Baden-Württemberg. Where ideas work.

Jürgen Oswald, CEO
Baden-Württemberg International

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Global Automotive Components and Suppliers Expo
Agenda

Baden-Württemberg: General Facts and Figures

Baden-Württemberg’s Automotive Industry

Baden-Württemberg’s Cluster Policy
Baden-Württemberg – centrally located in the Heart of Europe

Baden-Württemberg serves as a central gateway in Europe.

80 per cent of all European capital cities, and thus the key European markets, can be reached within two hours.
Within the EU27, only Great Britain, France, Italy, Spain, Poland, Romania, the Netherlands, Greece and Belgium have more inhabitants than Baden-Württemberg.

**Inhabitants in millions (2011)**

- Netherlands: 16.7
- Greece: 11.0
- Belgium: 10.9
- Baden-Württemberg: 10.8
- Portugal: 10.6
- Czech Republic: 10.5
- Hungary: 10.0
- Sweden: 9.4
- Austria: 8.4
- Switzerland: 7.9
- Denmark: 5.6
- Slovakia: 5.4
- Finland: 5.4

**Baden-Württemberg**

- Area: 35,800 km²
- Total population: 10.8 million
- Density of population: 301 per km²
- Number of employees: 5.4 million
- Unemployment rate: 4.9% (April 2012)

Sources: Eurostat, Federal Bureau of Statistics
Baden-Württemberg‘s GDP is higher than that of nations such as Belgium, Norway or Austria.

**Gross domestic product* in Euro billion (2011)**

- **Switzerland**: EUR 458 billion
- **Baden-Württemberg**: EUR 380 billion per capita EUR 35,200
- **Belgium**: EUR 370 billion
- **Norway**: EUR 348 billion
- **Austria**: EUR 301 billion
- **Denmark**: EUR 248 billion
- **Greece**: EUR 218 billion

**Baden-Württemberg**

- GDP (2011): EUR 380 billion
- per capita: EUR 35,200
- Real economic growth: 4,4%

* current prices

Sources: VGRdL, Eurostat
Baden-Württemberg’s industry structure: a powerful mix of Hidden Champions & Global Players as well as small and mid-sized companies.

Our small and mid-sized companies - 98 per cent of all Baden-Württemberg companies - produce 50 percent of our GDP.

- Total number of companies: 486,665
- Percentage of GDP of large companies and SMEs: 50 % each
- 62% of the total workforce are employed at SMEs
- SMEs provide 80% of all apprenticeships
- 105,851 craftmen business with a workforce of 692,000 (2009)

1 Companies with taxable sales and / or social insurance contributions in 2008
Products made in Baden-Württemberg are being sought throughout the world.

Exports according to country of destination (2011)

<table>
<thead>
<tr>
<th>Country</th>
<th>Share of all exports (%)</th>
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<tbody>
<tr>
<td>USA</td>
<td>9.2</td>
</tr>
<tr>
<td>Switzerland</td>
<td>8.5</td>
</tr>
<tr>
<td>France</td>
<td>8.2</td>
</tr>
<tr>
<td>China</td>
<td>7.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>7.0</td>
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<tr>
<td>Austria</td>
<td>5.6</td>
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<tr>
<td>Italy</td>
<td>5.3</td>
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<tr>
<td>Great Britain</td>
<td>5.1</td>
</tr>
<tr>
<td>Belgium</td>
<td>3.6</td>
</tr>
<tr>
<td>Russ. Federation</td>
<td>2.8</td>
</tr>
<tr>
<td>Spain</td>
<td>2.8</td>
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<tr>
<td>Poland</td>
<td>2.4</td>
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<tr>
<td>Czech Republic</td>
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<tr>
<td>Japan</td>
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<tr>
<td>Hungary</td>
<td>1.8</td>
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<tr>
<td>Turkey</td>
<td>1.7</td>
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<tr>
<td>Sweden</td>
<td>1.6</td>
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</tbody>
</table>

Foreign trade structure:
- The European Union is the most important export region for products from Baden-Württemberg (more than 71 Mrd. € / 57% (2010))
- more than a quarter of all exports went to France, the Netherlands Austria and Italy
- Major export destinations are also the USA, Switzerland and China

Export products (2010):
- Machinery and Motor Vehicles and parts (52 Mrd. € / more than 40% of total exports)

Source: State Bureau of Statistics Baden-Württemberg
Traditionally strong key industries and innovative future technologies form a powerful combination of the state’s industry structure.

