

Press release

2017-05-18

The Oberderdingen headquarters are on the move: E.G.O. invests in new buildings

The renovation of the E.G.O.-Group headquarters is a work in progress – significant expansion of thick film manufacturing site – Best Practice Award for high-performance sites in global production network

Oberderdingen – The E.G.O.-Group is hard at work to ensure the Oberderdingen headquarters are fit for the future. To this end, the company has pledged investments totaling 36 million euros by 2020 in the current site continuation agreement. “We have invested 11 million in the past fiscal year alone – for example in the production start of new products such as our innovative touch control SmartKii or the continuous improvement of existing production lines. The lion’s share of the 2016 investments flowed into the area of rationalization and replacement investments,” explained Dr. Karlheinz Hörsting, Managing Director of Technology and Production of E.G.O. at the annual press conference on May 18 in Oberderdingen. In the current fiscal year, the company will invest a further 8.7 million euros – including in the manufacture of induction heating elements. Furthermore, the company has built a new administration building on Bachstrasse for the administrative divisions of the E.G.O. Group and BLANC & FISCHER Family Holding. The investments required for this (of well into the double-digit million range) also significantly increase the total investment in Oberderdingen.

Expansion of thick film manufacturing

According to Dr. Hörsting, the company is especially focused on the expansion of thick film manufacturing at the Oberderdingen site. “Thick film is one of the most innovative solutions in modern heating technology. Our turnover for thick film products is currently almost 21 million euros and rising. That makes us the leading series supplier worldwide. We would like to expand this position. This will happen right here in Oberderdingen – as this site, with our specialist employees, offers the best conditions for high-tech products, existing space, and proximity to the development and technology center.” To create the required space for growth, manufacturing will move into a new

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building this year. Production is currently distributed across four buildings with a total area of 3,700 square meters. By ceasing tubular heating element production last year, a facility in excess of 6,000 square meters is now available. This provides us with the opportunity to greatly expand capacity, while, at the same time, to optimally develop material flow and workflows," Hörsting emphasized.

New training center

The training center will also be moving to more modern premises and will be redeveloped as a joint center for all subgroups of the BLANC & FISCHER Family Holding at the Oberderdingen site (i.e. E.G.O., BLANCO, and BLANCO Professional). "The subject of vocational education is extremely important to us. The three subgroups here on site have a total of 184 apprentices, with E.G.O. alone employing 109 of them. We would like to continue our training program in order to cover our future need for skilled workers. An attractive and functional training center is an important contribution to this," Hörsting said.

Excellent development of the production network

The international production network of the E.G.O.-Group, which is made up of a total of ten production sites, is making excellent overall progress according to Dr. Hörsting. Alongside Oberderdingen, the sites in Croatia and Slovenia rate special mention. These three sites are the current recipients of last fiscal year's internal "Best Practice Award". The around 1,800 employees at Oberderdingen received the "Best Global Location" award for their recent successful implementation of numerous restructuring measures. The team of approximately 130 temperature limiter production employees in Croatia welcomed the award for the "Best Production Line" and almost 800 employees at the Slovenian site were presented with the award for "Improvement Shooting Star" for the greatest improvement in comparison to the previous year.

The managing director emphasized that the locations in Mexico and Turkey also developed well in spite of the tense political situation. The Mexican plant, which has around 200 employees, celebrated its 10-year anniversary this year. The site mainly produces electronic control systems for professional laundry care and is of strategic importance for supplying customers in

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North America. “Naturally, we intend to closely observe the development and also plan to invest in the development of the site,” Dr. Hörsting noted. The Turkish location, which E.G.O. has now been operating for 29 years, exports traditional products such as radiant heating elements and tubular heating elements throughout the whole world and operates at full capacity. Dr. Hörsting: “We have also been able to optimize production and have now achieved a good cost situation. All this has strengthened the traditional site, making us optimistic for the future, in spite of the political situation.”

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Caption: Dr. Karlheinz Hörsting, Managing Director Technology and Production of the E.G.O. Group and BLANC & FISCHER Family Holding

Photo: E.G.O.



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Caption: E.G.O. is extensively expanding its thick film manufacturing at the Oberderdingen site. The move to another production hall means there will be significantly more space available to increase capacity. **Photo: E.G.O.**

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About the E.G.O.-Group

The E.G.O.-Group includes 18 sales and production companies in 16 countries. The Group generated around 606 million euros in turnover in 2016 and has around 6,000 employees. The company, which is based in Oberderdingen in Baden-Württemberg, is regarded as one of the leading suppliers to household appliance manufacturers in the world. The company's founder, Karl Fischer, developed his first electric hotplate for series production over 80 years ago. Today, the company produces all of the heating and control elements that are required for cooking, baking, washing, drying, and dishwashing. E.G.O. also delivers components, systems, and technology for the restaurant industry and professional laundries, together with complex components for medical technology, building services, and the automobile industry. More information can be found on the website www.egoproducts.com

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