

Production Relocation

- Relocation of a production into a new competitive production plant

Customer: Globally acting tier 1 supplier for the automotive industry

Customer Product: Key component of exhaust gas turbocharger (rotor)

Production Relocation

Initial situation

- The customer runs the production of key components for the final product under economically unfavorable and strongly restricted conditions due to historical reasons.
- A future capacity increase is required due to final customer's contracts
- To improve the competitiveness a significant reduction of production cost is required
- The decision is made, to relocate the production to two production locations with cost favorable frame conditions within the existing production footprint. This split follows the strategy local for local (local production for European and for Asian customers)
- The expansion of the plant in Serbia is required to take over the production equipment. This is also part of the project
- The current production plant shall be closed
- The related production processes are:
 - Turning (4 + 8 machines)
 - Electron beam welding (3 machines)
 - Heat treatment (2 vacuum ovens)
 - High precision grinding (8 machines)
 - Balancing (8 machines)
- Timing for relocation: 1,5 years from project start

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Primary project tasks and responsibilities

Primary task assignment to the project leader:

- Project planning and lead of project teams
- Preparation of the receiving plant building:
Plant expansion and definition of the building infrastructure (energy requirements, compressed air, cooling / chilled water, emulsion supply ...)
- Layout definition and optimization
- Supporting of
 - Ramp down of existing plant
 - Employee and customer communication
 - Production ramp up in the Asian production plant
- Production ramp up in European plant
- Production and process approval process with the final customer

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Production area and first production machines in the new production plant

(Link: [*Plant expansion documented by the construction company*](#))



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Project key data

- Start of project 01.04.2020
- Communication of decision to relocate 12.05.2020
- Customer information and start of release process 12.05.2020
- Start of plant expansion 15.06.2020
- Start of relocation in 4 phases 02.11.2020 / 19.04.2021 / 16.08.2021 / 13.10.2021
- Closure of old production plant latest 31.12.2021