**Press Release***Trade press*

**Kautex Maschinenbau suffers from economic downturn**

In recent years, the international manufacturer of extrusion blow molding machines has experienced above-average growth in business. In addition to the significant business in the automotive segment, the sale of all-electric high-performance machines for the packaging industry has proved to be a further driving force.

**Decline in sales due to global risks**For some months now, global risks such as Brexit, US trade policy and the diesel crisis have led to a downturn in the global economy. In 2018, car production in China alone, the world's largest automobile market, declined for the first time in 20 years. In January of this year there was a 14.4 percent decline compared to the previous year (according to CAAM). Due to its high export share of more than 90 percent, the mechanical engineering company, with its headquarters in Bonn, is clearly feeling the effects of these negative developments. "Some of our customers in the automotive segment now have surplus capacity," reports Andreas Lichtenauer, Managing Partner at Kautex Maschinenbau. "Some machines are not in production."

**Personnel adjustment at the Bonn location**As part of new drive concepts for passenger cars, Kautex Maschinenbau began investing early in the development of alternative energy storage systems. The development of composite pressure vessels plays a major role here as an additional source of revenue alongside the fuel tank business. However, this will not compensate for the decline in incoming orders. The company is therefore forced to adjust the sharp increase in the number of employees at the Bonn site in recent years. "This adjustment is expected in the near future," says Dr. Olaf Weiland, CEO of Kautex.

**Realignment of the sales organization**"The current economic changes, as well as changing customer and market requirements, require Kautex to rethink many areas," says Dr. Weiland. "Our first priority is a comprehensive program to increase efficiency in all business processes. We will also revise our sales strategy to a more focused approach.” Sales, which previously operated across all industries, will be realigned and divided to focus on the packaging and automotive divisions. The aim is to specialize sales activities to meet customer needs. "With this step, we are creating the conditions to respond more quickly and more consistently to the division-specific requirements of our customers," says Dr. Weiland.

**Investing in sustainable solutions**Another important step for the manufacturer of plastic processing machines is the further development of the use of recycled materials. "We regard the promotion of plastics recycling and working with our partners to optimize material cycles as an important responsibility of our company," explains Andreas Lichtenauer. Technical solutions are currently being worked on at full speed in order to secure and expand the company's leading technological position also in the field of recycled material processing for high-performance machines used for the manufacture of plastic packaging.

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