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Rheinmetall affiliate setting up another joint venture in China

Pierburg Pump Technology GmbH of Neuss, Germany, a company of KSPG AG, the Rheinmetall Group's Automotive arm, has joined forces with Shanghai Xingfu Motorcycle Co., Ltd., which belongs to Huayu Automotive Systems Co., Ltd. (SAIC Group), to set up a joint venture to manufacture and market pumps for automotive applications. Each party holds a 50-percent stake in the new Shanghai-based venture, Pierburg Huayu Pump Technology Co., Ltd. (PHP).

PHP will specialize in innovative pumps for the Chinese auto market. The lineup includes variable-flow oil pumps, electric oil pumps for transmissions, on-demand coolant pumps for the main circuits as well as electric recirculating water pumps for secondary circuits used for charge-air or recirculating exhaust gas cooling. Completing the venture's product range are high-efficiency vacuum pumps. Supported by Pierburg Pump Technology's European R&D units, PHP will have its own application development department and a test & prototype center in China to enable customer-specific products to be developed locally.

Presently, the new company is building a 4,000 m² production facility in the industrial zone of Yuepuzhen in the northern Shanghai area. At the turn of 2013/14, the first production lines and test systems for recirculating-water and vacuum pumps will be installed.

Since 1997, the KSPG Group has been represented in China by several joint ventures and wholly-owned subsidiaries. This international first-tier auto-industry supplier has presently 10 locations in and around Shanghai as well as in Yantai. The 50-50 joint ventures at their altogether six locations have alone a workforce of over 3,500. Sales by these companies in 2012 amounted to €390 million, 30 percent above the 2011 level.



Signing of the joint venture contract in Shanghai by Zhang Haitao (r.), President of Huayu Automotive Systems Co., Ltd., and Udo Nanning, President of Pierburg Pump Technology GmbH.

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