



Thüringen Telegram

■ Thüringen's industry is on a very dynamic growth track: In April 2007, the Thuringian Office of Statistics reported an increase in industrial production of about 15 per cent on April last year.

■ Thüringen continues to play its aces in the optics, photographic and measurement and testing processes sectors. The German Patent and Trade Mark Office has ranked Thüringen number one in Germany in patents for these sectors.

■ Given the rapidly growing solar industry in Thüringen, the state will coordinate its activities to train solar experts in future. LEG Thüringen, employment agencies, institutes of further training and companies will cooperate more closely to develop people with this specialty. By the end of this year alone, they will have trained more than 150 additional employees for the solar sector.



Highly modern agricultural machinery will be produced in Horsch's new plant in Eastern Thüringen.

Innovation leader Horsch opens new plant

One of Europe's most modern agricultural machinery makers recently set up a production location in Thüringen: Horsch Maschinen GmbH from Schwandorf in Bavaria officially opened its new manufacturing plant in Ronneburg, in the eastern part of Thüringen, in May. Commissioning the new plant, company head Michael Horsch made it clear that his company's move to Thüringen had happened in record time and that they had been well looked after every step of the way. "We've been in this market for almost a quarter century, but we have never got such a large factory going in such a short space of time," he said. LEG Thüringen made a plot of land of almost 10 hectares available to Horsch, situated right beside the motorway and in a fully developed industrial zone. At the opening ceremony, Michael Horsch thanked Thüringen's

minister president Dieter Althaus, for the helpfulness demonstrated by the region; everything possible had been done to make the company's relocation a smooth and successful one, he said.

Horsch has invested almost Euro 16m in the new manufacturing plant. The 162 jobs in place by the time of the official commissioning far exceeded the original plan to create 76 jobs at the Thüringen location. Michael Horsch emphasised that the company was launching with a young, highly motivated team in Ronneburg. He said that one of the reasons it had chosen Thüringen was that the region has a remarkable supply of skilled workers, due to its long engineering tradition. In a period of rapid expansion for Horsch, the new project comes at just the right

time, since the new manufacturing plant is in one of the company's main sales areas. Michael Horsch predicted that the new factory would achieve an annual turnover of approximately Euro 100m. "This will enable us to continue our double-digit growth well into the future. We will certainly continue with creativity and energy, and we believe that in Thüringen, we are in a very good position for the future."

The German Idea Factory.

THE FREE STATE OF THURINGIA





A "treasure" worth highlighting: The future belongs to OLEDs.

Filling a niche with light-emitting diodes

Identify innovation, promote cooperation, find unoccupied niches – Thüringen's strategy for economic development is to pursue projects that involve forward-looking technologies. One area of technology that Thüringen is really going for is applications for organic light-emitting diodes, known as OLEDs. These are very thin, flat luminous elements, based on plastics, with high levels of energy efficiency and light intensity. The light they produce can radiate in all colours and be dimmed.

In contrast to conventional LEDs, they are made of organic materials. The organic diodes will light offices and homes and can function as a decorative "window", but they can also be used to drive innovation in industry.

This is where Thüringen comes in: this region of Germany is heavily involved in the automotive, optics and specialist plastics sectors. OLED producers like Philips and Osram OS now have the opportunity of developing applications for this new technology in cooperation with companies in Thüringen. The contact people are already on location,

since the industries that might use OLEDs are grouped in three clusters: OptoNet (optics), automotive thüringen (automotive) and PolymerMat (plastics).

LEG – the State Development Corporation of Thüringen held discussions with producers and users, worked out concept plans and has been coordinating industry gatherings since 2005. Thanks to a grant from the BMBF (Federal Ministry for Education and Research), an international congress will be held in 2008 to bring together all the players in this sector. Appropriately, it will be held in Jena, Germany's "City of Science

2008" – another opportunity for Thüringen to put the spotlight on its expansion as a technology location.