- Mechanical engineering
- Automotive sector
- Electrical engineering
- Sustainable mobility
- Environmental technologies
- Health care industry / medical technology
- Information and communication technologies/ creative industry
Agenda

Baden-Württemberg: General Facts and Figures

Baden-Württemberg‘s Automotive Industry

Baden-Württemberg‘s Cluster Policy
Baden-Württemberg –
A focal point in Automotive Supply

• Baden-Württemberg is the center of the German automobile industry, generating more than 25% of total sales.

• More than 100 automotive factories and almost 200 factories producing highly value-adding components are located in Baden-Württemberg.

• More than 2100 companies, generating sales of more than EUR 106 bn., are closely associated with the automobile industry in Baden-Württemberg, incl. manufacturers of special vehicles, distributors and indirect suppliers.
Baden-Württembergs OEMs manufacture more than 1,000,000 passenger cars a year

**Daimler AG**
- **Werk Rastatt**
  - Workforce: 6,200
  - A-, B-Klasse
  - Jahresproduktion: 178,000 St

**Daimler AG**
- **Werk Sindelfingen**
  - Workforce: 26,500 (without R&D)
  - Mercedes-Benz C-Klasse
  - Limousine, S-, E-, CL- und CLS-Klasse
  - SLS AMG (Coupé und Roadster) and Maybach
  - Annual production: 485,000

**AUDI AG**, Neckarsulm
- Workforce: 14,000
- Audi A4 Limousine, Audi A5 Cabriolet, S5 Cabriolet, Audi A6 Limousine, A6 Avant, S6, A6 allroad quattro, Audi A8, A8L, S8, R8, R8 Spyder, Audi RS 6 Limousine, RS 6 Avant, Audi A7, Lackieren des Lamborghini Gallardo und Gallardo Spyder
- Annual production: 335,000 (incl. 119,000 SKD/CKD)

**Dr. Ing.h.c. F. Porsche AG**
- Stuttgart-Zuffenhausen
  - Workforce: 2,900 (production + logistics)
  - 911, Boxster
  - Annual production: 32,000 St.
Commercial Vehicle and Bus Production

- **Daimler AG**
  - Werk Mannheim
  - Motors for commercial vehicles, Mercedes Sprinter

- **Daimler AG**
  - EvoBus Mannheim
  - Production: buses

- **Daimler AG**
  - Werk Wörth
  - Production: Unimog, special trucks

- **Iveco Magirus GmbH**
  - Ulm
  - Fire engines

- **Daimler AG**
  - Werk Ulm / Neu-Ulm
  - Mercedes-Benz und Setra buses

- **Kässbohrer Geländefahrzeug AG**
  - Laupheim
  - Pistenbully, special vehicles
Baden-Württemberg’s main automotive suppliers – some examples

- Mann & Hummel, Ludwigsburg
- Mahle, Stuttgart
- Robert Bosch, Stuttgart
- ZF-Group, Friedrichshafen
- Getrag, Untergruppenbach
- Eberspächer, Esslingen
- Behr, Stuttgart
- FESTO, Esslingen
Foreign Trade of the Automotive Industry

Exports to ... (TEUR)

- USA: 5,328,327
- China: 4,238,585
- France: 2,499,375
- Italy: 2,183,381
- GB: 2,162,243
- Spain: 1,571,076
- Japan: 1,219,932
- Korea: 943,719
- Russian Federation: 888,879
- Belgium: 882,375

