

# BUSINESS BAVARIA

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Shanghai - Pearl Tower



## FREE STATE STRENGTHENS RELATIONS WITH CHINA

The Bavarian Minister of Economics, Martin Zeil, will be visiting his most important trade partner in Asia. Zeil will travel to Shanghai and the Guangdong Province in the South of China from 29 October to 5 November and will be accompanied by a business delegation.



Guandong

The Free State has maintained close economic relations with Southern China, in particular with the Guangdong Province, for many years. This year, the Minister and his delegation will visit Guangzhou, Zhuhai and Shenzhen. Three industries will be central to the visit - aviation and space, environment and energy, as well as car manufacturing. China and Bavaria have both benefited from intensive contacts over more than 20 years and this visit further underlines the strength of their relationship.

The Free State is becoming increasingly attractive as an economic base for Chinese enterprises - not least due to its central location in Europe. In the last ten years alone, Invest in Bavaria has helped 140 Chinese enterprises set up branches across the

strongest economic Federal State in Germany. New subsidiaries are constantly being added and existing sites expanded at their Bavarian locations.

With the value of foreign trade in the Free State at almost EUR 24 billion in 2010, China is Bavaria's most important trade partner in Asia. More than 1,900 Bavarian enterprises maintain economic and business relations with the Middle Kingdom. Major Bavarian companies such as Siemens, BMW and Audi as well as 700 small and medium enterprises from Bavaria run successful businesses there.

Also large Chinese companies such as the telecommunications supplier Huawei and the Industrial and Commercial Bank of China, have established businesses in Bavaria. The machine manufacturer Beijing No.1 Machine Tool has already become a part of Bavaria's economy. Lately, the Free State has been welcoming companies from China in the renewable energy sector. Yingli Solar, one of the world's largest solar plant manufacturers, is represented in Bavaria and this year has even been sponsoring the team of FC Bayern München, Germany's record breaking football champion. Chinese companies value the proximity to customers and fast access to all the European markets. With direct flights from Peking, Shanghai and Hong Kong, Bavaria has superb logistical connections to the Chinese metropolises.

→ [www.bayern-shandong.com.cn](http://www.bayern-shandong.com.cn)

## WORLD RECORD TURBINE COMMENCES OPERATION

With an efficiency of 60.75%, the gas turbine in the Irsching 4 plant set a world record during its first test operation. With an output of 600 megawatts, the gas turbine which was developed by 750 Siemens employees sets new standards in gas and steam turbine operation for the efficiency of fossil fuel powered plants. "Those are historical dimensions", enthuses Michael Süß, CEO of Siemens Energy. The world champion has now gone into commercial operation under the E.ON flag. Klaus Hammer, Head of the gas and steam turbine power plants at E.ON, sees the plant in the Upper Bavarian Vohburg as a prime example of the power supply of tomorrow: "Highly efficient and flexible gas power stations make significant contributions to the power networks by substantially compensating for the variable input from renewable energies".

→ [www.kraftwerk-irsching.com/pages/ekw\\_en](http://www.kraftwerk-irsching.com/pages/ekw_en)

## 5 MINUTES WITH ...

### WALTER GEYER OF TREMCO ILLBRUCK

Due to its innovative building materials, Tremco illbruck is a well-known entity within the insulation industry. The company has now set up its central European warehouse in the Upper-Palatinate town of Bodenwöhr. We spoke to Walter Geyer, Head of Tremco illbruck's plant there, about the site selection.

#### AS IT'S AUTUMN ALREADY, HEATING COSTS HAVE ONCE AGAIN BECOME A TOPIC OF INTEREST. HOW MUCH ENERGY CAN BE SAVED WITH YOUR WINDOW SEALING TECHNOLOGY?

We ensure that the heat- and sound-absorbing characteristics of new windows are optimally used. For example, when looking at a building with 100 linear metres of window connection joints, profitability calculations (using an oil price of EUR 0.51 per litre) show a savings potential of approx. EUR 11,000 over a period of 30 years.

#### WHY DID YOU SELECT THE BODENWÖHR SITE?

The existing plant is a 'Center of Excellence' for the impregnation of foam materials within the Tremco illbruck group. Along with the committed and qualified employees working at this location, this was among the decisive elements for the investment in Bodenwöhr. And of course the funding



opportunities provided by the government of Upper Palatinate played a major role.

