“Made in Turkey”, from Dilovasi to the World: German Investment in Kocaeli

Germany-based thyssenkrupp Asansör opens first manufacturing plant in Turkey in Dilovasi, Kocaeli

Established in the Dilovasi Machinery Specialization Organized Industry Zone (DMS-OIZ) with a 20 million Euro investment, the plant will boast a manufacturing capacity of 1,200 escalators in the first stage. The plant positions Turkey as a central base for escalator exports to the greater region. The plant is also home to a training area designated exclusively to provide elevator training for the plant workforce.

Kocaeli, 08 May 2018 - Ranking among the largest companies in the industry, Germany-based thyssenkrupp Asansor launched its first manufacturing plant in Turkey. The inauguration of the new production plant was hosted by thyssenkrupp Elevator Global Director and CFO Ercan Keleş and thyssenkrupp Asansor Turkey General Manager Turgay Şarlı with the attendance of the Turkish Investment Agency (ISPAT) and the Chairman of the Global Investment Agencies Union Arda Ermut, Deputy Prime Minister & Kocaeli MP Fikri Işık, as well as representatives from local public agencies and the business world.

The plant is initially poised to generate a volume of TRY500 million by manufacturing 1,200 escalators per annum during the first phase. Escalators labelled “Made in Turkey” will be marketed not only in Turkey, but also in the Middle Eastern and Eastern European markets. As a result, thyssenkrupp Asansor will position Turkey as the regional headquarters for escalator exports.

Ercan Keleş; “To contribute to the local and national”

Speaking at the inauguration ceremony, thyssenkrupp Elevator Global Director and CFO Ercan Keleş had these words to say: “We see that the concept of ‘local and national’ has great connotations for Turkey, particularly recently, and thus it is really very important. We believe that we will contribute to this concept with our new investment. thyssenkrupp Asansör is not just an industry-standard manufacturer, it also defines the benchmark and raises the bar of quality most of the time with the technologies it has developed. R&D activities before production are crucial for our company. Thanks to this innovative approach, we have developed several new technologies, such as rope-less elevator, where elevator cars run in the same elevator shaft independently, and we are continuing to develop other technologies. We are now transferring the knowledge behind the technologies I just mentioned to Turkey with our new factory. Turkish engineers and workers in our factory will use this knowledge to manufacture and contribute to the concept of “local and national”.

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Turgay Şarlı; “To achieve 90% local”
thyssenkrupp Asansör Turkey General Manager Turgay Şarlı said: “Our company, which has been conducting its business in Turkey directly from its in-country office for many years, puts forth its confidence and belief in our country once more with this new factory. Our factory is based in the center of a giant ecosystem, where the suppliers and subcontractors include Turkish companies in the region. As a result, as thyssenkrupp Asansör, we will not just grow on our own, but will also play a role in the growth of Turkish companies. Our plant will initially depend on 54% locally sourced components during the startup phase, but aims to boost the rate of local content up to 90% next year and ensure a rising percentage of local content in the production of escalators in Turkey. With manufacturing activities in full gear at our factory, we will meet the municipalities’ needs in the best way possible, extend product life cycles, and assist in leveraging the quality of life of those in the cities.”

Ermut; “We will increase the percentage of the local”
ISPAT President Arda Ermut congratulated thyssenKrupp on its investment in the DMS-OIZ as a leading company in its class with a firm history. He noted: “This investment confirms once again the importance of Turkey as a market for international companies. In addition to Turkey, products will be supplied to the markets of Eastern Europe, the Central Asian Republics, and the Middle East from this plant with an annual production capacity of approximately 1,200 units at the first stage. In so doing, this factory will also contribute to our exports. At ISPAT, we strategically prioritize the industries that reduce import-dependency and increase exports. This plant will kick off production with 50% of needs sourced from local manufacturers for the first year and will boost the "local component" rate up to 90% over the next few years. In this way, the thyssenKrupp investment is a major asset in this aspect. As you are aware, we have ramped up localization as the whole country. We have been reducing our foreign dependency in energy year by year. We also achieved this in the defense industry. A Localization Steering Committee has been commissioned by the Prime Ministry. As a result, in the forthcoming period, we are set to boost the percentage of the local component in such strategic industries as chemicals, pharmaceuticals, semiconductors, machinery assembly, motor vehicles, rail systems, food, and informatics”.

Realized with a €20 million investment, the factory has a 23,000 sqm indoor area on 27,000 sqm of land. The factory's area further includes a training campus to invest in people. It is planned to provide exclusive training on elevators and escalators for personnel from all overall Turkey as well as neighboring countries.

“No one with confidence in Turkey has ever lost”, said the Deputy Prime Minister and Kocaeli MP Fikri Işık.
Speaking to the attendees at the inauguration ceremony, Işık further commented that “Employment in the manufacturing industry is essential for sustainable
employment. The manufacturing industry is very important for the healthy and sustainable growth of Turkey. Both local and foreign are the same for us in Turkey. Every company investing in this country is a Turkish company. It is equally local and national for us. Considering companies that boost our development and prosperity as foreign entities would hardly make sense. A correct and smart investment is a win-win situation for all. With this approach in practice, we have managed to create 9 million employment opportunities during the last decade. Turkey alone has created twice as many employment opportunities as created in the whole of the EU during the same period.

It is our duty to find employment for our own people. In 2017, we broke the world record in terms of growth; it is true that there are certain adverse effects brought along with growth, but we cannot eliminate growth just because of these adverse effects. The measures required for eliminating these effects in the short-, medium- and long-term are and will be taken. No one should have doubts about this fact. The quality of production in Turkey is also very important for the current deficit. Being aware of that, our government has taken very important steps in investment and R&D. Turkey is one of the countries that provides the most generous incentives in the world in terms of R&D and innovation. It is also true for design. We amended the patent law as part of the production reform package. We are also determined to continue these activities nonstop in the future. No one who had confidence in Turkey has ever lost so far. None of the companies working in Turkey has left the country due to the conditions of Turkey so far. There are German companies with a history of 100 years of investment in Turkey. In this sense, I would like to thank thyssenkrupp and all its executives for their confidence in Turkey.

About us:

thyssenkrupp Asansör

thyssenkrupp Asansör, brings together the Group’s global activities in the field of passenger transportation systems. With a €7.7 billion sale volume in FY2016/2017 and clientele in 150 countries, thyssenkrupp Asansör, became the global leader of elevator companies in as few as 40 years thanks to the company’s unique engineering capabilities. With more than 50,000 qualified employees, the company offers smart and innovative products and services developed for covering individual needs of the clients. The product and service portfolio of the company includes passenger and freight elevators, escalators and travellators, passenger boarding bridges, stairlifts and platform hoists, as well as customized service solutions for all products. The company offers a comprehensive sales and service network at more than 1,000 locations around the world to be nearer to its clients.

thyssenkrupp

Thyssenkrupp is a diversified industry group strong in the field of materials and is gradually increasing its share in the field of capital goods and services. With almost 156,000 employees in approximately 80 countries, the company works rigorously and with technological specialization to offer services for quality products, smart industrial processes, and sustainable development. The skills and commitment of our employees have been the basis of our success. In FY2015/2016, thyssenkrupp sold at a value of around €39 billion.

We are working closely with our clients to develop competitive solutions to tackle the challenges of the future in mechanics, factories, and materials. Our specialization in engineering enables our clients to have an edge in the global market and to manufacture innovative products through an economic cost and use of source. The technical developments and innovations merged with the combined power of the Group
are the key factors that enable us to satisfy existing and future client and market requirements, grow in the markets of the future, and obtain strong and sustainable earning, cash flow, and value increase.

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