Wincor Nixdorf sets up in Ilmenau



Retailers are required to accept bottles with refundable deposits, cans and other empties when customers return them, but who makes sure that this complicated process happens smoothly? Wincor Nixdorf AG, which specializes in creating systems for the return of empties, is further increasing its capacity in this important role at Ilmenau in Thüringen. The first sod for a new production facility was turned in spring 2007 in the presence of Thüringen's Minister of Economic Affairs, Jürgen Reinholz.

"We have a market share in Germany of 30 percent in the business of return of empties," said Wincor Nixdorf Board Chairman Eckard Heidloff, as construction commenced. "Our goal in making this investment is to strengthen our

position and take the business to other countries."

The sector received a boost in May 2006, when stage two of the Regulation on Return of Empties came into force. All retailers in the German market who sell bottles or cans for which a deposit must be paid must accept both their own empties and those of other suppliers. Alongside increased orders from Germany, new business from Scandinavia and Eastern Europe has set Wincor Nixdorf on the road to expansion, full speed ahead.

The company invested Euro 5m in the new production building in Ilmenau, to be completed by autumn 2007. The factory will be operated by a subsidiary, Wincor Nixdorf Technology GmbH, which has increased its staff in Thüringen from

80 to 150 people since 2003. Most of the new jobs are in development and quality management. A customer service call centre with 25 staff has also been created. Once the current investment project is complete, the Ilmenau location will cover development, production and important services in the field of empties return and acceptance systems.

Automotive: Thüringen revs up



Diesel engine assembly line for the smart fortwo and the Mitsubishi Colt at the MDC Power GmbH factory.

"Job No. 1" came off the assembly line in the early hours of the morning of March 19, 2007. "Job No. 1" is the name of the diesel engine for the new "Smart fortwo" car manufactured in Kölldeda, Thüringen, and a product that has set a world record for minimum carbon dioxide emissions. The engine is produced in the Thüringen engine factory MDC Power, which since March has been producing the diesel engines for the Mitsubishi Colt, too. "Flexibility, a healthy cost structure and quality were the factors in favour of Kölldeda as a production location," said Volker Stauch, Production Manager Powertrain of the Mercedes Car Group, as series production began. As from 2008 the "engine of the future", a diesel engine for several series will be assembled here, too. Thus, prospects for the location Kölldeda are bright.

The instigation of this special project in Kölldeda is just one example of a trend that industry experts have been noticing for quite some time – the automotive and automotive supplier sectors in Thüringen are exceptionally dynamic. In 2006, the 440 companies in this sector generated sales of approximately six billion euros and employed 45,000 people. Whether it's the preference for future-oriented products like the Mercedes engine, the relocation of companies from elsewhere or the expansion of local companies, the news in Thüringen is all good, everywhere you look. Take Gonvarri, for example. This Spanish automotive supplier relocated to Erfurt within just a few months. Part of the global Gestamp Group, Gonvarri erected a manufacturing plant for producing steel parts for the automotive industry at the "Erfurter Kreuz" industrial park. Opening the factory in May 2006, Gonvarri Board Chairman Jon Riberas Mera stressed that cooperation with the Thüringen Ministry

of Economics and LEG had been "more constructive than in any other country". Gonvarri plans to invest up to Euro 6m by 2010 and increase the number of employees from 33 to 125.

BorgWarner is another good example. An American company, it decided several years ago to move to Thüringen, and is going from strength to strength. Construction of a second factory, for the manufacture of vehicle gearboxes, began in spring 2006. More than Euro 26m will be invested in the Arnstadt location, with 150 additional jobs created as a result. "The competent, motivated workers tip the scales in favour of expanding here in Thüringen," says Daniel Paterra, Managing Director of BorgWarner Transmission Systems in Europe. "We've never regretted our decision to set up in Thüringen."