#### YOU ALSO INTEND TO CONQUER THE EASTERN EUROPEAN MARKET FROM BODENWÖHR. WHY DIDN'T YOU BUILD THE NEW CENTRAL WAREHOUSE DIRECTLY IN EASTERN EUROPE?

We do indeed need to move into the Eastern European market, but compared to our core markets in Western and Northern Europe, it will continue to play a subordinate role for quite some time. In addition, the Bodenwöhr location offers an existing infrastructure and employees qualified in logistics and supply chain management.

→ [www.tremco-illbruck.com](http://www.tremco-illbruck.com)

## NUMBER OF THE MONTH 81

% of Bavarians between the ages of 20 and 24 have qualified to enter university, received a degree from a Technical High School or successfully completed a training in an accredited profession. The numbers are taken from the annual education report of the Organisation for Economic Co-operation and Development in Europe (OECD) and once again document the high efficiency of Bavaria's education system. According to the standardized education indicator, the federal average is only at about 74% compared to 81% for Bavaria. The Free State also has an above average ratio among specialists and university graduates - whilst about 26% of people between 25 and 64 have completed tertiary training, 28% of Bavarians have reached the highest education level.

## NEWS FROM THE FREE STATE

### ACADEMIC TEAM DEVELOPS ELECTRIC RACER

'MUTE' - this is the name of the electric car developed by the Technical University of Munich. The energy-efficient vehicle highly impressed the professional world at the International Automobile Exhibit (IAA) in Frankfurt. It introduces an attractive and inexpensive solution for individual mobility of the future.

'MUTE' is a development undertaken by 20 dedicated University Chairs and more than 200 employees and students of the Technical University Munich. It is a sporty two-seater developed for cities, and designed as a run-around. It thus offers plenty of room for shopping and grocery bags and has a maximum speed of 120 km/h. Its lithium ion battery allows a minimum reach of 100 kilometres. Apart from the technical achievements, the experts particularly praised the elegant design.

The conception of the innovative electric car also served as the impetus for the Munich School of Engineering at the TU München. The school is dedicated to "Energy - Green Technologies", a topic of the future and trains students using a particularly hands-on and interdisciplinary approach.

→ [www.mute-automobile.de/en/home.html](http://www.mute-automobile.de/en/home.html)

### ROBOTS FROM BAVARIA

The Japanese world market leader for industrial robots and drive technology has selected Bavaria as the location for its European headquarters. Yaskawa Europe has invested about EUR 12.5 million in its new building in Allershausen, close to Munich. In line with the company's product line, the Bavarian Minister of Economics, Martin Zeil, was energetically aided during the groundbreaking ceremony by a double-armed Motoman robot. In the automated welding engineering sector, the brand has established its position over

30 years. The robot systems are particularly successfully used in the automotive industry. More than 220,000 of their robots are in operation in workshops worldwide. From its new headquarters, Yaskawa will manage its European business for robotics. Research and development, customized system adjustments, administration, logistics and customer support will be based there. Manfred Stern, Chief Operations Manager of Yaskawa Europe GmbH, wants to explicitly boost sales in Europe: "Our goal is to double the number of Motoman robots installed in Europe per year to more than 6,000 by 2015". The enterprise is basing this strategy on customer support and added-value. In support of this, a comprehensive customer support centre will be developed and the customized system adjustments and logistics departments will be strengthened. Fifty new jobs will be created in the new European headquarters, which is planned to open in August 2012.

→ [www.motoman.eu](http://www.motoman.eu)

# IN FOCUS: CHINA AND BAVARIA

## CLUSTER FOR BETTER CHEMISTRY



Bavaria exports its cluster structures from the chemistry sector to China. The co-operation not only strengthens the close business relations between the partners of many years, it also creates more possibilities of opening new markets together.

For more than 24 years Bavaria and China have maintained a close partnership. With the cluster offensive of the Bavarian state government, the Free State has been strengthening these profitable relations and creating networks and co-operation between enterprises, research establishments, suppliers and investors. Bavaria has now taken yet another step in order to deepen the bilateral relations. The Bavarian Chemie-Cluster, a network of 220 industrial enterprises and research establishments of Bavarian chemistry companies, has expanded into the Shandong Province in China. This close co-operation will provide invaluable benefits for science and industry to both Chinese and Bavarian enterprises.

