

CHINA

Rising Sun



There is a clear plan for the new China.
Growth in the Middle Kingdom will be socially
and environmentally sustainable as Wörwag
illustrates at its plant in Langfang. And employee
Julie Sun exemplifies the good prospects –
a life rising. Text: Michael Thiem; photos: Laurent Burst



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Julie Sun radiates joy.
She works at Wörwag
as a quality manager.



On the way home: Julie Sun has purchased an apartment in an exclusive gated community in the east of Langfang.



Infographics: Vectorstock



Julie Sun holds up her key like a small trophy between her thumb and index finger. The security guard at the heavy iron gate standing watch over the entrance to the exclusive gated community in the east of Langfang, looks critical. But then he nods and opens the gate a crack. For Julie, the key opens more than her new three-bedroom apartment, it's her ticket to the middle class. It means social advancement, recognition, and beginning a life of relative prosperity and material security. It is a reward for Julie, who at the age of 38 has worked hard for the past ten years at Wörwag as a quality manager saving two thirds of her monthly salary. Rising Sun. Her plan has paid off.

Committed to optimism

Julie Sun is not the only one on the move. China is changing constantly and daily. In fact it is changing at a dizzying pace. If you want to visit a restaurant in the evening, you had better call in advance. Not to reserve a table, but to make sure that the restaurant is still there. It's a country in mad transition. On TV there is an advertisement for growth pills. Add between 6 to 15 centimeters to your height within six months! A bold promise in an even bolder country. But now one thing is certain, suddenly it pays to work. That's why people are moving in droves into the cities that are changing so fast that a reliable road map is hard to come by. But that, like everything else, is cause for optimism and celebration. In China, the words for crisis and opportunity are each composed of two characters. In both words the character Ji is used. So the Chinese conclude that every crisis is an opportunity. Committed to optimism. →

“It is important to think about products, the market and the prices. But it is equally important to treat the employees well.” Junxue Qin

→ That is true for Julie Sun, who faces the future with confidence and with a raft of personal goals. She commutes to work on a bicycle, but soon she hopes to swap it for a car – preferably a VW Polo. She stands in the kitchen of her new apartment and cranes her neck out the window. She should almost be able to see the Wörwag plant. It is only three kilometers as the crow flies but the road is still unfinished. A construction fence and trees obscure the view. In a couple of months construction will continue all the way from here to her work place. The entire residential complex consists of several 18-storey blocks. 5000 people will be moving into the new apartments by the end of the year. They will live in the middle of a green oasis; an idyllic development reminiscent of a holiday resort. There are ornate paths, romantic waterways with small bridges, cozy seats, shade trees and a huge playground. No wonder the development is called Huaxi Zhuoan, which means “flower garden”. Half of Langfang is plastered with adverts for this residential area marketed with the slogan “Sunny and colorful days”. When Julie Sun talks about her home she is radiant. It is everything she imagined. And it was planned by the Chinese government.

Revamping the image of a town

Langfang is located some 70 kilometers south of Beijing. More than four and a half million people live here and more are arriving every day. A thousand companies have moved to Langfang. With Wörwag, there are 200 from Germany. It is a strategic location. Many automotive manufacturers and suppliers of major brands have settled around Beijing, and a second capital airport will open in the south of the city by 2018.

Julie left her hometown Chifeng in Inner Mongolia in 2002 along with her childhood sweetheart Zhidong Wu. Seven years ago, their daughter Wu Mingyang was born. They want her to have a better future, surrounded with greenery and trees, not just in picture books, but in a real and healthy environment. All of the conditions are right. Langfang is an official eco-development zone. It is all happening very fast.

In late 2012, Jiutian Leisure Valley opened in the city center. It is an artificial indoor recreation park with a huge rainforest, a hotel, restaurants and leisure activities. The park has 100 000 square meters under continuous irrigation. In the city center, malls, residential complexes and hotels are springing up like mushrooms. Neon signs and giant screens light up the evening sky. In between them parks are being created and mature trees planted. On the green central reservations boxwoods are carefully pruned. The transformation into a model city is in full swing. Planners are addressing the past mistakes of unchecked, extremely rapid industrial growth as quickly as possible; but some plans still take time.