Decisions for products of the future,

new companies moving in, existing companies expanding – the region is really taking off as a centre of automotive expertise. "Automotive Thüringen", or AT, is a cluster of more than 100 companies that is experiencing rapid growth. And suppliers in Thüringen are continuing their tradition of looking well beyond the borders of their own state. Automotive Thüringen and LEG organise an industry day in July 2007 on the topic: 'Opportunities in India, the market of the future'.



American automotive supplier Borg Warner swears by high-tech production in Thüringen.

Thüringen honours Elisabeth

Countless women are named after her, numerous cities have their "Elisabeth Hospital", and she is always listed in collections of biographies of the saints. A full eight centuries after her death, Saint Elisabeth has lost none of her fascination. In 2007, this beloved saint's birthday will be observed for the 800th time – and Thüringen will celebrate with exhibitions, performances and festivals.

Elisabeth's life is interwoven with Thüringen. A Hungarian princess, she came to the estate of the landgrave at Wartburg castle in 1211 and was married to his son. Right from the beginning, she attracted the attention, but also the disapproval, of her aristocratic milieu because, despite all class barriers, she assisted the poor. Finding herself out of favour after the premature death of her husband, she went to Marburg, where she died some years later. She was canonised by the Catholic Church soon after her death.

Thüringen has dedicated a full calendar of special events to this unusual woman, including an official state exhibition entitled "Elisabeth – a European Saint" at Wartburg castle and a musical, "Elisabeth – the Legend of a Saint" at the Eisenach State Theatre. Both events begin on 7 July 2007.

For further information about the "Elisabeth Year" in Thüringen, go to www.thueringen-tourismus.de

Investing in brains



In Thüringen, there are multitude activities to prepare students for the economy.

A region that makes an effort to look after its young people, assists students and gives teenagers a taste of the commercial world will be able to hold its own as a business location. In Thüringen, many activities aimed at increasing the availability of skilled workers are organised by businesses themselves. One example is the SCHULEWIRTSCHAFT or "school/business" initiative, organised under the umbrella of the Thüringen Business Association (VWT), which sees itself as an intermediary between educational institutions and business.

According to Anette Morhard, coordinator of the SCHOOLBUSINESS programme, "We go into schools and do things like supporting student-run businesses to stimulate the students' interest in business. Thüringen needs more entrepreneurs." The student-run companies manufacture garden Pinocchios, run cafés, snack bars or school kiosks, set up dance schools, organise trips and lend artworks created in school art classes. At the same time, the young people are learning important skills such as teamwork, the ability to work independently, and a sense of responsibility, plus they get to experience the satisfaction of

achieving the goals they set themselves. They also learn the basics of bookkeeping and accounting. "There is evidence that around 20 percent of young people who participate in a student-run company set up their own company later on," says Morhard. Any growth-oriented SME benefits from young people who can think and act entrepreneurially.

Morhard has set up numerous cooperative projects between businesses and schools. In 2006, she brought Impuls-Schule in Schmiedefeld, Geschwister-Scholl-Schule in Ilmenau and LEG Thüringen together in an initiative that saw students from both schools visiting LEG industrial locations, getting a close-up view of manufacturing, and organising a press conference in conjunction with the LEG. So although there are fewer skilled workers in Thüringen, these workers are increasingly highly qualified. The SCHOOLBUSINESS network makes sure of that. (<http://www.schule-wirtschaft-thueringen.de>)

Thüringen in Europe



Imprint

Editorial staff: Dr. Holger Wiemers (V.i.S.d.P.)

Layout: better communication, Erfurt

Printed by: Werbedruck Staub, Erfurt

Photos:

page 1 Horsch

page 2 OLLA: Siemens

Wincor Nixdorf

page 3 MDC Power, LEG Thüringen

page 4 LEG Thüringen



Landesentwicklungsgesellschaft
Thüringen mbH (LEG Thüringen)
Mainzerhofstraße 12
D-99084 Erfurt/Germany
Phone +49(0)361/5603-450
Fax +49(0)361/5603-328
E-mail invest@leg-thueringen.de
Internet www.invest-in-thueringen.org