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#### Rittal to invest 250 million euros in Germany

# Rittal lays foundation stone for new, highly advanced production plant

Rittal plans to build the world's most advanced production plant for compact enclosures, with completion scheduled for 2018 in Haiger in the German State of Hesse. The company also intends to upgrade factories in nearby Rittershausen and Hof. The projects will prepare Rittal, a world-leading provider of industrial enclosure systems, for future challenges. Moreover, a further plant will be built in the area in the near future. At the ceremony to mark the laying of the foundation stone for the facility in Haiger, the Premier of the State of Hesse, Volker Bouffier, praised the commitment of the Friedhelm Loh Group to the region and to Germany as a whole.

Haiger, Germany, 19 August 2016 - The world's firstever standardised compact enclosure was manufactured in Rittershausen, in the German State of Hesse, some 55 years ago. These Rittal products went on to enjoy international success across all sectors of manufacturing. Now, a new chapter in this story is being written in the town of Haiger. This will be the site for a new, highly advanced production plant for compact enclosures. Total capital expenditure will amount to 250 million euros, making it the largest single investment in the enterprise's history. State-of-the-art infrastructure and digitisation will underpin highly-efficient production, logistics and communications processes. The undertaking will also entail corresponding upgrades to two further plants in the region, and the construction of a further plant for large stainless-steel enclosures in the same area.

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As the Premier of the State of Hesse, Volker Bouffier, stated at the ceremony to mark the laying of the foundation stone: "This is a major step forward, and a significant commitment to the State of Hesse, to this region, and to the people who live here. It deserves the utmost respect." Within the scope of a family-friendly celebration, the political leader joined Dr Friedhelm Loh, owner and CEO of the Friedhelm Loh Group, to lay the foundation stone – symbolically comprising an AE-type enclosure made by Rittal.

## The future of manufacturing is digital and connected

The 24,000 m<sup>2</sup> facility in Haiger is slated to commence operation in 2018. It will manufacture 9,000 enclosures a day by means of highly automated processes. The plant is designed to efficiently manufacture any quantity of any product from the 300 standard enclosure types – in accordance with each customer's specific needs. Around 25,000 metric tons of steel will be processed annually.

Production comprises three stages: metal-working, painting, and assembly. Digital technology will play a key role, as will machining and assembly tools from Rittal Automation Systems' portfolio. Materials will be conveyed to where they are needed by means of automated guided vehicles (AGVs), without human intervention. Intelligent systems, with machine-learning abilities, will be deployed to continuously increase system availability, and to predictively order spare parts, reducing the likelihood of unplanned downtime due to wear. Fully automated control systems, for example in the paint shop, will minimise energy consumption, costs and environmental impact.

# The world of work is also changing in a new plant on a site close to Rittershausen

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The new facility will employ a workforce of approximately 290. However, the production line will be very different from that at legacy plants in the region: the high degree of automation will mean that tasks will be less manual in nature, and more concerned with monitoring, analytics, and continuous improvement. Any specialist skills required will be taught at the Loh Academy.

Haiger will act as a pilot and model for upgrades at other sites throughout the world. As Dr Friedhelm Loh emphasised: "Digitisation of production processes is vital to the future viability of the German economy. It is key to achieving the productivity needed to compete in the global marketplace and to safeguard employment for the people who live in this country."

While speaking at the ceremony to mark the laying of the foundation stone for the new factory in Haiger, Dr Friedhelm Loh announced that a further plant would be built in the near future on a site close to Rittershausen. With total floor space of 56,000 m<sup>2</sup>, it will be used to manufacture large stainless-steel enclosures.

The intention is for the facilities to coordinate their processes and to form a production network. Dr Loh drew attention to the way information technology is connecting machines and infrastructure, blurring the lines between the real and virtual worlds: "In light of the huge volumes of data involved, and the security concerns, I can understand the qualms some entrepreneurs have about investing in the fourth industrial revolution. But I am convinced that if we do not embrace this new era, Germany will be overtaken by other countries."