Imports from ... (TEUR)

- France: 1,451,295
- Italy: 1,184,955
- Czech Republic: 1,139,989
- Hungary: 998,290
- USA: 979,679
- Spain: 693,646
- Austria: 582,428
- Slovakia: 475,091
- Romania: 403,234
- Poland: 377,793

GP2009: 29 (2010 – Vehicles and parts)
Source: German Office of Statistic
Research and Development Activities of the Automotive Industry in Baden-Württemberg

Helmholtz-Gemeinschaft e.V. research centers: 25
Max-Planck Institutes: 2
Fraunhofer Institutes: 7
Contract research facilities in the innovation allianz B-W: 9
University research facilities: 55
Higher educational establishment research institutes: 31
Other research facilities: 2

Symbol stands for an institute/specialist area/centre
Baden-Württemberg – all Location Criteria fulfilled

Baden-Württemberg can provide...

- Proximity to major motor-vehicle manufacturers: Daimler, Porsche, Audi
- Proximity to manufacturers of commercial vehicles, agricultural vehicles and busses: Kässbohrer, Iveco, John Deere, Mercedes-Benz
- Density of local suppliers in all related areas
- Highly qualified and quality-conscious employees

Automotive Suppliers benefit from...

- Immediate access to important OEMs
- Cooperation opportunities with other suppliers
  - in developing systems and modules
  - in carrying out simultaneous engineering tasks
- The skills and experience of well trained personnel in developing innovative products and penetrating new markets
Strong clusters - the basis for our innovative economy

Goals of Baden-Württemberg’s Cluster Policy

• Accelerating innovation processes
• Opening up of value-added potentials
• Initiating and facilitating cooperations
• Intensifying horizontal cooperations
• Combining and pooling capacities on a regional level
• Initiating cross-sector and cross-technology projects
• Accessing new application areas
• Developing new products
• Positioning Baden-Württemberg internationally
A unique scientific and technological infrastructure – one of the requirements for a successful cluster policy.

Baden-Württemberg has the most dense and the most modern structure of Universities and Academies for higher education, including:

- 9 Universities (of which, four „Elite Universities“ in Heidelberg, Freiburg, Karlsruhe and Constance – have won an award in the „Excellence Initiative“ 2006/2007)
- 41 Universities of Applied Sciences
- 8 Vocational Academies
- 21 Private Universities

A network of technology transfer centers (Steinbeis-transfer centers) provides the bridge between private industry and research institutes and guarantees rapid access to new results.

Source: Ministry of Economics Baden-Württemberg
A unique scientific and technological infrastructure – one of the requirements for a successful cluster policy.

The State provides a unique research infrastructure consisting of:

- 3 Large-scale research institutes
- 12 Max-Planck-Institutes*
- 14 Fraunhofer Institutes*
- 13 Contract research institutes

* incl. subsidiaries of institutes with headquarters outside Baden-Württemberg
** incl. an institute with two locations

Source: Ministry of Economics Baden-Württemberg
Elements of the cluster policy in Baden-Württemberg

- **Cluster-Mapping:**
  - Scientific studies
  - Cluster-Atlas BW
- **Development of networking platforms:**
  - Cluster-Dialog
  - Cluster-Forum
  - Specialist working groups
- **Support in setting up cluster initiatives:**
  Implementation of cluster competitions
- **Setting up state-wide networks**
- **Support of initiatives in the Federal Government’s „Spitzenclusterwettbewerb“ (Top cluster competition)***
- **Support of clusters and networks in internationalization and entering foreign markets by means of special funding**
Baden-Württemberg International – Your first point of contact regarding all questions of business opportunities in the state

Our services for investors include:

• Market and location information
• Identification and assessment of sites for sales and production
• Market entry strategies
• Determination of investment incentives and support services
• Support for business creation
• And much more – tailor-made for your needs

Thank you very much for your attention!

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