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ALLGAIER produces in North America

Subsidiary founded in Mexico. Reinforcement of the Automotive area amidst the current crisis. No transfer of production.

On 27 May 2009, ALLGAIER Werke GmbH founded the subsidiary "Allgaier de Mexico" in Mexico City. Its 230 employees manufacture pressed components and Bowden cables, chiefly for the automotive and components industry based in Mexico. The plant, which was taken over from a previous owner as part of an asset deal, spans a total of 16,000 square metres including production, storage areas and office space. "Even in difficult economic times, we need to look towards the future of the company," says Helmar Aßfalg, Chairman of the Board of Management of ALLGAIER.

The procurement strategy of German automotive customers was decisive in terms of the site in North America. More and more German automotive companies are investing in Mexican sites in order to serve as a base for producing for the entire American market. As a result, they want to source parts and components from suppliers which are based there.

"With this plant, we are opening the door to the world's largest automotive market, and one that offers good perspectives. The American markets cannot be reached from Germany. For one thing, the logistics involved are highly complicated, and for another, customers expect to be invoiced in local currency," says Helmar Aßfalg. He is not considering any transfer of production from Uhingen to the new site. Quite the reverse, because the

headquarters will benefit: Not only development and the associated toolmaking for Mexican production but also supervision of the production processes will be handled from Uhingen. "The investment in this site has come at the right time to strengthen our Automotive arm," continues Helmar Aßfalg, assessing the commitment to Mexico.