

Bosch in South America: **60 years of success in Brazil** Innovative solutions for safety, security, and mobility

June 11, 2014
PI 8601 RB De/Na

- ▶ Security for stadiums and subways
- ▶ Bosch FlexFuel technology in nearly every Brazilian vehicle
- ▶ Production primarily for the local market

Dynamic development, tremendous diversity, and warmhearted people: Brazil quite rightly is attracting the world's attention – and not only for major sporting events. With a GDP of 1.7 trillion euros, Brazil is now one of the world's seven strongest economic powers. The Bosch Group has been involved in the country's remarkable development for a very long time. The company's first agency opened in 1910 in Rio de Janeiro. Sixty years ago, the first sales office opened in São Paulo. Since then, Bosch has been officially present in Brazil. Two years later, production started at the first manufacturing facility in Campinas, around 100 kilometers from São Paulo.

Today, the Bosch Group is active in Brazil at eight locations with all four of its business sectors – Automotive Technology, Industrial Technology, Consumer Goods, and Energy and Building Technology. In 2013, the company employed 8,600 associates in the country, who generated 1.3 billion euros in sales in the local market. This is 80 percent of Bosch's total sales volume in South America. Including non-consolidated companies, the Bosch Group is present in six other South and Central American countries, including Argentina, Venezuela, Chile, and Colombia, with a total workforce of roughly 1,000 associates.

Market with long-term growth potential

Thanks to its excellent long-term growth potential, South America is a strategically important region for Bosch. Over the past ten years, Bosch has invested around 750 million euros in South America, the majority of

which in Brazil. Given the region's roughly 400 million inhabitants, low median age, and the increasing purchasing power of a growing middle class, the company expects to see a rise in demand for technology that is "Invented for life" – i.e. products and services for more energy efficiency, lower CO₂ emissions, and improved safety and security. For example, demand for [automotive technology](#) in particular is likely to rise in Brazil, considering that not even one in four Brazilians currently own a car. In addition, ABS became mandatory in 2014 for all vehicles produced in Brazil and Argentina. The company expects this to offer an additional impetus.

Security for millions every day

Bosch Security Systems technology has provided the cameras, fire alarms, and evacuation systems that ensure millions of Brazilians are able to travel safely every day. One such example is the subway system in São Paulo, South America's largest city. Every day, 900,000 people pass through the central hub at Praça da Sé. Traffic on the "Bandeirantes" and "Anhanguera" freeways – which link the metropolises of São Paulo and Campinas – is also equipped with Bosch technology. Since 2000, the private operator CCR AutoBan has been keeping an eye on 360 kilometers of freeway, and can quickly warn drivers of hazards or intervene in cases of emergency.

Bosch products also keep visitors safe at many of Brazil's stadiums. This is the case, for example, at the [Arena Itaipava Fonte Nova](#) in Salvador da Bahia. 280 cameras, 500 speakers, and 4,000 fire alarms from Bosch are installed there. Thanks to this security technology, the 50,000-seat stadium can be evacuated in eight minutes in an emergency. It is also equipped with Bosch solar collectors, which provide the facility with hot water. These products are manufactured in Alphaville, near São Paulo.

Broad product portfolio

The example of the stadium in Salvador attests to the Bosch Group's key strength: the ability to use the expertise of various divisions in order to offer a broad portfolio of solutions. In South America alone, there are currently 190 such projects. Alongside sporting venues, these encompass projects in the mining and construction industries. For customers in South America, Bosch communication centers in Sao Paulo and Joinville offer a broad range of services. These include services in areas such as marketing, customer support, finances, security, and IT support in Portuguese, English, and Spanish. The two centers are part of a global network of more than 20 locations offering services in some 30 languages.

FlexFuel – a “local for local” development

Bosch’s Brazilian locations are an example of the company’s “local for local” strategy. This means that production for the local market happens locally. As part of this, local management ensures that each region’s specific demands are catered to. An example of this is the [FlexFuel technology](#) Bosch developed especially for Brazil. This technology makes it possible to run vehicles on gasoline as well as ethanol in any mixture. Since the 1970s, Brazil has relied heavily on locally-produced ethanol in order to reduce imports of gasoline and diesel. Diesel engines are still prohibited in passenger cars. Today, roughly 90 percent of all passenger cars there are equipped with FlexFuel. In 2013, the twenty-millionth vehicle featuring this Bosch technology was manufactured in Brazil. Other important markets are the U.S., Canada, and Mexico. Bosch is currently further developing FlexFuel technology for diesel engines. DualFuel is the new solution which allows trucks to run on natural gas as well. Using this technology, up to 90 percent of a vehicle’s fuel needs can be covered by gas instead of diesel. Bosch components from the Curitiba location are already in use in nearly every diesel-powered truck driven in Brazil.

Qualified apprenticeships since 1960

As it does in elsewhere, Bosch offers a qualified apprenticeship program in Brazil based on the tried-and-tested German dual education model, a combination of theoretical study and practical training. As early as 1960, the company established a partnership with the state apprenticeship program SENAI (Serviço Nacional de Aprendizagem Industrial), and took on its first apprentices. Some 1,400 young people have now graduated from the technical schools at the Bosch locations in Campinas and Curitiba. Today, a total of 60 young people begin apprenticeships there each year. Over the past ten years, Bosch has hired more than 90 percent of its apprentices after the completion of their training, which is considerably higher than the national average of 50 percent.

Commitment beyond business interests

The Bosch Group’s activities in Brazil extend far beyond its business interests, however. Driven by a fascination with Brazilian history and culture, in the 1960s the company began building a specialist library for first editions of the most important works covering many aspects of the country. Today, the collection has around 1,000 volumes, including a letter from Columbus written in 1493 in Latin, as well as the 1482 Ulm edition of Ptolemy’s *Cosmographia*, which does not yet include the Americas.

Since 2003, the [Instituto Robert Bosch](#) has supported apprenticeship and professional training programs at Brazilian locations. In the spirit of the company founder, the organization supports young people from disadvantaged backgrounds. For example, in conjunction with the municipal authorities in Curitiba, it runs courses for more than 500 young people. Upon completion, some 70 percent of them find work in a skilled position. The Instituto Robert Bosch also works closely with organizations such as [Primavera](#) Hilfe für Kinder in Not e.V., an aid organization established by Bosch associates to help children in need.

Press photos: 1-INT-20225, 1-INT-20226, 1-INT-20227, 1-INT-20228, 1-INT-20229, 1-INT-20277

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The Bosch Group is a leading global supplier of technology and services. In 2013, its roughly 281,000 associates generated sales of 46.1 billion euros. (NB: Due to a change in accounting policies, the 2013 figures can only be compared to a limited extent with the 2012 figures). Its operations are divided into four business sectors: Automotive Technology, Industrial Technology, Consumer Goods, and Energy and Building Technology. The Bosch Group comprises Robert Bosch GmbH and its roughly 360 subsidiaries and regional companies in some 50 countries. If its sales and service partners are included, then Bosch is represented in roughly 150 countries. This worldwide development, manufacturing, and sales network is the foundation for further growth. In 2013, the Bosch Group invested some 4.5 billion euros in research and development and applied for some 5,000 patents. This is an average of 20 patents per day. The Bosch Group's products and services are designed to fascinate, and to improve the quality of life by providing solutions which are both innovative and beneficial. In this way, the company offers technology worldwide that is "Invented for life."

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. 92 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.

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