## A new Rittal Innovation Centre

The Friedhelm Loh Group organised a family-friendly festival to celebrate the laying of the foundation stone for

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the new plant. The employee event also marked the opening of the nearby Rittal Innovation Centre. This offers Rittal customers an opportunity to experience solutions under real-world conditions. It simulates the challenges of actual production processes, taking analysis and discussion to an entirely new level.

The Rittal Global Distribution Centre (GDC) was also officially unveiled during the celebrations. The company has invested over 40 million euros in the state-of-the-art facility, which houses 24 kilometres of racking and 25,000 pallet positions. The GDC will ship some 10,000 products to customers around the world on a daily basis.

The combined projects will make the town of Haiger a hub for ground-breaking production technology. The production plant for compact enclosures is to be established directly adjacent to the high-bay warehouse and small-parts warehouse in the GDC. As a result, customers attending training courses and tests in the Rittal Innovation Centre can simply take a short walk to experience first-hand how the products they have ordered are actually made.

## A day of celebration and entertainment

During his speech at the festival, Dr Friedhelm Loh stated that there were plenty of good reasons to celebrate. Activities on the day included a go-cart circuit, the Kuka Coaster ride-on-a-robot, and face-painting for children. Moreover, stars such as singer-songwriter Andreas Bourani and comedian Eckart von Hirschhausen took to the stage. Dr Loh announced: "I am happy to be joining with you to commence a new chapter in the company's history." Hesse premier Bouffier highlighted the family-owned enterprise's commitment to the region, including its community projects: "The laying of this foundation stone shows that regional roots and a

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global outlook, tradition and innovation, can go hand in hand. The State of Hesse is a prime example, and the Friedhelm Loh Group and Rittal in particular."

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#### Caption(s)

Image 1: The new-build in Haiger and the upgrades of plants in Rittershausen and Hof will equip Rittal, a world-leading provider of industrial enclosure systems, for future manufacturing-industry challenges. At the ceremony to mark the laying of the foundation stone for the facility in Haiger, Premier of the State of Hesse, Volker Bouffier, praised the commitment of the Friedhelm Loh Group to the region and to Germany as a whole. From right to left: Premier of the State of Hesse, Volker Bouffier; Debora Loh; Dr Friedhelm Loh, owner and CEO of the Friedhelm Loh Group; Wolfgang Schuster, chairman of the local council; Mario Schramm, Mayor of Haiger; Dr Köhler, CEO of Rittal International; and Carsten Röttchen, Executive Vice President, Production

Image 2: Rittal plans to build the world's most advanced production plant for compact enclosures, with completion scheduled for 2018. Premier of the State of Hesse, Volker Bouffier, stated at the ceremony to mark the laying of the foundation stone: "This is a major step forward, and a significant commitment to the State of Hesse, to this region, and to the people who live here."

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#### About Rittal

Rittal, headquartered in Herborn, Germany, is a leading global provider of solutions for industrial enclosures, power distribution, climate control and IT infrastructure, as well as software and services. Systems made by Rittal are deployed across a variety of industrial and IT applications, including vertical sectors such as the transport industry, power generation, mechanical and plant engineering, IT and telecommunications. Rittal is active worldwide with 10,000 employees and 58 subsidiaries.

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Its broad product range includes infrastructure solutions for modular and energy-efficient data centres with innovative concepts for the security of physical data and systems. Leading software providers Eplan and Cideon complement the value chain, providing interdisciplinary engineering solutions, while Rittal Automation Systems offer automation systems for switchgear construction.

Founded in Herborn in 1961 and still run by its owner, Rittal is the largest company in the Friedhelm Loh Group. The Friedhelm Loh Group operates worldwide with 18 production sites and 78 international subsidiaries. The entire group employs more than 11,500 people and generated revenues of around €2.2 billion in 2015. In 2016, it was named one of Germany's leading employers by the Top Employers Institute, for the eighth year running. Within the scope of a Germany-wide survey, Focus Money magazine identified the Friedhelm Loh Group as one of the nation's best providers of vocational training.

For more information, visit www.rittal.com and www.friedhelm-lohgroup.com.