Germany, the model

Wörwag understands the need for patience, and is now being rewarded for the long-term strategy it adopted when it came to China. A small sales office in Shanghai became a Wörwag subsidiary in 1997, and the Langfang presence was established in 2003. The current plant was opened in 2008. Now revenues are 18 times above the 2004 level and rising. “That’s a huge development,” says Junxue Qin, who has been General Manager since 2005. He still remembers one of his first management moves: “We had to build toilets. People were always driving home to use the bathroom.”

Qin studied business administration in Mannheim in 1988. “I consider myself very socially responsible, which is something I learned in Germany,” says the 56-year-old. “It is important to think about products, the market and prices but it is equally important to treat the staff well and pay them fairly.” This ultimately pays off in their identification with the company, their performance and motivation. Our employees have realized that Wörwag is offering great ways to get qualifications, build a career and assume greater responsibility. Julie Sun is an example of someone who has seized the opportunity.



“During my visit to Stuttgart, I was trained in the new technologies.”

Julie Sun

Read more on page 16.



Wörwag has been operating in Langfang since 2003. Employee benefits include two free meals a day.



In China, quality control is stringent.

→ The Chinese subsidiary Wörwag Coatings (Langfang) Co., Ltd. is located at 11, Baihe Street. Above the blue corporate names are their corresponding Chinese characters. The company site is about as big as a football field – but Wörwag outgrew it a long time ago. Nearly 100 people are employed here, 30 of them in a rented office building three kilometers away.

Ten employees are based at customer premises. The Wörwag site is surrounded by a brick wall. Standing in the courtyard, you can see man-sized red letters on the inner wall. On one wall it says, “Safe production is the priority.” The corporate values, “Innovation, quality, service and performance,” are painted on another wall in Chinese and German. Everyone, including Junxue Qin, knows how important the “Made in Germany” label is. “We are customer-oriented and always up to date with the latest developments. Our products contain German know-how,” the general manager says. “Therefore, all of our products are extremely innovative. We can offer performance that competitors can not match.” Customer satisfaction rates are posted each month on the blackboard in Langfang. The goal for 2013 is 98 percent. Apart from a drop in April, the Wörwag subsidiary has exceeded the goal by a wide margin. Wörwag’s plan to enter new markets is working.

Employees see good prospects

In Langfang, like in other international locations such as the USA, South Africa, Switzerland, Poland and Spain, Wörwag has invested in more than technology and machinery. The key to its success are the employees. When Julie Sun comes to work shortly after seven o’clock in the morning, her first stop is breakfast with her other colleagues. Wörwag is the only company in the Langfang industrial zone offering both lunch and a second free meal. For breakfast is Chinese bread that resembles a whitish steam bread, soup, roasted vegetables and tea. In the past everyone ate on the way to work at the mobile roadside food stands. “That was not very hygienic. People were always sick,” said Qin, “I would rather pay for

their breakfast and have fewer absentees.” The employees appreciate this added value. They identify with the company, which results in people staying with the company for many years, longer than normal in China.

People have to eat in shifts because the two breakfast rooms are always overcrowded. In recent years the company has been growing at a rate of 10 to 15 new employees per year. Now, almost all of the offices at the company premises are too small. Growth means constant improvisation. This is especially true for the warehouse. Coordinating incoming and outgoing goods requires plenty of organizational talent.

Yi Ding seems to have it. He is 33 years old and started working for Wörwag in June 2013. He proudly shows off his new office, a flat-roofed extension opposite the canteen. “My job satisfaction comes from seeing the company flourishing,” says Ding. The German standards and specifications for his work are a daily challenge. Everyone is well aware that Wörwag sets the highest standards. But the effort is worth it. That is what everyone, especially the younger employees, like about their jobs.

The average age of the workforce is just under 30, so the work teams often get together after work. Julie Sun, for example, often meets her department colleagues for dinner. Tonight, the Le Mur Huan Ren restaurant is serving lamb, meat and shrimp skewers, mushrooms, vegetables and beer. The mood is relaxed. Everyone is chatting, sharing experiences, laughing and joking around. Everyone is enjoying the evening. “We don’t talk about work now,” says Julie Sun, “we do that all day.”

