

Press release

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Demag Plastics Machinery (Ningbo) has already been producing in Ningbo for 14 years

Sumitomo (SHI) Demag will soon have a comprehensive presence in China

Sumitomo and Demag have already been conducting sales as individual brands in China for many years with a local presence, and Demag Plastics Machinery (Ningbo) Co., Ltd. has been producing injection moulding machines in Ningbo since the end of 1998. Now, the parent company Sumitomo (SHI) Demag is expanding the product range and increasing the density of its sales network. By introducing smaller models in the machine series Systec C and establishing new sales and service offices in mid, northern and western China, the company intends to increase its market penetration further in China and build up its installed base of more than 6000 machines.

Sumitomo and Demag have already been familiar names to Chinese customers for many years with their high-tech machines. Then, in 1998, Demag started production in Ningbo as a joint venture with a local producer. Independent for seven years now, the plant in the Zhejiang province in the port city of Beilun is Sumitomo (SHI) Demag's fourth production site alongside Germany and Japan. The product range of Demag Ningbo has grown continuously and now includes machines up to 10,000 kN closing force. In addition to China, the plant has also achieved successes in selected export markets. The range is supplemented in China by imported high-tech series from Europe. All machines share the common features of their technological orientation and control platform.

Production in Ningbo and a comprehensive presence with sales and services throughout China are based on a strong team with equal representation by national and international employees, under the experienced management of Vice President Demag China and CEO Stephan Greif. Today, Sumitomo (SHI) Demag is regarded as the leading European injection moulding machine manufacturer in the Chinese market.

The main sales markets for export machines manufactured in China are countries in the region such as Malaysia, Indonesia, Thailand and Vietnam, as well as Australia and New Zealand. Furthermore, the sales activities are going to be expanded to Taiwan, Vietnam, Indone-

sia and the Philippines during 2012. The declared objective is to boost the export proportion of Chinese production from 10 percent in 2010 to 30 percent in the medium term.

Demag Plastics Machinery (Ningbo) ascribes its great successes amongst Chinese processors to the high precision and durability of its machines, which help Chinese customers to deliver high-quality plastic parts at competitive prices. The target customers of Demag are manufacturers in the electronics and electrical engineering industries, producers of plastic packaging as well as automotive manufacturers and their suppliers. Alongside the predominantly Chinese customer base, more and more globally active American and European groups are becoming customers of Demag Ningbo. "The development in the Chinese economy would have prompted more and more Chinese plastics processes to obtain high-performance machines from local production in order to produce better quality and with higher added value," observes Stephan Greif.

Complete product range from production and import

Demag offers these customers fully electric precision machines, hybrid high-speed machines, multi-component machines and hydraulic standard machines with efficient drive technology, all from a single source. The injection moulding machines available include the extended hydraulic series Systec C, the fully regulated, hydraulic all-purpose machine for producing a wide variety of plastic parts for all kinds of consumer industries. The machine produced in Ningbo will be available during the course of 2012 with a full range of closing forces between 500 and 10,000 kN. On the basis of the global Systec platform, it has been consistently adapted to the needs of the Chinese and Asian markets. It is the result of cooperation between German, Chinese and Japanese engineers at all sites of Sumitomo (SHI) Demag.

Today, Demag Ningbo produces up to 60 machines per month. During the past few years, the supply chain has been continuously shortened, as have lead times, while product quality and the efficiency of production have been improved. Production in Ningbo is carried out by a team of 180 employees, half of whom have been loyal to Demag Ningbo for more than 10 years and put into practice a production process with a production philosophy and quality management from Germany.

Service and support for 6,000 installed machines

At present, the installed base in continental China is about 3,000 injection moulding machines supplied from Germany, with closing forces from 250 to 40,000 kN. In addition, there are a further 3,000 machines, more or less, from local production. Most of the systems were

produced during the past two decades, although some machines have been in operation for more than 30 years.

