

Polish workshop Report

POLISH NEWSLETTER
OF AUTOMOTIVE INDUSTRY

*If you have any questions
connected with Polish market,
just contact with us!*

mg@warsztat.pl

Polish record on Automechanika

Automechanika 2010 was one of the best edition in history, especially in numbers of visitors. Although, we note less visitors from Germany than two years ago, because just

over 69.5 thousand. Instead, more visitors came from countries other than Germany - over 84 thousand, 5.6% more than in 2008. This means that exhibitors at Automechanika could make contacts with potential buyers from around the world, not only from Germany - like many people still judge this exhibition.

Polish visitors also contributed to the success of the growing number of visitors other than Germany. Thanks to mandatory registration, we know that exactly 3204 Poles visited Automechanika, which places Poland in the top five in the ranking visitors from outside Germany, together with Italy, Britain, France and the Netherlands, but ahead of China, Turkey, Spain, Greece, Russia or Belgium. Besides, in Frankfurt, we could see more companies from Poland than in the largest fairs in Poland (there were as many as 111 trade fairs in Poland last year).

On the previous edition of the Automechanika 2008 were 98 exhibitors from Poland, so it is something to celebrate. In addition, many Polish exhibitors were very satisfied with their observed greater „openness” of merchants from Western Europe to cooperate with Polish companies.



FOTA S.A. - winner of the Regional Forbes CSR Awards

Fota S.A. - the leading distributor of Polish spare parts, took third place in the Forbes Regional CSR Awards.

Prize was awarded at the Forbes Tauron Business Forum, which took place on 16th of December 2010 in Sopot.

Forbes Regional CSR Awards was created with an idea to honoring outstanding companies with the highest standards of responsible business.

As well as around the world so in Poland, there are companies which are distinguished by the following aspects:

- a concern for the environment
- respecting the rights and interests of workers
- attention to other stakeholders, especially local communities
- charitable activities and ethical approach to business.

Offer

The Polish company is interested in dealership in Poland in the range of garage equipment.

Please send offers to: andrzej@launch.pl

Do you want to sell your products in Poland? Do you search for buyers?

Advertise in „Modern Workshop” - the best Polish workshop magazine!

- ▶ "Nowoczesny Warsztat" (eng. "Modern Workshop") nation-wide monthly for automotive branch experts is a branch magazine addressed to owners of large and small workshops, mechanics, distributors and experts in motorization branch.
- ▶ Our main aim is to present devices, technologies and products available on the market and necessary for appropriate operating of a modern and ecological car workshop.
- ▶ "Nowoczesny Warsztat" monthly thanks to a close co-operation with specialist in different fields of workshop activity is as well a sort of manual for diagnosticians, mechanics, workers of vulcanization points and car body shops. The magazine is also addressed to a large group of drivers who are interested in automotive matters.
- ▶ Circulation: 15-20 thousand copies
- ▶ Distribution system: direct mailing
- ▶ Format: A3



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Acceleration of automotive industry in 2011



It was found that 75% of automotive companies in Poland plan to make new investments in 2011, and 1/3 of them promises to increase employment. Entrepreneurs in this sector look to the future with optimism - are expecting sales growth, and more revenue in the coming 12 months - according to the latest report from Deloitte, prepared on the basis of studies of Polish automotive sector.

The main aim of the Deloitte study was the diagnosis of the automotive industry in Poland and its development prospects in the near future. The first part of the survey referred to the summary of this year. Half of the surveyed entrepreneurs said that in the meantime have increased their activity, and one in five respondents indicated that it was enlarged on a large scale. Only 5% of the cases there was a significant reduction in the range of activities.

- The automotive sector in 2010 and early 2011 is featured very positive. Good atmosphere is important because, on this basis will be undertaken for investment decisions in the near future. It is interesting that the good feelings are shaped by the market - says Marek Turczyński, director of the audit department at Deloitte.

2010 was full of events that could have an impact on the automotive sector in our country. Respondents in the survey were asked about the difficulties of other local

companies operating within the group resulted in a decision-making autonomy of the Polish branches. As many as 63% agreed that the problems of foreign branches had an impact on the activities and decisions in relation to the Polish market. *- Polish companies felt the pressure on improving the financial performance of foreign branches, in particular, to cover fixed costs, which scale relatively increased due to reduced production and lower income - says Tomasz Palka, Manager in Deloitte's tax advice department.*

Analysis conducted by Deloitte also showed that entrepreneurs are optimistic about future business in this coming year. Over 50% of them provides that in the next 6 months, markets will grow, and sales will grow as well. This may be related with the investments plans for next year. As many as three quarters of all respondents estimated that 2011 will be the period of development, almost half said that the investments are almost certain. These changes will result in an increase of employment. One-third of entrepreneurs declare that in the near future will need additional staff. Only 11% of respondents say they will be forced to reduce employment levels. *- The results of the employment growth are optimistic, but you should have in mind features of the automotive market, which uses temporary workers at a specific time. In that case, permanent staff variations in the level of employment will be*

lower than for temporary workers - says Marek Turczyński, Deloitte.