### NEW POSSIBILITIES FOR A SUCCESSFUL CO-OPERATION

Bavarian State Secretary of Economic Affairs, Katja Hessel, recently travelled to the Shandong Province with a delegation of representatives from the chemistry industry. She inaugurated two new joint offices for the industry and led discussions with politicians and representatives from the Chinese business world. The export of the Bavarian cluster structures now provides new possibilities for closer collaboration. These business, political and cultural relations are now set to become even closer.

### CLUSTER AS A SUCCESS MODEL

Bavaria has its business networks to thank for the success to date. The cluster model of the Free State has successfully proven its worth, particularly in these times of globalisation. The co-operation not only promotes the competitive ability of Bavarian enterprises in 19 different industries, it also helps them to jointly develop products and access international markets. The clusters have linked the business and science sectors more intensively and thus strengthened the competitive advantage for their members.

The strategy is already bearing fruit. Chemie-Cluster Bayern has created a Bavarian-Chinese chemistry network with the Chinese petrochemical industry in Dongying. There are various clusters of co-operation between universities and enterprises offering advanced training and language courses. Together they are developing and testing products for pilot applications in areas such as energy production and building chemistry. The Chemie-Cluster signed a co-operation agreement in May for a further joint network with the Chinese chemical industry in Panjin. An example of successful Bavarian-Chinese industrial co-operation can already be found in Panjin - a joint venture of the Bavarian specialised chemical company Süd-Chemie AG.

### THE CHINESE COMMUNITY IN BAVARIA

Bavaria has a dense population of Chinese people. Among the 11,000 Chinese living in Bavaria are 3,000 students. Munich alone is home to more than 3,800 Chinese and a total of 15 Bavarian cities and municipalities maintain friendly partnerships with Chinese cities.

### OUTLOOK

The future looks bright. More and more Chinese enterprises are discovering Bavaria as an outstanding location for research and development. Many large pioneering Chinese enterprises from the sectors renewable energy and medical technology have already set up businesses in the Free State and develop new technologies and products in Bavaria. In future, the cluster co-operation will be offering even more possibilities to profit from Bavaria as a research and development region.

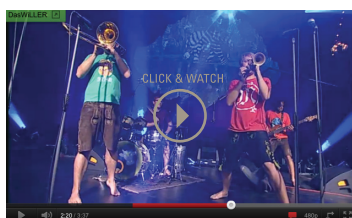
→ [www.chemiecluster-bayern.de/en](http://www.chemiecluster-bayern.de/en)

# BAVARIA IN YOUR BRIEFCASE

## DIALECT IN FASHION

Folk music is being re-discovered in Bavaria and not just there. Home-grown bands are combining alpine brass music with global rhythms and are celebrating worldwide success.

When the trumpet player Stefan Dettl started a new band four years ago, he simply wanted to showcase Bavarian songs with tuba and trumpet on stage. Never in his wildest dreams did he imagine how popular it would become. On 4 December he will be performing in Munich's Olympiahalle with his band, La Brass Banda which will be the latest pinnacle of an amazing success story. Until recently, the musicians from rural Upper Bavaria used to play only in small tents at local festivals. Today, after a world tour from London to Sydney via Moscow, fans from all over the world are listening to the two albums they have released to date. Suddenly people are taking notice - the Bavarian vernacular with its open vowels and diphthongs sounds good, even if the listener does not understand a single word. Their fans agree that Bavarian has what it takes to become an international language of pop.



The success of La Brass Banda is typical of the re-discovery of local vernacular in music. The last 'heimat hype' was kicked off by Munich's Spider Murphy Gang and Bavarian singer-songwriter Haindling in the 80's, when they both had a number of chart hits.

The new Bavarian bands have taken this one step further. As well as a love of their local dialect, they have a passion for alpine brass music. G.Rag & Die Landlergschwister, who re-interpreted a traditional Bavarian march music piece, were pioneers of the trend. Whilst brass music was usually only heard in beer tents, songs by the subcultural Munich band are now played in clubs and even sampled by hip-hop groups. The big music labels have recognized the potential of traditional Bavarian music - this spring, Universal created its own label for the new generation of folk music generation called 'Wildwechsel'.

