worked exclusively on this complex task for a period of one week, was assembled under the direction of Project Manager Markus Palluch.

After a two-day analysis of the actual situation, the project team set itself the following challenging goals:

- Continuous and complete material flow
- Generation of correspondence between steel construction components in order to reduce WIP stocks
- Reduction of finished stocks by 1,000,000 euros
- Reduction of unproductive hours by 20%

Extensive analyses and measures derived from them for restructuring in the shortest possible time were necessary to achieve these goals:

- Value stream mapping, order processing and production management process
- Detailing of human resources planning process
- Finalization of finished goods
- Stock reduction WIP



The following measures for achieving the mentioned goals were presented on the third day of the “power week”:

- Introduction of a new visual control system according to the pull principle (value stream design, VSD) on the basis of an order-related tracking card from steel construction to assembly and thereby the creation of the desired correspondence between the individual production stages.
- Introduction of a systematic problem-solving system to optimize the human resources planning process. Changeover from monthly to weekly human resources planning to increase flexibility and speed of reaction to the current order situation.
- Introduction of a daily information meeting of all departments involved in the active production process in order to promptly perform the tasks.

All prerequisites for achieving the stated goal were implemented by the fifth day of the “power week”. The result generates a saving of 1,500,000 euros.

Summary

The project team was proudly able to present the result of this concentrated effort at the end of the year. The success of the campaign also created ambition within the team to perform additional interdepartmental optimizations based on this method in the future.

Additional projects for optimizing production based on the principle of lean production are currently under consideration.

Markus Palluch



WE.MOVE.FUTURE.

 **KIRCHHOFF**
GROUP

KIRCHHOFF Group | Stefanstraße 2 | 58638 Iserlohn | Telephone: +49 2371 820-00
Fax: +49 2371 820-222 | E-mail: info@kirchhoff-group.com | www.kirchhoff-group.com