Entrepreneurs optimistic spirit participating in the Deloitte survey, does not apply to legislative changes in the automotive environment. 62% of respondents expect that in this coming year will be more restrictive assessment tax returns.

- Existing regulations in Poland are still uncertain and imprecise, which may in turn result in different interpretations of the same economic events. This may mean different tax effects for the same situation. In this case, entrepreneurs are afraid of fiscal revenue and how negative tax authorities interpret the rules and regulations - commented Tomasz Palka from Deloitte.

A similar pessimism expressed respondents when asked if they will provide the introduction of any encouragement or support for the automotive sector in the next 12 months in Poland. Only 6% of respondents believe that such support may be introduced in the new year, while 71% of respondents stated that this is unrealistic.

- This is the greatest consensus of entrepreneurs in our study. In addition, three quarters of respondents states that the support or aid targeted to purchasers of new cars in Poland would have an impact on the improvement of the situation in the industry - says Tomasz Palka from Deloitte.

I Polish Championships of Aftermarket Companies in Alpine skiing

Valeo - a leading supplier of replacement parts, came out with an interesting initiative of organizing a championship of aftermarket companies. The first edition of the event under the Valeo patronage will involve winter sports. I Polish Championships of Aftermarket Companies in Alpine skiing will take place between the 10th and 15th of January 2011. Slope Galtuer (Austria) will be the place of sport competition.

Aftermarket Cup, which is an official Polish Championship of Aftermarket Compa-



nies in Alpine skiing is the first professional sport project with nationwide coverage, addressed to the participants of the Polish aftermarket. Polish Championships are dedicated to sport and recreational aspects and beyond the purely sporting purposes

are addressed for participants in a spirit of healthy, safe and at the same time noble sport competition leading to the integration and consolidation of market.

Polish Championship 2011 is an event that in years will become a leading event for whole industry. Specially created for this occasion the logo is to promote the event among customers and business partners. In addition, a specially designed website gives all the details of the event for all interested parties.

www.aftermarketcup.pl

60 years of Precyzja

– great celebration at the opera in Bydgoszcz

The ceremony was held October 20 at the Opera Nova, Bydgoszcz on the 60th anniversary of the Precyzja company.

Among the invited guests were present the highest representatives of local authorities (like deputy speaker of the province and president of Bydgoszcz) and friends from abroad. Trade press and TVP Bydgoszcz also took place in that event.

During the ceremony the company has awarded the most deserving employees of the company by giving them Gold and Silver medals. Everything happened to the accompaniment of a string quartet - Eternity Strings Quartet and opera soloists.

Some of the guests decided personally thank to the management of Precyzja for the long-term cooperation and promotion of the city. Deputy speaker of the province – Edward Hartwich handed statuette funded by Deputy Speaker of the Kujawsko-Pomorskie province - Piotr Calbecki to the Executive Director of Precyzja Group – Andrzej Bukowski. And the President of Bydgoszcz



Konstanty Dombrowicz handed statuette with the logo of the city.

However a leading “figure” on the stage was GeoTest 60, officially presented to employees and their families. GeoTest 60 is the result of the UE project as an innovative device, competing with the best in the world.

60 years of presence in the market is not only a source of pride, but also the responsibility that comes from such a rich tradition.

Therefore, Precyzja has in the plans further development and investment, according to the quote – „who does not go forward, goes backwards”. In the near future the company intends to expand and refresh the existing machinery with the help of EU funds improving and making their job easier and more enjoyable. The plans also include a new building that will support engineers to test new solutions and structures.

New Paint Shop Training Center

DuPont Performance Coatings (DPC) has launched in Poland an innovative training center which will serve Polish customers with three brands of automotive coatings: DuPont Refinish, Spies Hecker and Standox. Long-term investment, worth 23 mln zł, will increase the number of trained clients from 700 to 1000 per year. It will also improve the employment of 10 new employees and associates of the company.

- New Training Center gives us a competitive majority by providing our customers the highest standard of training in the most modern tra-

ining center we have – says John McCool, vice president of DuPont Performance Coatings Europe, Middle East and Africa. *- Thanks to that training center we can provide development of water-based coatings technology of third generation WBC in accordance with the highest standards.*

DPC New Training Center is located in Bronisze - in front of agricultural marketplace. The center includes special spaces for the different stages of the painting: preparing the ground, identify the color, basecoat preparation, paint application and operations after the spraying. The center includes meeting rooms and storage. All clients of the following brands: DuPont Refinish, Spies Hecker and Standox will learn how to use new technologies while maintaining the highest safety standards. This matches with DuPont’s desire to achieve zero accidents dangerous for people and environment.

Witold Dziekański, Country Business Manager, DuPont Refinish brand in Poland, concludes: *We expect that the quality of our training and the total number of people trained will help achieve sales growth of all three brands of paint in the near future. Opening of new Training Center DuPont Performance Coatings is preparing us for the introduction of 3rd generation of water – soluble varnishes coatings 3WBC. It also will strengthen our leadership established on the automotive paints market.*



Market of automotive parts 2010

December 8, 2010. The Fifth Conference of the Independent Automobile Market. Meeting was held under the patronate of the Ministry of Economy and the Polish Agency of Information and Foreign Investment. This fact and the number of participants - more than 200 people -

testifies the importance of that event organized by the Association of Producers and Distributors of Automotive Parts.