Julie Sun is an important contact person both in China and abroad. She is the connection to Germany on a whole range of topics, which is why she has been to Stuttgart for training three times already. The international activities are coordinated by the International Technology Management (ITM) department at the head office. Friendships have developed, and now the Stuttgart team is not just there to provide support in a crisis. When Julie Sun was in →



“My aim is to ensure that our employees develop and grow old with the company.” Junxue Qin



Develop, test and ship –
the final quality is what counts.



Julie Sun meets regularly with her departmental colleagues for dinner.







It is all about the right formulation. Chinese colleagues get precise data from Germany.

→ Germany in June 2013, she gave a DVD set with a Chinese language course to Giuseppe Polito, the Regional Manager responsible for the Chinese market. Of course, he was quite amused because he knew how much he needed to learn some Chinese. “We are the interface with the market.”

His colleague Georg Bussmann stood in the lab in China ten years ago mixing the first batch of paint with two pots and a bead mill. Today he is head of ITM and spends several weeks a year traveling in China, mainly for customer projects. “We define success based on quality, not volume.” It is important to adapt and transfer our expertise. But the whole thing is not just a one-way street. We need feedback. That is why English is a Wörwag employment criterion in China. “So when questions suddenly arise, every employee is

The Wörwag plant in Langfang

Employees: Approximately 100

Capacity: 6000 metric tonnes per year

Number of products: approx. 100

Product range: Solvents and hydro-primer, solvent-based paints, hydro-based paints and topcoats, hydro-soft lacquer and hydro KU coatings, zinc-rich primer, industrial primer and topcoats

OEMs: all major European car manufacturers

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able to report directly to Germany,” explains Bussmann.

The efforts and investments are paying off. Wörwag was one of the first companies to successfully offer water-based coats in China. A Wörwag technician and his personal translator spent almost a year working on the production floor of the customer's plant. “That was hard work but they finally saw that our products were better than those of our competitors,” said Qin. Although water-based paints currently account for just ten percent of sales, the General Manager is sure that it is well worth the effort. “If we don't get in now, we have no chance. It's the future.” The fact that Wörwag's latest technology is always introduced almost simultaneously in all markets underlines the importance of regions like China. →



The Chinese employees are very proud to produce the same quality products as their German counterparts.



The face of Langfang is changing daily. Shopping centers, hotels and restaurants are springing up.

→ In the search for a larger facility in Langfang, Qin has been discovering that you cannot always make your own plans for the future. In his office is an award that honors Wörwag for being a good taxpayer in 2012. Hopefully that will help in the search for a new construction site. The pace of Wörwag growth in China remains high. Within the next five years, revenues are expected to double. At the same time the number of employees at Langfang will also increase. However long Junxue Qin has to wait for a new plant in Langfang, the firm's plans give Julie Sun a sense of security in her own planning. Rising Sun. No doubt: this is true in China for Wörwag. ■



KEVIN KRIESSLER

works closely with the team in China. In the Development/Engineering Department in Stuttgart, he is responsible for the application of all the liquid coatings on the LabPainter: "Everyday is different, there is always something new to consider."

Photo: Jos Schmid

One language

The LabPainter is an all-rounder that simulates a variety of future production line conditions. Using this test method, Wörwag is able to manufacture products of consistent high quality in growth markets such as China. Text: Michael Thiem; photo: Laurent Burst

Head of Process Engineering, Materials Engineering and Analytics, Dr. Alexander Gissel can watch the LabPainter working at the Chinese Langfang site, even though he is 8000 kilometers away in Stuttgart. The remote link is a major strength of this test process. Gissel can access all the conditions and parameters of the process in China and compare them with other locations. The device was put into operation in late 2012 in Langfang following the successful implementation of a system in the American Wörwag site in Lafayette, Indiana.

From Stuttgart, Gissel has constant access to the facilities in the USA and China. Wörwag is concocting the perfect formulation, like a chef collecting the best seasoning tips from all over the world. "We developed the machine concept, application methods and process engineering, and demonstrated and documented it all in Stuttgart," says Gissel. "A nomenclature was also defined for the every aspect of the process so that Wörwag application technologists can all speak the same language all over the world."

