

## Press release

### **Vaillant Group makes major investments in growth and efficiency**

- **Considerable investments and efficiency measures to 2020**
- **Building of a new Research and Development Centre in Remscheid**
- **Closure of Gelsenkirchen plant**

**Remscheid, 20 November 2015** – The Vaillant Group, leading heating, ventilation and air-conditioning technology specialist, is strengthening growth in its European core markets by major investments. One focus is on the expansion of development activities. At the Remscheid site, the headquarters of the family-owned company, a new Research and Development Centre will arise by 2018 at a cost of about €54 million. In addition, the Vaillant Group is creating with investments in sales initiatives the prerequisite for new growth. The aim is to enhance the market position of high-efficiency technologies such as heat pumps, develop additional international markets, further extend the portfolio of digital services as a technology leader and secure long-term profitable growth.

The investments go hand in hand with efficiency measures to improve the costs structure. The measures include a realignment of the production network and the streamlining of operational processes and organisational structures. By this means, at least €80 million per year is to be saved by 2020 in all main company departments.

#### **Vaillant Group building new Research and Development Centre in Remscheid**

With about 700 employees the Vaillant Group has one of the largest international development teams of the heating, ventilation and air-conditioning technology industry. To meet the requirements for short innovation cycles and product and technology development close to the market, the Group is bundling the Remscheid development functions in a new Research and Development Centre. The new building complex will be ready for occupation in 2018 and integrate all functional departments involved in product development. Besides

the actual product development these include Project Purchasing and Costs Analysis, Quality Assurance, Supply Chain Management and a Design Centre. The Research and Development Centre will be the central interface between all departments involved in the product development process and series production at one site. The Vaillant Group concentrates its development activities on high-efficiency technologies – especially heat pumps, efficient gas-fired condensing technology, technically complex system solutions, smart control technology and digital services.

## **Remscheid will be a high-tech site**

The Vaillant Group is continuing the transformation process of its worldwide production network. The aim is to manufacture products as near as possible to their respective sales markets. The demand for conventional heating technology is concentrated on the markets in Eastern and South Eastern Europe. Accordingly, the Vaillant Group plans to focus on product series based on conventional technology and the production of simple components at its sites in Skalica and Trenčín in Slovakia. The production of all solar collectors will in future be made at the French plant in Nantes.

The Remscheid plant will take over from the Gelsenkirchen plant the production of heat pumps and combined heat and power systems. The objective is in Remscheid to closely interlock the manufacture of technologically demanding products and their development at one site in order to ensure a smooth development and production process of ever more complex heating systems. A relocation of the spare parts and components production to Slovakia is planned at the same time. This will result at the Remscheid plant in a sector-specific reduction of about 50 positions by 2020. During the same period, about 30 positions will be reduced at the Remscheid headquarters and about 20 in the German sales company. This process is intended to be carried out in a socially acceptable way and as far as possible without terminations for operational reasons.

## **Production relocation from Gelsenkirchen**

Until 2018, the production in Gelsenkirchen will step-by-step be relocated completely to other Vaillant Group sites and the plant closed. The reason for this decision is besides the bundling of more complex development and production activities at the Remscheid site the long-standing stagnating demand for products based on renewable energies which the

# VAILLANT GROUP

company manufactures in Gelsenkirchen. The planned measures will result in a reduction of about 200 positions until 2018. The Vaillant Group will without delay take up talks with the local employee representatives in order to achieve agreement on socially acceptable solutions for all employees affected by the measures. This includes early retirement schemes, possible continued employment at other Vaillant Group sites and the establishment of a transfer company in which the employees can take further training and qualify individually for the labour market.

The Vaillant Group Service Centre 'tecbytel' based in Gelsenkirchen for the Germany-wide care of installers and customer service scheduling will remain unchanged with about 80 employees at the Gelsenkirchen site.

The **Vaillant Group** is an internationally operating heating, ventilation and air-conditioning technology concern based in Remscheid, Germany. As one of the world's market and technology leaders, the Vaillant Group develops and produces tailor-made products, systems and provides services for domestic comfort. The product portfolio ranges from efficient heating appliances based on customary fuels to system solutions for using regenerative energy sources. In financial year 2014 the company, which has been family-owned since its founding in 1874, achieved with more than 12,000 employees sales totalling about €2.3 billion.

---

## Contact

Dr Jens Wichtermann  
Director Corporate Communications,  
Sustainability Management and Politics  
Vaillant Group  
D-42850 Remscheid

Phone: +49 (0)2191 18-2754  
Mobile: +49 (0)175 295 18 10  
E-mail: [jens.wichtermann@vaillant-group.com](mailto:jens.wichtermann@vaillant-group.com)  
Web: [www.vaillant-group.com](http://www.vaillant-group.com)