

Thuringia Focus

INTERVIEW

Interview with Ralph Dausch, Managing Director of Kaufland Fleischwaren GmbH, about the decision to build a state-of-the-art meat center in Thuringia:

What made you choose Thuringia and Heilbad Heiligenstadt as a business location?

“A location decision always requires a great deal of responsibility, diligence and far-sightedness. Several factors played a key role when we compared sites: logistics infrastructure, access to motorways, workforce availability and land suitability. Heiligenstadt meets all these criteria as a location for our meat plant.”

On September 10, you officially started construction on the new meat plant with the first symbolic cut of the spade. The plant is scheduled to be commissioned in 2013. Can you keep to this schedule?

“Construction work will be finished by the end of 2012. The equipment will be installed and tested as we complete the various construction stages. Then, in the spring of 2013, we plan to start producing around 250 items that are made fresh each day.”

How many people will you employ at your new Kaufland meat plant?

“We will create around 400 new jobs at the Heiligenstadt location.”

Will total investment stay at EUR 85 million?

“We will even exceed this sum. Our total investment is around EUR 90 million.”



A sought-after address not only with Kaufland Group: Thuringia takes the top spot in the state rankings of “Site Selection”, thus positioning itself as one of the prime investment locations in Europe.

Site Selection: Thuringia is Top

In the latest ranking of the best states to invest in, Thuringia took the top spot for the third time in a row – putting it squarely in the focus of large corporations.

Thuringia is the best investment location in Germany and Western Europe, according to “The 2010 Global Best to Invest Ranking”, a study recently published by Site Selection, a U.S. trade journal. Thuringia took first place within Germany for the third year in a row – ahead of North Rhine-Westphalia and Berlin. Site Selection, which advertises itself as the world’s leading print medium for location management, analyzed several data sources on the economic attractiveness of more than 1.000 sites. It weighed several criteria,

including the sites’ track record of attracting capital investment and creating jobs in the past year.

“Thuringia has plenty to offer companies thanks to its ideal investment environment.”

Thuringian Economics Minister, **Matthias Machnig**

Thuringia is already gearing up to take first place in the next Site Selection ranking: Bosch GmbH, for example, plans to build a center of competence in Eisenach for developing and manufacturing lithium-ion batteries for stationary maritime applications. Initially, this will create 80 highly skilled jobs, keeping Thuringia in the lead in green tech, too. (td/kö)

Daimler AG Invests in Thuringia

Daimler AG's vehicles will soon have a bit more Thuringia in them. This September, the global corporation announced the construction of a new production facility at "Erfurter Kreuz", an industrial estate near Arnstadt.

The carmaker plans to invest EUR 90 million in building its new production facility, where engine components for passenger vehicles are expected to start rolling off the production line as early as next year. By locating at the Erfurter Kreuz industrial estate, the newcomer, which does business as MDC Technology GmbH, will be in perfect company. Since 2006, a number of other large corporations – including Bosch,



Clean cars: Daimler expands its production of fuel-efficient engines at the "Erfurter Kreuz" industrial estate.

BorgWarner and Schenker – have set up business at the large industrial estate developed by LEG.

The cornerstone for the 12.500 square meter factory is scheduled to be laid this year. Starting in 2012, a crew of 80 people will start making cylinder liners in aluminum crankcases with Nanoslide twin-wire arc spraying technology. This coating process, developed specifically by Daimler, reflects growing demand for low-impact, environmentally friendly engines. "We are proud that a global corporation such as Daimler has based its production facility for state-of-the-art technology in Thuringia," said Thuringian Economics Minister Matthias Machnig.

Back in July, Daimler and its Japanese partner IHI had agreed to expand IHI Charging Systems International GmbH (ICSI). This joint venture, also located at Erfurter Kreuz, plans to further expand the production of fuel-efficient turbochargers. "After only two years of successful operations, we are delighted to be expanding the Ichtshausen plant. Our excellent product quality and the attractive location have once again won the approval of our customers and our shareholders," said Jörg Steins, CEO of ICSI, giving the reasons for the decision in mid-July. The expansion is expected to cost nearly EUR 50 million. (kö)

i News

Erfurt – Thuringian companies and representatives of "Kinderbetreuung24", an LEG project to initiate childcare networks, met at a conference on October 5. Their meeting focused on ways to provide more flexible – and thus better – care to children of shift workers. The participants presented specific applications that used model projects and best practices and discussed the potential of these projects as a key asset for attracting the best engineers and managers.