Development pioneer

Liang Wang knows the code. The painter in the test lab in China is preparing for the next round of experiments. Using a paper funnel, he carefully pours paint into the flow cup of the LabPainter. 100 milliliters of lacquer suffice. A geared pump then delivers the liquid via a four millimetre thick hose directly to the high-speed rotary atomizer. The miniature paint system, largely developed by Wörwag and implemented in 2004, simulates in minute detail the painting processes of automobile manufacturers and their suppliers. Basically, Wörwag can use the LabPainter today to test the painting processes of tomorrow.



The parameters of the LabPainter in China can be reviewed online in Germany.

This is the key to the successful development of new paint formulations.

In the four-by-three-meter spray booth, it is 23°C and humidity is 70 percent. Controlling the ambient conditions is an energy-intensive process but one that is fundamental for the high reproducibility of the coatings. Silver is applied – Diamond Silver for Mercedes. Wang adjusts the substrate facing the atomizer. He closes the door. Then, looking at the screen, he activates the electrostatic high-speed rotary atomizer. The substrate is sprayed automatically. After venting, the paint is allowed to dry before the clear coat is applied. Then, after more venting, Wang puts the substrate back into the oven to dry. This process is repeated with different formulations. The LabPainter is a tireless marathon runner. With

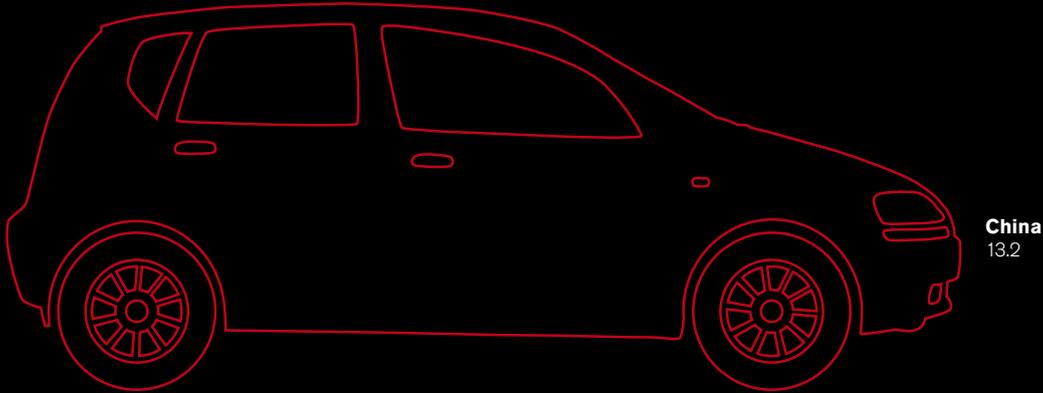
perfect preparatory work and two shifts, up to 80 sprays per day are possible.

Gissel is satisfied with the results from China. Evaluation of the color panels is important for the development of coatings. "Because we test the application process conditions," says Gissel, "we can find out to what degree a new color tone will be affected by variations in production line conditions and application technology."

The LabPainter is flexible, easy to use and requires little space. It is suitable for water- and solvent-based coating systems. All types of atomizers can be used and it can be adapted to the latest technology. Gissel is certain of one thing: "We have to keep on top of developments. Customer demands are constantly changing." ■

Superlative China

In 2012, no other country built more cars than China. The bulk of them were destined for the domestic market, as a glance at the export figures shows, but that had little impact on car density in China.