In the future, the Chinese government will be pushing for greater industrial production in mid, northern and western China. In view of this situation, Demag Ningbo will be expanding its sales and service bureaus gradually into the up-and-coming provinces in order to achieve a presence throughout China.

It is not just in sales but also in service and support that Demag Ningbo is covering the Middle Kingdom with optimum effect even today. Customer service in China is structured according to the origin of the machines. For example, the Aftersales department with its main base in Ningbo controls 14 engineers in Dongguan, Chengdu, Suzhou and Shanghai. The team is responsible for taking new Chinese machines into operation at the customer, for machine acceptances, test runs, die validations, process optimisation and, last but not least, customer training. Four backoffice employees in Ningbo and Dongguan look after spare parts provision and customer-specific special solutions. The Aftersales department for imported machines installed in China is responsible for maintenance, training and spare parts sales. In addition to its responsibility for German machines, the Aftersales department also looks after machines from European and American production transplants, and represents Sepro Robotique in China. It is responsible for the sales and maintenance of linear robots from the French manufacturer. Additional regional bureaus in Guangdong (southern China) and Suzhou, Jiangsu province, provide proximity to the customer.

Sumitomo (SHI) Demag Plastics Machinery GmbH

Sumitomo (SHI) Demag Plastics Machinery GmbH, Schwaig/Germany, is one of the world's largest manufacturers of injection moulding machines for plastic processing. The Japanese/German company was formed in early 2008 by the merger of the injection moulding machine activities of Sumitomo Heavy Industries (SHI) and the Demag Plastics Group.

The global development and production network of Sumitomo Heavy Industries and Sumitomo (SHI) Demag comprises four plants in Japan, Germany and China, employing more than 3,000 people. The product range includes fully electric, hydraulic and hybrid-drive injection moulding machines in the closing force range between 180 and 20,000 kN. With over 100,000 installed machines, Sumitomo (SHI) Demag is present in all important markets in the world.

Selling more than 5,000 machines every year, Sumitomo Heavy Industries with its plastics machine arm is regarded as one of the largest global manufacturers of injection moulding machines.

The Sumitomo headquarters in Chiba, Japan, manufactures machines with small and medium closing forces. About 95% of all machines delivered have a fully electric drive concept.

The Demag headquarters in Schwaig/Germany focuses on manufacturing Systec machines as well as EI-Exis hybrid high-performance and high-speed machines. In line with the increasing importance of electric drive technology for injection moulding machines, Sumitomo (SHI) Demag has expanded the former Demag plant in Wiehe/Germany into a global centre of competence for electric machines. Thanks to the production capacities created, Wiehe currently supplies electric injection moulding machines with up to 4,500 kN closing force in the IntElect series, as well as hydraulic machines in the Systec series with up to 1,200 kN closing force for the international market.

In Ningbo/China, Sumitomo (SHI) Demag continues to operate the former Demag plant which has been active since 1998. Since 2007, the local subsidiary, Demag Plastics Machinery (Ningbo) Co., Ltd., has had its own, newly built plant, although it was necessary to relocate to a larger factory site with 11,000 m² production area after the old plant achieved full capacity utilisation. The injection moulding machine range consists of the series Systec C with 500 to 10,000 kN closing force for Asian markets.

In addition to injection moulding machines, Sumitomo (SHI) Demag offers systems for individual customers and standardised systems for automating the moulded part handling, process engineering solutions for special applications, tailor-made services and service concepts as well as offers of financing the investment in injection moulding machines.

With its comprehensive sales and service network comprising subsidiaries and agencies, Sumitomo (SHI) Demag is present in all important industrial markets.

www.sumitomo-shi-demag.eu

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*The plant of Demag Plastics Machinery Co., Ltd. in Ningbo
Photo: Demag Plastics Machinery (Ningbo)*



*Stephan Greif, CEO of Demag Ningbo and Vice President Demag China
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