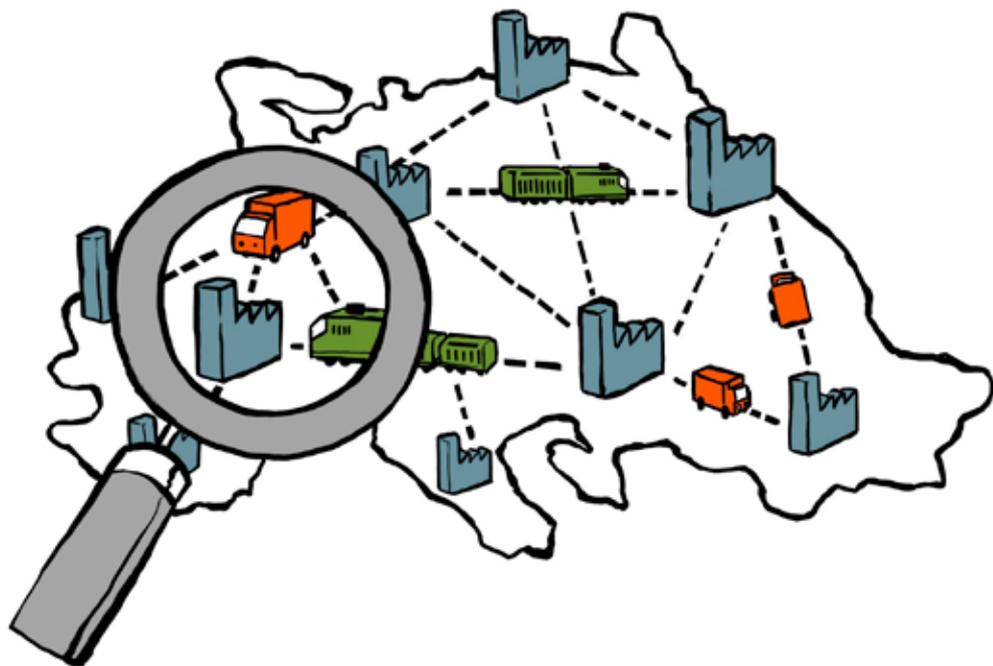


NOISY AND QUIET – FLEXIBLE PRODUCTION IN SLOVAKIA

Automotive parts supplier Carcoustics is expanding its global manufacturing network

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Any changes to product characteristics – for example reducing weight in order to save energy or cutting sound levels – always involve cutting through to core issues because complex products such as vehicles, construction equipment, air conditioning systems or even household appliances are made up of large numbers of components. The art is in determining precisely those components or component groups that have the greatest improvement potential. This takes experienced specialists with comprehensive knowledge about alternative materials, their properties and the possibilities for processing them.

Carcoustics, a medium-sized company that has been working in the automobile sector and in other industries for over 30 years, is one such expert. Carcoustics searches for acoustic and thermal solutions in the stress field formed by six pairs of opposites: between noisy and quiet, hot and cold, heavy and light, big and small, wet and dry and finally flexible and robust. Their high degree of competence pays rewards since the company has experienced international growth for a number of years. After setting up new locations in Mexico and China, it is now planning to add a further mainstay in Eastern Europe.

Gradual development of capacities in Eastern Europe

Carcoustics has been operating successfully in Senec, Slovakia since 2005. It was decided to bring another plant on-stream by 2014 as a result of the positive development of business. Romania, Hungary, Czech Republic and Slovakia were shortlisted



Thomas Mair,
project manager and
business unit head,
Carcoustics

as candidates in order to ensure the shortest possible distance to customers' production sites. The target size of the plant is around 200 employees over an area of approximately 10,000 m².

Carcoustics turned to ROI Management Consulting AG, which has its own office in Prague, in order to secure support for selecting and planning the new site. The contract was awarded to ROI because of its many years of experience in planning and implementing projects and its intercultural project team. The project kicked off in December 2012 with the search for a

suitable production location where, among other things, production processes for molding and pressing PUR using thermal and vacuum methods are to be operated. In the first phase of the project, more than 100 potential sites that met the minimum requirements were identified in the four countries specified. Carcoustics' project manager and business unit head Thomas Mair formulated his ideal location thus: "We do not really wish to build the new plant ourselves, but simply want to rent it instead. A model allowing us to increase the surface area in steps without forcing us to implement the full configuration of 10,000 m² immediately would be ideal for us. This would enable us to relocate several components from other sites and in parallel to start up further products depending on demand."

Spoilt for choice

ROI developed a multi-dimensional model in order to weigh up the advantages and disadvantages of the locations up for selection. This allowed the locations to be assessed and compared according to economic and qualitative criteria such as gross wages and salaries, recruitment of qualified staff, subsidies, real estate prices versus rental costs etc. "It was during this phase that we also exploited the expertise of state organizations such as Hati, CzechInvest and Sario, examining all the options for subsidies," reports Robert Benacka, Managing Director at ROI Czech Republic, on the selection process.

In the final stage of selection, five potential sites were subjected to a further examination according to internal Carcoustics criteria. In the end, the location at Novaky in Slovakia was the victor. "Important factors in our decision were the surrounding region and support from the

government and the owner of the site. The latter attached great importance to high-quality amenities, and the structure of the property also offers us the desired flexibility," enthuses Thomas Mair.

The countdown is running

All the activities necessary to prepare for the start of production were initiated following the successful choice of the new manufacturing site. ROI accompanies all activities, from layout planning and the efficient design of material flows and value creation processes to the development of a powerful organizational structure. Production start-up will be supported by an interim manager whose complex

raft of tasks also includes overcoming language barriers and establishing new, dependable supplier structures. The entire project team is confident that the roadmap for the new plant was concluded comprehensively and is looking forward to the start of production with a sense of anticipation.

Novaky will supply primarily thermal shields to OEMs and tier 1 automotive manufacturers from fall 2013. Besides the field of aluminum molding, the area of PU foams for the production of innovative bulkhead insulation and molded foam parts will start up from 2014.

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Carcoustics International

is a medium-sized company with a global presence headquartered in Leverkusen. Originally starting off in the car industry, the company today generates annual sales of approximately € 250 million with its Automotive and Industry business units. Carcoustics specialises in acoustic and thermal insulation thanks to its own technology and development centers. The Carcoustics Group, with approximately 1,400 employees, comprises eleven plants and corresponding sales offices in eleven countries.