

Good Ideas Implemented Quickly

BSH Bosch and Siemens Hausgeräte GmbH supply high-quality cookers (stoves) all around the world. Through intensive cooperation with Schott regarding "Ceran" and processed flat glass, an impressive potential for innovation has opened up.

The loud chirping of birds and a dense forest on the outskirts of Traunreut, Germany give hardly an indication that Europe's largest electric cooker (stove) factory is located here. BSH Bosch and Siemens Hausgeräte GmbH run a plant that boasts a daily capacity of 4,000 appliances. "The environment here inspires," said Hanns-Walter Muhr, who is responsible for the cooker product area on a global basis. State-of-the-art manufacturing, cleverly planned logistics in the supply of parts and high environmental standards characterize the production process. And despite the idyllic setting, there is much bustle at the factory: 2,500 workers, 60 truckloads and twelve wagonloads arrive daily at the plant where 30,000 metric tons of sheet metal are processed into cookers.

Single-handed Growth

The Traunreut plant is one of 14 production facilities in which BSH manufactures cookers. In 35 world-wide factories, the company produces a full range of high-quality domestic appliances, which are subdivided into the product groups Cooking, Refrigeration/Freezing, Washing/Drying, and Dishwashing. Other useful household helpers are consumer products like kitchen appliances, floor care products and air conditioning units.

In 1967 Robert Bosch GmbH and Siemens AG created a 50/50 joint venture in order to combine competencies, take advantage of synergies and to increase their market. Through acquisitions, BSH has evolved from a German exporter in the late eighties to a global player with manufacturing facilities in Europe, Asia and the Americas. Business expansion in 2000 brought the household appliance manufacturer a turnover of more than 6 billion euros and the third

place world-wide in the market for domestic electrical appliances – only Electrolux and Whirlpool are larger. The cooker product group achieved a turnover of 1.8 billion euros.

Expanding Innovation Leadership

The highly traditional corporate brands "Bosch" and "Siemens" are the most important pillars of the international cooker business. Thanks to its additional regional brands ("Balay" in Spain, "Coldex" in Latin America, for example) as well as special brands like "Gaggenau," "Neff" or "Thermador," BSH offers a wide range of products. People around the world value the high quality and functionality of the appliances.

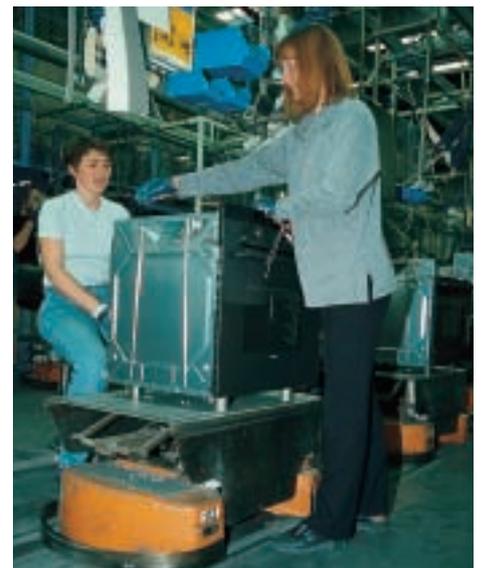
The BSH cooker product division has made it a priority to remain one of the leading innovators in the household appliance branch. Some of the division's revolutionary developments include the electrical cooker with a cooking cart, the universal built-in cooker that uses pyrolysis and an integrated microwave,



The "Ceran" cooktops are delivered in the "vario-boxes" developed by Schott.



Every glass ceramic cooktop is carefully checked before being set into the appliance.



Up to 4,000 stoves can be assembled every day at the Traunreut plant.

as well as the cooker and switched hobs (cooktop) with electronic digital indicator with cooking and baking sensors. "We have set high standards for the future", stresses Rudolf Walfort, product manager for the cooker division.

Yet the cooker is an appliance – as opposed to dishwashers for instance – that is not a "uniform world product". Since no other appliance is used so differently from one region to another, market success depends upon adjusting to regional demands. Not only do functionality and individuality play an enormous role, but also the fact that the acts of cooking and eating are becoming celebrations in themselves.

In addition, regional differentiation affects purchasing decisions at BSH. "It is a great advantage to have the opportunity to work with a globally experienced partner like Schott, a company that can also meet our very diverse demands", emphasizes Gertrude Pohl, lead buyer for glass ceramics and coordinator for flat glass purchasing at BSH. After all, Schott supplies about 80 percent of the materials for glass ceramic cooktops as well as for processed flat glass. BSH's European and South American cooker plants are supplied by the Schott plants in Mainz, Jena and the companies belonging to the Schott-Glaverbel Group. In North America, Gemtron, a Schott company, has been a BSH partner for a long time. Business relations are regularly reviewed. "We update our planning permanently, and sometimes ad hoc measures are necessary as well," said purchasing manager Muhr.

A Partnership with a Future

The good relationship between BSH and Schott has a long tradition, the proof being the "Golden Q" that Bosch and the Siemens Hausgeräte GmbH, Traunreut, have awarded Schott four times in a row. BSH awards this prize to suppliers with an extraordinary performance in the areas of quality and



An overview of BSH*

Global turnover:
6.28 billion euros

Core business activities:
312 million euros

Employees: 36,500 world-wide;
16,000 in Germany

Foreign share: 70 percent

*Fiscal year 2000

The cookers made by BSH unite functionality with sophisticated design. The joint venture plans to expand its innovation leadership further with its intelligent cooking systems.



“Bosch” and “Siemens”

*The world-wide operations
of both global brands*

“Bosch” stands for products that are very reliable, easy to handle and have a long useful life. Traditionally, many customers associate the domestic appliances of this brand with refrigerators and freezers. After all, this was the company that brought the very first domestic refrigerator to market in 1933.

“Siemens” is the number 1 brand by far for domestic appliances in Germany. In Europe, it comes right behind the “Bosch” brand. For more than 150 years, the Siemens name has symbolized inventive genius, a cosmopolitan attitude and innovation. “Technical innovations will always be determined by practical relevance and usefulness for mankind”, were the words that company founder Werner von Siemens used to describe his philosophy, which remains alive to this day.

logistics. There is also a close partnership in various development projects. For example, new door ideas or alternative framework solutions for “Ceran” cooktops are on the agenda. “In this kind of cooperation, both partners must play with an open hand. That means mutual trust is necessary,” explained Rudolf Walfort. The goal of BSH is, on the one hand, to reduce development times, and on the other to achieve a head start on innovation and secure a unique market position.

The potential for glass ceramic cooktops has not been fully utilized thus far. Currently a number of ideas and suggestions for joint development activities are being examined. Another success factor is flexibility. Nowadays, different cooking methods can be freely combined with each other. Next to a “Ceran” glass ceramic cooktop with

electricity and/or gas, an open grill or a deep-fat fryer can be integrated into the worktop, for example. So cooks do not lose track of things while preparing meals, BSH is working on intelligent systems. Thus, it will suffice just to press the pork chop or apple pie symbol on the touch screen and the oven will then cook the chop or bake the pie to perfection ■

*The purchasing pros at
BSH’s cooker product area:
Gertrude Pohl, lead buyer
for glass and glass
ceramics and Hanns-Walter
Muhr, purchasing manager.*