Frankfurt am Main – Ten Thuringian publishing and media companies exhibited at a joint stand for the first time at the Frankfurt Book Fair from October 12 to 16, 2011. Organized by LEG on behalf of the Thuringian Economics Ministry, the joint project gave Thuringian publishers, particularly small and young ones, an opportunity to present their publications at Germany's largest book fair.

New Agency in the Competition for Talent

Thuringia steps up its skilled workforce activities: The new Thuringian agency for skilled labor recruitment (Thüringer Agentur Für Fachkräftegewinnung, ThAFF) has been courting commuters, immigrants and graduates for the Thuringian labor market since last April.

"ThAFF is a flexible tool that we intend to use to specifically reach out to specialists and secure a pool of skilled workers for Thuringia's companies," said Thuringian Economics Minister Matthias Machnig. The agency focuses on target groups that have not been sufficiently addressed by other institutions – students, vocational trainees, college students, commuters, returnees or soldiers, for example. This reflects ThAFF's main strategic thrust: to contact potential specialists and promote the benefits of living and working in Thuringia. It focuses on marketing Thuringia as a center for vocational training, college, business and employment. Since opening its

doors, the young agency has made overtures toward up-and-coming experts at universities, trade fairs and other events throughout Germany.

A second pillar is the targeted approach and support of skilled workers. The agency plans to organize a conference for Thuringian graduates this December. "academix 2011" is the first event of its kind in Thuringia and is expected to become a permanent platform for Thuringian companies to meet tomorrow's experts. The agency has also begun cooperating more closely with universities. That way, ThAFF's offers can reach college students and graduates. The third pillar is based on better networking between stakeholders and the institutions who want to activate and leverage Germany's skilled workers for the domestic labor market. ThAFF currently relies heavily on the internet, podcasts and social media – all highly effective tools for reaching out to young people. (td)

i Calendar

➤ **November 2 – 4, 2011**

AIRTEC – International Aerospace Supply Fair, Messe Frankfurt

➤ **November 16 – 19, 2011**

MEDICA – the world's largest medical trade fair, Düsseldorf

➤ **November 29 – December 2, 2011**

Pollutec Horizons – International exhibition for tomorrow's solutions to environmental and energy challenges, Paris-Nord Villepinte

➤ **December 14, 2011**

academix thüringen – 1st Thuringian Career Fair
Erfurt Congress Center

Networking on Three Continents

South Korea, Vietnam, the Czech Republic, Norway and Brazil – these five markets have moved to center stage in Thuringia's efforts to promote foreign trade. The State Development Corporation of Thuringia (LEG), which helps companies break into distant markets by organizing trips for business delegations, has planned several activities for the fall of 2011.

The main event will be a trip to Seoul, South Korea, headed by Economics Minister Matthias Machnig, from November 7 to 11. Most of the participants will be companies from the medical device, optics and renewable energy sectors. Visits to Korean companies, tours of high-tech projects in Korea's capital, and cooperation talks with Asian companies are also on the itinerary.

From October 24 to 28, 2011, Thuringian companies will attend a trip to Vietnam in cooperation with Germany Trade and Invest. Networking forums and visits to companies are also on the program and will help to further deepen longstanding contacts. Then, LEG department head Arnulf Wulff will lead the first-ever delegation to Sao Paulo and Rio de Janeiro from November 8 to 13, 2011.



LEG Thüringen maintains close relations all over the world. Already in 2008, a Korean delegation visited solar companies in Arnstadt. Now, entrepreneurs from Thuringia will travel to Korea.

“Our approach to succeeding in foreign markets is to show commitment and discover niches.”

LEG department head Dr. Arnulf Wulff

The trip will help gather the insights needed to vigorously cultivate the Latin American market. Brazil's recent strong economic

development and sports highlights such as the 2014 FIFA World Cup and the 2016 Summer Olympics provide an exceptional environment for Thuringian companies to step up their business activities in this attractive market. Environmental engineering and medical device companies in particular are invited to take part in this trip. (hw)

International Trade Day Prepares the Ground

The 5th Thuringia International Trade Day, to be held on October 20, 2011 from 9 a.m. to 5 p.m. in Weimar, promises to be a highly informative event for Thuringia's import/export industry. It focuses on five attractive foreign markets – Russia, South Korea, France, Czech Republic and Norway, features high-profile speakers such as the Thuringian Economics Minister and big-name political and business leaders from the five partner countries, and will welcome around 200 companies as guests.

The meeting will be moderated by Andreas Krey, Chairman of the State Development Corporation of Thuringia (LEG), which is organizing the event together with the Chambers of Industry and Commerce. This year, the Thuringian Economics Ministry will be starting “Thuringia International”, a new foreign trade program to further expand activities for the promotion of foreign trade. LEG department head Arnulf Wulff will be presenting its vision and mission at the International Trade Day. (hw)

Promoting Thuringia: Political Duo Traveling the U.S.