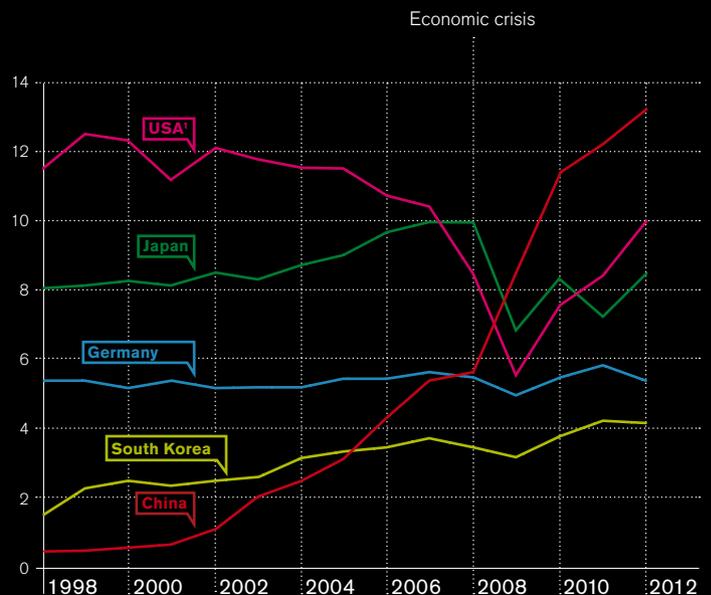
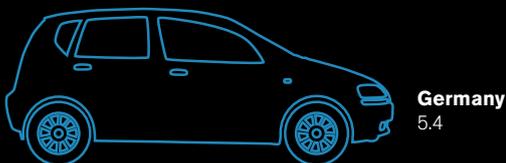
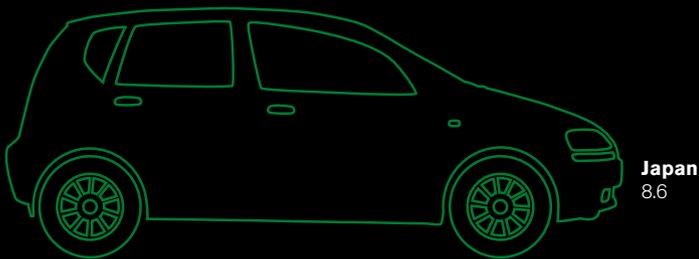
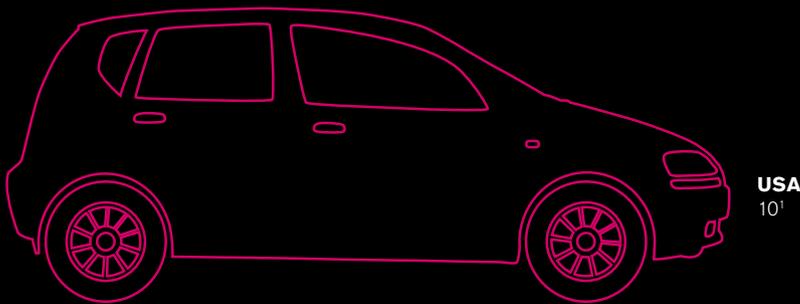