Permanent point of the Conference is a summary of the market. Just as in 2009, the dealers results are presented in groups.

All of the 18 largest companies recorded revenue growth - together they amounted to 6.3 billion, resulting in a 10.4% increase over the previous year. Marcin Nowak, director of market research MotoFocus.pl, pointed to the fact that the first three of the largest distributors clearly differs from other companies, every year increasing the distance to other companies.

Jarosław Lewandowski, president of Logistics Service, described situation in the market for trucks and transport. There is a dynamic growing in sales of trucks - the monthly average is plus 23% compared to 2009. However, the stabilization of the transport market is still far away. Distributors of parts in the truck segment recorded a 14.5 % increase in revenue over the previous year does not necessarily mean the end of troubles. This may be the result of the mobilization of vehicles, which in 2009 simply have not been used. That is why we should be careful with projections for 2011.



Sentech products catalog on CD

Polish company GG Profits Sp.z o.o. issued a catalog of products on CD. Detailed descriptions, detailed drawings and cross-lists help in selection of appropriate bundles for a particular car model.

The catalog includes dozens of new ferrite Sentech cables, including a complete range of copper bundles, starting with an index 9xxx. In addition, there are drawings and descriptions of the supplementary resistors starting with and index SCxxxx and LSxxx ignition wires, as well as drawings of the cable kits for forklifts trucks.

Sentech provides two search options:

- by choosing a vehicle brand,
- according to a set number

The catalog is available in Polish and English. There are also additional languages. A complete range of ignition cables and Sentech supplementary resistors is currently the broadest and most detailed offer in the market, which is a big advantage of the new catalog. The catalog is distributed free of charge. It can be ordered on CD at www.sentech.pl or downloaded as an installer file directly from the website.



Warning!

Before installing the new version of the catalog you must uninstall the previous version.



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The May celebration of automotive industry

In less than six months Poznan will become polish capital of the automotive industry. That much time separates us from the next edition of the Automotive Technology Fair TTM 2011, which will be held on 12-15 May 2011 (this is a new date for the fair). Their topics will include vehicle diagnostics, auto repair shop, car wash, and vulcanization.

TTM 2011 is Poland's largest Automotive Technology Fair. Initially event planned for three days was extended to four. Extension was approved based on feedback from exhibitors and professionals, for which an additional market day is an excellent opportunity to enhance their products and brands and more business meetings, which in the near future could lead to long-term cooperation.

In order to create a fully dedicated business meeting, the upcoming edition of the show has been disconnected from Motor



Show, and directed exclusively to the group of professional visitors. For four days in May, Poznań will be visited by the owners of vehicle inspection stations, auto shops and warehouses, garages, paint and bodywork shops. Representatives of car washes, gas stations and vehicle fleet management companies will also attend the show. Manufacturers and distributors of motor vehicles, parts and components and automotive electronics will present its offer to this specialized group of people. In addition, all interested parties will be able to see the comprehensive equipment garages and diagnostic centers. Manufacturers will present alarms and locks, supplies, car accessories, materials for maintenance and care, as well as an offer for the fans of tuning.

Among the exhibitors will be also present trade associations like Association of Automotive Technology, Polish Chamber of Motor Vehicle Inspection Station and Association Automotive Parts Manufacturers.

GasShow 2011

11-12.03.2011 EXPO XXI, Warsaw, Poland

Polish LPG market is one of the largest markets in Europe, with annual consumption of around 2.5 million tonnes. The largest share of sales is a petrol - about 75% of the whole market, just over 15% - the cylinders, 10% - tank installations. At the same time, our country is the European leader in consumption of LPG, as well as in the num-

ber of vehicles powered by this fuel - for the moment we have over 2.5 million cars on LPG on polish roads.

In a natural way Poland is a place for Europe's largest event for that industry. The huge, stable market and geographic position makes Poland the most visited by industry representatives from around the world, including Italy, Turkey, Holland, Germany, Czech Republic, Slovakia, Lithuania, Ukraine, Russia, Hungary, Slovenia, Croatia, Serbia, Albania, USA, as well as countries in South America and Asia.

GasShow confirmed its position as the best in the country and one of the world's most important trade events addressed to that sector. It's expected that during the fair in March 2011 all the leading Polish and European producers and distributors of automotive LPG, CNG and LNG, with the original

car dealers, gas installations, designers and suppliers of LPG stations, a companies involved in storage and transport of LPG manufacturers and distributors of equipment for LPG, LNG and CNG - regulators, cookers and other appliances, cylinders and other producers, as well as tanks will present its offers. An important group of exhibitors are companies supplying and equipping garages.

The success of the last edition of the event and the positive feedback from the participants confirmed the need for this type of an annual meeting of the industry. So next GasShow 2011 will be even bigger, with numerous accompanying events, and its preparation will be accompanied by intensive public information campaign and advertising.

More:

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