U.S. business and political leaders are among the regions most influential partners when it comes to encouraging investment on Thuringian soil and chalking up successes in foreign direct investment.



In conversation: Thuringian Minister President Christine Lieberknecht (l.) with Economics Minister Matthias Machnig (r.) and General Motors Chairman and CEO Daniel F. Akerson.

This May, Minister President Christine Lieberknecht, Thuringian Economics Minister Matthias Machnig and a delegation of roughly 20 politicians traveled to the U.S. for a week – with

big plans and full calendars in their luggage. They stopped, among other locations, in Detroit and Chicago in the U.S. Midwest. Here, Thuringia's politicians met with investors from General Motors and car parts supplier BorgWarner, discussed current developments in the automotive industry in workshops with high-profile participants, and talked about investing in Thuringia over a business dinner with U.S. economic experts. Their second goal was to promote Thuringia as a travel destination, cultural capital and home of the Protestant Reformation, which will celebrate its 500th anniversary in 2017.

The Minister President and The Economic Minister returned home with two cooperation agreements between Thuringia and the State of Michigan. The Nordhausen University of Applied Sciences and the Oakland University School of Engineering and Computer Science as well as the Thuringian Innovation Center for Mobility (ThIMo) and the Lawrence Technological University decided to collaborate on research into electromobility and renewable energy.

A Favorite among Logistics Providers

With its perfect combination of good geography, excellent infrastructure and developed industrial estates, Thuringia is a top location for logistics providers. This status was recently confirmed when Redcoon GmbH and the Rhenus Group decided to build new logistics hubs in Erfurt and Eisenach-Kindel.

Dachser, Norma, Schenker, IKEA and other companies have already discovered Thuringia as a premier logistics location. Now, Redcoon GmbH, a Media-Saturn subsidiary, has also sought and found an ideal location in Thuringia. The online retailer plans to invest EUR 58 million to erect a logistics center in the Erfurt Freight Village (GVZ) by 2013. "We looked everywhere, but no other place offers such a favorable environment for mail-order retailing as Erfurt," said Redcoon Managing Director Reiner Heckel, who decided to construct a logistics warehouse with up to 500 permanent jobs in Thuringia. For Heckel, what clinched the decision was not just the infrastructure, but also the close proximity to freight forwarders and the DHL parcel center.

"Erfurt has an outstanding logistics infrastructure that enables same-day shipping of orders received by 8 p.m.," said Heckel.

While Redcoon found the GVZ to be the ideal site for its warehouse, Rhenus CL Eisenach GmbH & Co. KG opted for an industrial estate in Eisenach-Kindel in western Thuringia. Work began on the 36.000 square meter logistics center in early September; the subsidiary of the European Rhenus Group already operates an equally large central warehouse in nearby Hørselgau. "After weighing all the advantages – an ideal geographical location, good traffic links and labor availability – we decided to site this facility in western Thuringia as well," said Jürgen Kempe, Managing Director of Rhenus CL Eisenach GmbH. "Positive investment decisions by Redcoon, Rhenus and other companies show that our region is highly competitive in the international market for business sites," said LEG Chairman Andreas Krey. And so the only question is: who will be moving to Thuringia next? (kö)



Thuringia is a prime logistics location: An increasing number of companies appreciates the region's attractiveness for logistics services.

i TECHNOLOGY NEWS

Metal Industry Meets

Thuringian metal processing and mechanical engineering firms have not only a long tradition, but also a key position in the region's economy. And mechanical engineering, with 20 to 27 percent growth in gross value-added, plays a particularly pivotal role in Thuringia's continued economic growth, according to the 2020 Thuringian Trend Atlas. To maintain this strong position in the future, industry representatives met at the Thuringian Metal Industry Conference held on September 8 in Erfurt.

Over 80 participants from business, politics and education accepted the invitation and discussed the current situation and future development opportunities at the event. Closer ties between businesses and the 2020 Mechanical Engineering road map process, scheduled to begin on the day of the conference, were absolutely crucial in everyone's eyes: they will ensure that the industry can better seize international market opportunities and protect and create jobs. (kö)

Global Greats: Thuringian Companies as Market Leaders

Thuringia is proud of the companies that call it home. They reflect not only the region's appeal as a corporate location, but also its position in the rankings of internationally active regions. The "Market Champions" project has identified 94 Thuringian companies as German, European and global market and technology leaders. Thuringia Focus will be profiling several of them.