Where does this success stem from? "It is a phenomenon affecting society as a whole" comments Josef Winkler, Editor-in-Chief of 'muh' magazine - a new periodical for Bavarian culture. The trend which started with new Bavarian 'heimat films' and became a mass phenomenon as demonstrated by many people wearing traditional costumes, can now also be heard in music: the desire for genuine and authentic values.

### ALBUMS

LA BRASS BANDA – habedieehre | Übersee (Trikont)

ZIEHGÄUNER – Nägel mit Köpfen (Wildwechsel)

G.RAG & DIE LANDLERGSCHWISTER – Das Model (Gutfeeling)

→ [www.wildwechsel.com](http://www.wildwechsel.com)

→ [www.labrassbanda.com](http://www.labrassbanda.com)

→ [www.gutfeeling.de](http://www.gutfeeling.de)

# FAIRS AND EVENTS

## ... IN MUNICH

### MATERIALICA

18 OCT. 2011 - 20 OCT. 2011

International Trade Fair for Materials Applications, Surface Technology and Product Engineering

→ [www.materialica.de/index.php?id=3&L=4](http://www.materialica.de/index.php?id=3&L=4)

### eCarTec

18 OCT. 2011 - 20 OCT. 2011

International Fair for Electric Mobility

→ [www.ecartec.de/index.php?id=8&L=4](http://www.ecartec.de/index.php?id=8&L=4)

### PRODUCTRONICA

15 NOV. 2011 – 18 NOV. 2011

Worldwide leading trade fair for innovative electronics production

→ [www.productronica.com/en/home](http://www.productronica.com/en/home)

## ... IN NUREMBERG

### IENA

27 OCT. 2011 - 30 OCT. 2011

International Trade Fair for Ideas, Inventions and New Products

→ [www.iena.de/en](http://www.iena.de/en)

### PETPOINT

9 NOV. 2011 – 11 NOV. 2011

Market Place and Industry Forum for PET Technology

→ [www.drinktec.com/en/Home/PETpoint](http://www.drinktec.com/en/Home/PETpoint)

### INTERSANA

28 OCT. 2011 - 30 OCT. 2011

International Health Fair

→ [www.intersana.de](http://www.intersana.de)

## ... BY AND WITH INVEST IN BAVARIA

### INDUSTRIAL SUMMIT "ASSISES DE L'INDUSTRIE", CONFERENCE L'USINE NOUVELLE IN PARIS

19 Oct. 2011, 9 am – 7 pm

Dr. Patricia Callies | Phone: +49 89 2162-2744

[patricia.callies@invest-in-bavaria.com](mailto:patricia.callies@invest-in-bavaria.com)

### INVEST IN BAVARIA AT MEDIENTAGE MÜNCHEN

19 Oct. 2011 – 21 Oct. 2011

Mr. Peter Englert | Phone: +49 89 24210-7520

[peter.englert@invest-in-bavaria.com](mailto:peter.englert@invest-in-bavaria.com)

### INFORMATION EVENT "BAVARIA'S HEALTH CARE MARKET – BUSINESS OPPORTUNITIES AT THE HEART OF EUROPE"

20 Oct. 2011, 3.15 pm in Oslo

Ms. Ursula Sieh | Phone: +49 89 2162-2388

[ursula.sieh@invest-in-bavaria.com](mailto:ursula.sieh@invest-in-bavaria.com)

### INFORMATIONAL MEETING

"BAVARIA – YOUR STRONG PARTNER IN EUROPE"

31 Oct. 2011, 4:00 – 6:30 pm in Shanghai

Mr. Weihua Li | Phone: +49 89 24210-7516

[weihua.li@invest-in-bavaria.com](mailto:weihua.li@invest-in-bavaria.com)

### INVEST IN BAVARIA AT MEDICA 2011

16 Nov. 2011 – 19 Nov. 2011 in Düsseldorf

Mr. Andreas Reichelt | Phone: +49 89 24210-7518

[healthcare@invest-in-bavaria.com](mailto:healthcare@invest-in-bavaria.com)

### YOUR KEY TO OUR STATE

Invest in Bavaria – The Business Promotion Agency of the Bavarian Ministry of Economic Affairs, Infrastructure, Transport and Technology and Bayern International

### IMAGE SOURCES

P.1: [www.thinkstock.de](http://www.thinkstock.de), P.2: Tremco illbruck, P.3: [www.thinkstock.de](http://www.thinkstock.de), P.4: La Brass Banda [www.youtube.com](http://www.youtube.com)

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