



Erhardt+Leimer continues to grow with the focus on sustainability in 2018

At the annual conference held at the end of January, the senior management of Erhardt+Leimer GmbH, a specialist for automation and inspection technology based in Leitershofen, informed team members about the previous fiscal year and set targets for the near future of the corporate group.

In her opening speech, in her capacity as President of the international corporate group, Hannelore Leimer stated that sustainability must be the watchword for the organization's actions in 2018. Erhardt+Leimer is under extreme pressure from a large number of orders; for this

reason the production processes must be made even more efficient so that production can keep up with the increasing volume of orders.

Almost 10% growth in turnover

As Dr. Michael Proeller, CEO of the Erhardt+Leimer corporate group explained, it had been possible to maintain stable revenue in 2017 despite falling gross margins, the turnover increased by almost 10 % to 91 million euro on the Augsburg site compared to the previous year, in the corporate group as a whole by almost 9 % to 176 million

euro. As before, growth rates are highest in the Asian region. Approximately 150 million euro stem from the core business, i.e. the sale of components and systems for web guiding as well as cutting and inspection technology for the production of moving webs. The largest portion of the turnover was posted, as before, by the "Textile" Sales Division with its strength due to historical reasons. Here Erhardt+Leimer is way out in front of any international competitor - the copying of successful E+L products by competitors in China has in the meantime become almost normal.



Important growth markets: hygiene and battery industry

Proeller continues to see major potential for E+L in the hygiene industry (e.g. diaper production) and in the battery industry. In this context the subsidiaries in China, Japan and South Korea are of major importance for the company because new battery factories are built almost exclusively in these countries.

Investment in the digitalization of production

The digitalization of production is at the top of the list for investment planning in 2018. By using interactive software and by means of partially automated production using robots, it is intended to achieve a greater degree of digitalization in stages. Methods such as the so-called lean production for increasing efficiency are also applied systematically.

Expansion of production also in the E+L plants in China, India and the USA

And production areas will be expanded not only in the local E+L plant on Rumplerstrasse in Augsburg and in this way production capacity further expanded. To avoid trade barriers due to import duties, E+L wants to expand production in the USA, in particular to be able to continue to serve major US-American customers. In the previous fiscal year it was possible to increase local production at the US subsidiary by 30 % – a sensible development against the background of the "America first" policy of the current administration.

At Erhardt+Leimer China, the annual production of 2000 to 3000 small web guides for the local market is planned, and at E+L India, the largest subsidiary with almost 300 employees, the production area is to be doubled. In this context, however, Proeller referred to the know-how of the E+L team members in the headquarters in Leitershofen/Augsburg as "of inestimable value and inimitable".

Sustainability and efficiency

More important than market share and growth at any price, according to Proeller, is doing business sustainably and efficiently to master successfully the challenges that lie ahead for the production area. The E+L CEO also sees sustainable pricing as imperative.

The mood in the organization remains optimistic: for 2018 the senior management is planning turnover growth of 8%.◆

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