The "world's most accurate coordinate measurement machine" is made in Thuringia – in Ilmenau, to be exact. In this university town, SIOS Meßtechnik GmbH produces the world's

most accurate and powerful nano-positioning and nano-measurement machine – the NMM-1 – making it one of the 100 most innovative German SMEs of 2008.

Since its establishment in 1991, SIOS has prided itself on its no-compromise approach to quality and precision. Length, angle, force, weight or vibrations – whatever you wish to measure, its laser-interferometric precision instruments can capture the tiniest measurement and guarantee precision down to the sub-nanometer scale. And that achievement has won the esteem of users worldwide in the

calibration, instrumentation and semiconductor sectors and attracted a growing following in the automotive industry as well.

SIOS owes its success to much more than its large, highly innovative R&D department, however. Its active relationships with customers and close collaboration with the Institute of Process Measurement and Sensor Technology at the Ilmenau University of Technology have enabled SIOS to develop new products and enhance proven ones. And that, more than anything else, is the secret behind the Thuringian company's consistently successful track record. (td/kö)

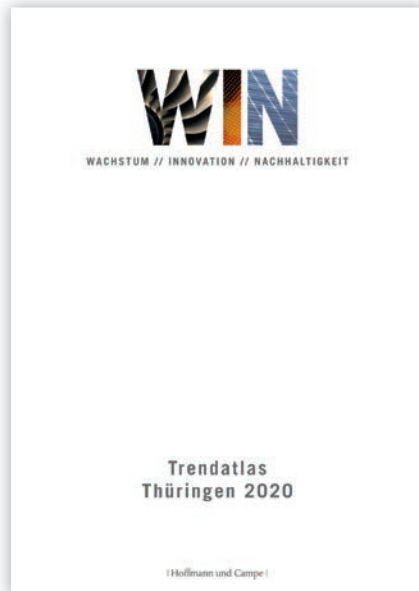
Focus on Future Economic Growth

This May, Thuringian Economics Minister Matthias Machnig presented the first “Trend Atlas” for Thuringia’s economy. It explores key fields of growth and recommends taking certain steps by 2020 – if Thuringia wants to remain one of Germany’s most dynamic economic regions.

All told, Roland Berger Strategy Consultants (RBSC) identified eleven promising fields of growth in Thuringia. Besides 30 global megatrends and nearly 260 trend fields, the consulting firm also scrutinized the region’s strengths and weaknesses and surveyed experts and entrepreneurs for the study. “All these efforts produced a growth strategy for Thuringia that focuses our scarce resources on a handful of promising fields of growth,” summarized the Economics Minister.

While the study touches on the tried-and-true, it does harbor a few surprises. Besides traditionally strong application and interdisciplinary technologies such as plastics, mechanical engineering, instrumentation and controls or the automotive industry, the consultants identified green tech, service robotics and creative industries as promising new fields where Thuringia could establish a strong position by 2020.

If the eleven fields of growth perform well, the region could see its gross value-added grow by up to 77 percent in the eight application and interdisciplinary technologies and by up to 100 percent in the other fields of growth by 2020. (kö)



The “Trendatlas 2020” identifies key industrial sectors that will ensure a sustainable future growth of Thuringia’s economy.

i Thuringia’s fields of growth at a glance:

- › Automotive
- › Mechanical engineering
- › Life sciences
- › Clean energy and energy storage
- › Plastics and ceramics
- › Instrumentation and controls
- › Microengineering and nanotechnology
- › Optics and optoelectronics
- › Green tech (not including energy production and energy storage)
- › Creative industries and edutainment
- › Service robotics

Green-Lighting

Scientists, politicians and business leaders joined forces to form Green Photonics Jena, a Fraunhofer innovation cluster. Their goal: to transform Thuringia into a green engine for not just mobility, but also optics.

“Low-impact, eco-friendly optical technologies offer enormous potential for growth. The Green Photonics innovation cluster aims to be an innovation engine for green solutions in optics and photonics,” said Professor

Andreas Tünnermann, the cluster’s coordinator and the Director of the Fraunhofer Institute for Applied Optics and Precision Engineering (IOF). Since May, the cluster – which also includes 22 companies from Greater Jena and researchers from the Ilmenau University of Technology, the Institute of Photonic Technology, the University of Jena and the University of Applied Sciences of Jena – has been identifying and leveraging savings opportunities in the optics industry.

