Stahlo Stahlservice GmbH & Co. KG



### Stahlo building new production site in Gera-Langenberg

# A decision for the future: Stahlo invests in Gera

Stahlo is investing €45 million in its plans for a new 22,000 square-metre production hall in Gera-Langenberg. By purchasing neighbouring property from the city authorities, one of the biggest manufacturer-independent steel service centres in Germany has seized the opportunity to pursue its growth strategy and stay at its Gera site. Plans for the future at Stahlo include doubling both the number of plants and the volume of steel processed to 300,000 metric tons per year.

Gera, 2. May 2017 – "We are definitely building in Gera," declares Guido Spenrath, Managing Director of Stahlo. The biggest manufacturer-independent steel service centre in Germany is purchasing neighbouring property at the site and building a 22,000 square-meter new production facility. "The existing site couldn't accommodate the planned expansion," explains Spenrath, adding: "We worked with the city authorities in Gera and found the option of purchasing additional land, so that we can now build on a total area of 45,000 square metres."

The Managing Director is emphatic that keeping the entire workforce has been very important to the company: "We have a very experienced team in Gera and that was a top priority." A total of 45 new jobs are now planned for the new production facility and Stahlo is investing approximately €45 million in the project.

#### Gera becomes a growth location

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According to Spenrath, Stahlo has grown a great deal over recent years. Now the plant in Gera is set to become a growth location. The new plant heralds a change in the company's strategic alignment, as Spenrath explains: "Having established ourselves over the years as a series supplier of slitted coils in the automotive sector, we have now also made the move from being a spare parts supplier to a series supplier for contoured blanks, too. We are continuing to invest and are doubling the number of production plants." Equipped with two slitting lines, the steel service centre will be able to split up to 60 strips in a single operation – and all with a tensile strength of 1,900 newtons per square millimetre. That is unparalleled in the whole of Europe. The new contours plant, which boasts a pressing force of 800 metric tons, will in future be able to process steel and aluminium. All production plants also satisfy the quality standard for processing steel in the outer shell quality required for the automobile industry.

The Stahlo site in Gera supplies primarily carmakers and their suppliers. It has won a large order from VW in Zwickau, with side panels, the roof and the boot lid of the Golf model to be customised at Stahlo. Besides serving the automobile industry, Stahlo Gera also works with industrial customers in e.g. the sanitary sector and with manufacturers of white goods. The company processes approximately 150,000 metric tons of high and ultra-high-strength steel each year. From the end of 2018, this volume is set to double.

#### **New production from 2019**

At the end of March this year, Stahlo obtained approval from Gera City Council to purchase the planned additional property for the new building from the city authorities. Purchasing agreements with neighbouring companies for additional areas of land at the site are on the

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way. "The City of Gera has given us a great deal of support and drew up a report at its own cost to help us secure the opportunity to get a rail link to our site," says Spenrath. The construction of a direct rail link is particularly important for incoming goods: "We deliver our products almost exclusively by truck. However, we want up to 80 percent of our incoming goods to arrive by train in future."

A date is yet to be decided for the new plant's groundbreaking ceremony: "We hope we'll be able to celebrate the opening of the new plant in spring 2019," says Spenrath: "We want to complete the project quickly."

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#### Caption(s)

fri162035200.jpg: "We are definitely staying in Gera," says Managing Director Guido Spenrath. After considering a possible move, the company has now decided to pursue further growth in Gera. Stahlo is investing €45 million in its plans for a new 22,000 square-metre production hall in Gera-Langenberg.

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#### Stahlo Stahlservice

Stahlo is one of Germany's largest and most advanced manufacturer-independent steel service centres. The enterprise offers a complete portfolio for the sheet-metal market. In addition, its facility in Gera, in eastern Germany, is home to one of Europe's largest blanking lines. Stahlo manufactures slitted coils, cut-to-size and standard sheets, blanks and contoured blanks in line with customers' specific needs.

Stahlo was founded in 1983 in Dillenburg, in the German state of Hesse, and is a member of the Friedhelm Loh Group. The Group is now active worldwide with 18 production sites and 80 international subsidiaries. It employs 11,300 people and generated revenues of approximately €2.2 billion in 2016. In 2017, it was named one of

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Germany's leading employers by the Top Employers Institute, for the ninth year running.

For more information, visit www.stahlo.de and www.friedhelm-loh-group.com.