



# News service MAN Group

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## **MAN B&W Diesel on the Asian market: Turbocharger production started in Shanghai**

The MAN B&W Diesel Group made a decisive strategic step by intensifying their commitments in China. A new turbocharger works was now opened in Shanghai with ceremony.

Dr. Hans-Jürgen Schulte, President of the MAN B&W Diesel Group: "One of the main reasons for the establishment of production facilities in China is our desire to remain competitive on the continuously growing Chinese vessel building market. Already for quite some years, this industry has been recording enormous growth rates."

As Chinese shipyards set value on suppliers from China, the MAN B&W Diesel Executive Board decided to benefit from the advantages of the cost-effective Chinese labour market. The most important turbocharger components will, however, still be delivered from the Augsburg location.

When planning their new location, MAN B&W Diesel was able to profit from the experience gained by the MAN B&W Shanghai sales office over the past ten years. Also in the future, the turbocharger works will closely cooperate with this office. In addition, the neighbored Shanghai Service Centre of MAN B&W Diesel will support the new location both with their contacts and experience.

The Shanghai production works is already in service since the end of 2002. Managing Director Kristian Baelum makes purchase, quality control, assembly and delivery of the turbochargers his business: "It is our target to have 65% of the Augsburg orders produced in China in order to achieve a clear cost reduction." For this reason, the at-site personnel will, during the next few years, be increased to 30, 20 of them within the production range.