Researchers are focusing not only on improving optical systems in power engineering and food and environmental sensors, but also on using LED technology for energy-efficient lighting. At the moment, the IOF is collaborating with asphericon GmbH to find a method for incorporating aspherical lenses into high-performance objectives. And on October 18 and 19, the cluster already started publicly presenting initial findings and innovations at the Green Photonics conference. (kö)

Good Grades for Thuringian University

Last April, Ilmenau University of Technology (TU Ilmenau) won accolades as one of the nation’s premier institutions of higher learning. WirtschaftsWoche ranked TU Ilmenau among the top ten German universities for all relevant majors and among the top five for two majors.

4th place in management information systems, 5th place in computer science, 6th place in industrial engineering and electrical engineering,

and 9th place in mechanical engineering and natural science – Thuringia’s only university of technology shines in the latest ranking of Germany’s best universities. Every year, WirtschaftsWoche, a business magazine, asks for evaluations of top universities from over 500 human resource managers at Germany’s largest companies in all industries. Once again, TU Ilmenau placed among the best in the country. “Clearly, our educational programs, which are solidly grounded in

theory and practice, meet the current and future needs of industry,” said TU Chancellor Prof. Peter Scharff.

Over 400 universities with around 9.000 majors compete for students in Germany. The HR ranking helps high school graduates, college students and parents choose the right university to attend. (td)



The beech forests of the Hainich National Park are listed as a UNESCO World Natural Heritage Site since June.



UNESCO Honors Thuringian Forests

The Hainich National Park in western Thuringia can now call itself a UNESCO World Natural Heritage Site. At the end of June 2011, the UNESCO World Heritage Committee recognized 1.500 Natural hectares of largely untouched forest in Thuringia as having special natural significance.

Thuringia's only national park is thus one

of four protected beech forests in Germany and part of the country's largest contiguous deciduous forest. As a World Heritage Site, the 7.500 hectare protected forest will be mentioned in the same breath with the Yellowstone National Park in the US, the Niagara Falls in Canada and the Galapagos Islands in the eastern Pacific. (td)

i Dates

› October 28 – 30, 2011

MelosLogos – 10th music and poetry event in Weimar with works by Paul Celan, Stefan George, Ossip Mandelstam, Olivier Messiaen and Arnold Schönberg

› November 25, 2011

“Starry Hours – Science at Night in Jena”

Pope Benedict XVI Visits Thuringia

Thuringia ranked right next to Berlin and Freiburg at the top of the itinerary for Pope Benedict XVI's 21st foreign visit. The head of the Catholic Church visited Erfurt and the Etzelsbach Pilgrimage Church in Eichsfeld at the end of September.

On September 23, 2011, Benedict XVI became the first pope in history to walk on Thuringian soil. After being welcomed by Thuringian Minister President Christine Lieberknecht, the Pope proceeded to Erfurt's Cathedral of the Virgin Mary, Benedict XVI signed the city's guest book, paused in meditation for a moment, and then continued to the Augustinian

Monastery. In the afternoon, the Pope paid a visit to Eichsfeld. During a liturgical feast with over 90.000 pilgrims at the Etzelsbach Pilgrimage Church, Benedict XVI highlighted the importance of religious faith in today's world. And the next day, nearly 30.000 pilgrims came to Erfurt's Cathedral Square to celebrate mass with the Pope. (kö)

Ap(p)ropos Thuringia

Useful, up-to-date travel information about Thuringia is now available on the go, thanks to Thüringer Tourismus GmbH. The “Thuringia, Land of Music” travel app takes tablet PC and Apple iPad users on a multimedia tour of the region. Vacationers and other users have anytime, anywhere access to the latest information about this popular vacation destination in Germany's heartland. Like a travel show, the elegantly designed app presents audio

clips, music videos and slide shows that tempt viewers to explore Thuringia in general, and its music scene in particular. Insider's tips about music outings cater to every age and taste – from classical greats like Liszt and Bach to modern singer-songwriters like Clueso. Available as a free download from the Apple store.

First-hand information about Thuringia is now just a few clicks away for smart phone users.

On the Thuringian tourism agency's new mobile website, categories such as “Travel themes”, “Regions and towns”, “Events”, “Accommodation” and “Service” provide all the information you need to plan the perfect trip or outing to Thuringia. (td)

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Editorial Staff: Dr. Holger Wiemers (V.i.S.d.P.), Olivia Köllmer, Theresa Dunkel, Christine Maas
Layout: KNSK, Hamburg

Printed by: Förster & Borries GmbH & Co. KG, Zwickau

Photos: Page 1 Kaufland Dienstleistung GmbH & Co. KG, Page 2 Daimler AG, Page 3 Thüringer Staatskanzlei/ Jens-Ulrich Koch, Page 4 redcoon GmbH, Seite 5 TMWAT, Seite 6 Staatskanzlei/Jens-Ulrich Koch