| = 1 million

CAR PRODUCTION

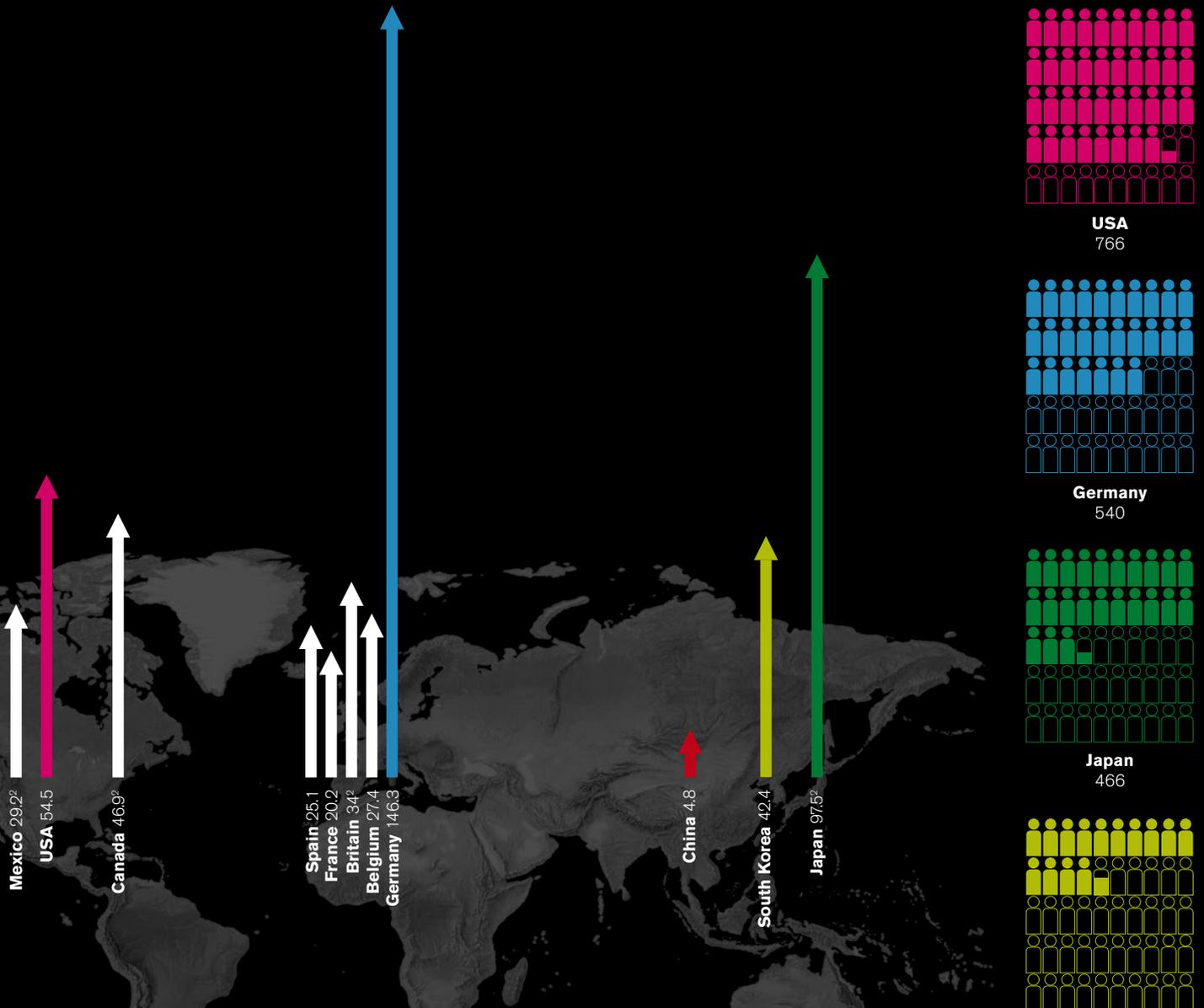
The 2012 top 5
(in million units).

Source: Association of the Automotive Industry (VDA)



CAR PRODUCTION

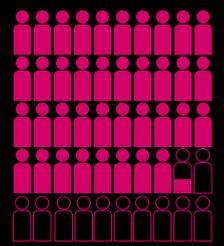
The five countries in the world where the most vehicles are manufactured (in millions of units). Source: VDA



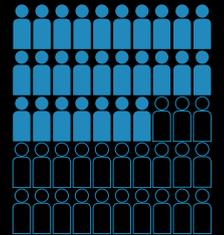
↑ = \$ 10 billion

CAR EXPORT
 2012 sales of the ten largest car exporters compared with China (in billions of U.S. dollars).

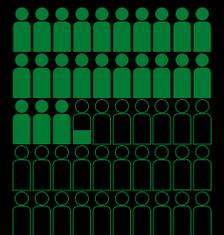
Source: UN Comtrade



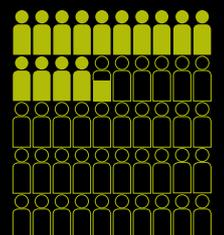
USA
766



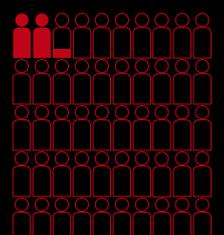
Germany
540



Japan
466



South Korea
292



China
44

🚗 = 20 people

CAR DENSITY
 In 2011, the United States was the country with the highest car ownership per 1000 inhabitants.

Source: VDA

1 069 097 774

motor vehicles (cars, trucks, buses) were on the roads worldwide in 2011.

Source: Ward's Automotive Group

¹Including light commercial vehicles

²Estimate of the United Nations Statistics Division