



Manufacturing hub Mexico: Bosch to build smart factory for electronic components

New investment in the HANNOVER MESSE 2018 partner country

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- ▶ Investment of 100 million euros (120 million U.S. dollars) in new plant in central Mexico
- ▶ Highly modern Industry 4.0 plant to manufacture key components for connected mobility
- ▶ More than 1,200 new jobs over the next few years
- ▶ Strengthening local presence in North America
- ▶ HANNOVER MESSE 2018: Bosch showcases factory of the future today

Mexico City, Mexico, and Stuttgart, Germany – Bosch, a leading global provider of technology and services, is investing 100 million euros (120 million U.S. dollars) in a new plant in Celaya. The company plans to build a new smart factory for electronic components in the central Mexican city by 2020. The investment underlines the importance of this year's HANNOVER MESSE partner country for the company: "Bosch is committed to Mexico. The country is and will remain an important market and a hub for our global manufacturing and development network," said Stefan Hartung, member of the Bosch board of management, ahead of the international industrial trade fair. The goal is to create more than 1,200 additional jobs at the new location in Celaya in the coming years. In total, the Bosch Group employs around 16,000 associates and is active with all four of its business divisions in Mexico. In 2016, the company generated sales of 1.1 billion euros in the country *[N.B. 2017 figures will be published in May 2018]*.

Industry 4.0 as a competitive advantage in Mexico

The Latin American emerging market has become highly industrialized in recent years, driven mainly by the automotive industry. In 2017 alone, nearly 3.8 million vehicles were manufactured in Mexico. In order to increase efficiency and competitiveness as a leading global manufacturing location, Mexico is increasingly focusing on the use of Industry 4.0. Bosch is playing a part in this. "We are planning

to make the new manufacturing facility in Celaya a smart factory with state-of-the-art, intelligent production lines,” Hartung said. For example, the plant will employ a manufacturing execution system (MES), which automatically collects data and shares production information in real time. This makes possible both preventive maintenance of machinery and higher product quality. The system also digitally connects the plant to the Bosch Group’s global manufacturing network. “By mid-2019, manufacturing at nearly all Bosch plants in Mexico will be equipped with our intelligent control system,” said René Schlegel, president of the Bosch Group in Mexico. In total, Bosch currently operates ten manufacturing locations around the country and has already introduced the use of smart technologies, for example at its Mobility Solutions sites in Toluca and Juárez. As a leading provider of Industry 4.0 solutions, the Bosch Group also sees local business opportunities in Mexico.

Increasing demand for connected mobility

The new approximately 21,000-square-meter facility in Celaya, which is located in the state of Guanajuato, will manufacture electronic control units (ECUs) for the American market. These are key components for connected mobility. Alongside Juárez, Celaya will be home to the Automotive Electronics division’s second plant in Mexico. “With the new location, we are responding to the increasing demand for electronic components in the American market,” René Schlegel said. With a total surface area of 170,000 square meters, the site will have capacity for further expansion in the future. In addition, the plan is to build a logistics center for Mexico on the adjacent property, which will also serve as a warehouse for the new plant.

Bosch strengthens presence in North America

With the investment in a new location, Bosch is continuing its long-term expansion in North America. Over the past five years, a total of around 2.6 billion euros has been spent on strengthening the company’s local presence. In Mexico, where Bosch has been active since 1955, the company opened a new manufacturing facility for driving safety systems in Aguascalientes in 2016. At the end of 2017, a plant for steering systems in Querétaro went into operation. The country is also gaining in significance as a development location: since 2014, Bosch has been operating a center for software development and engineering services for the American market in Guadalajara. A large proportion of the investment sum also went to the U.S. There, the Mobility Solutions plants in Charleston and Anderson are currently being expanded, and at the beginning of this month, Bosch opened a new research center in Sunnyvale in California’s Silicon Valley.

Bosch at HANNOVER MESSE: the factory of the future – today!

What will the factory of the future look like? How can people, robots, and machines work together? What role do 5G, data, software, and services play? Where can artificial intelligence (AI) be put to use? At Hannover Messe 2018 (hall 17, booth A40), Bosch is bringing the factory of the future to life – today. Entitled “Now, next, beyond: factory of the future,” the technology company’s 1,300-square-meter showcase demonstrates what it offers today (now), and what solutions it is developing for tomorrow (next) and the future (beyond). The main attractions are 1.5-meter-tall mobile robotic figures that give a Pixar-like face to Bosch’s connected-factory assistants. Another highlight is a football table that improves its soccer abilities with every game and every new opponent – thanks to AI.

Press briefing and short guided tour of highlights:

Monday, April 23, 2018, 1:00–2:00 p.m., hall 17, booth A40

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The Bosch Group is a leading global supplier of technology and services. It employs roughly 400,500 associates worldwide (as of December 31, 2017). According to preliminary figures, the company generated sales of 78 billion euros in 2017. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT company, Bosch offers innovative solutions for smart homes, smart cities, connected mobility, and connected industry. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group’s strategic objective is to create solutions for a connected life, and to improve quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is “Invented for life.” The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiaries and regional companies in 60 countries. Including sales and service partners, Bosch’s global manufacturing, engineering, and sales network covers nearly every country in the world. The basis for the company’s future growth is its innovative strength. At 125 locations across the globe, Bosch employs 62,500 associates in research and development.

The company was set up in Stuttgart in 1886 by Robert Bosch (1861-1942) as “Workshop for Precision Mechanics and Electrical Engineering.” The special ownership structure of Robert Bosch GmbH guarantees the entrepreneurial freedom of the Bosch Group, making it possible for the company to plan over the long term and to undertake significant up-front investments in the safeguarding of its future. Ninety-two percent of the share capital of Robert Bosch GmbH is held by Robert Bosch Stiftung GmbH, a charitable foundation. The majority of voting rights are held by Robert Bosch Industrietreuhand KG, an industrial trust. The entrepreneurial ownership functions are carried out by the trust. The remaining shares are held by the Bosch family and by Robert Bosch GmbH.

Additional information is available online at www.bosch.com, iot.bosch.com, www.bosch-press.com, twitter.com/BoschPresse.