

HELLA AND SATE-LITE FORM JV IN CHINA

German automotive supplier Hella KG Hueck & Co. and American Sate-Lite Manufacturing Company, headquartered in Niles, Illinois, have formed a 50-50 joint venture to produce lighting for bicycles and motorcycles in China.

(<u>PRWEB</u>) April 28, 2002 -- German automotive supplier Hella KG Hueck & Co. and American Sate-Lite Manufacturing Company, headquartered in Niles, Illinois, have formed a 50-50 joint venture to produce lighting for bicycles and motorcycles in China.

The new company, Sate-Lite Bike Lighting (Shunde) Co., Ltd., will be headquartered in Shunde in the People S Republic of China.

Sate-Lite, which is the U.S. market leader for cycle reflectors, has been operating in Shunde since 1997. Hella, which produces cycle lighting at its Hella Bike business unit in Salo, Finland, will move these operations to Shunde.

A 23,000-square-foot expansion, scheduled for completion in December 2002, is underway to house the joint venture $\hat{A} \square s$ operations at the current Sate-Lite factory in Shunde. Sate-Lite will continue to operate its existing company as a separate entity.

"The joint venture will put us in a better position to serve the worldwide market for cycle lighting," said Werner Boekels, who is responsible for Hella Bike.

In the joint venture, front lighting, lamps and reflectors will be manufactured under cost-optimized conditions. Hella $\hat{A} \Box s$ corporate headquarters in Lippstadt initially will be responsible for product development, though this activity will be transferred to Shunde later this year.

Engineers in the new joint venture can take advantage of $Hella\hat{A} \Box s$ position as the world's leading manufacturer of vehicle lighting and apply the latest automotive lighting technology for greater cycle safety. The Hella~RL~980A series rear lamp, for example, has two wide-angle LEDs using an integrated pattern, which projects light forward and also sideways and upward to make it easier for truck and bus drivers to see a cyclist in their path.

Previously, Hella Bike was part of the Hella Group $\hat{A} \Box s$ Finland Oy subsidiary, with 270 employees and sales of nearly \$30 million in the 2000-2001 fiscal year, producing signal lamps, warning triangles, rear reflectors and accessories for the automotive industry.

Another newly founded company, Hella Bike Europe GmbH, based in Nellingen, Germany, will take over sales of Hella cycle lighting on June 1, 2002. Customers include renowned cycle manufacturers such as Derby-Cycle, Winora-Staiger, Hercules and Steppenwolf; wholesalers such as Hartje, Epple and BBF, and the purchasing company Bico.

With the rapid growth of bicycle manufacturing in Asia, Sate-Lite moved its bicycle reflector and related products manufacturing to Sate-Lite (Shunde) Plastics Company Ltd., in Shunde, Guangdong, China.



Operating since 1998, the Shunde factory has firmly established Sate-Lite as a high-quality "local supplier" to the China-based bicycle manufacturing industry. In the past two years, production has expanded to include highway safety and transportation reflectors, as well as custom-molded products. Sate-Lite (Shunde) currently operates in a 16,000-square-foot building and employs 200 production and staff workers.

According to Sate-Lite president, Richard Van Deventer, "The joint venture between Hella and Sate-Lite combines the strength of two well-known and capable suppliers to the bicycle industry and gives them a unique combination of competitive cost structure and worldwide distribution for a full range of bicycle lighting and related products."

Hella KG Hueck & Co. is a tier one supplier of lighting, electronic equipment, sensors and complete vehicle front-end modules to the auto industry with its corporate headquarters in Lippstadt, Germany. Hella North America and its parent company, Hella KG Hueck & Company, have 22,990 employees at more than 54 manufacturing facilities, production subsidiaries and joint venture companies throughout the world. The company supplies all of the world's leading auto manufacturers. Worldwide consolidated sales for Hella during the company's 2000-2001 fiscal year grew to more than \$2.53 billion. Additional information is available at www.hella.com.

Sate-Lite Manufacturing Company based in Niles, Illinois, is part of the U.S. corporate group Jordan Industries Inc., headquartered in Deerfield (Chicago), Illinois. Sate-Lite is a specialty injection molding company specializing in reflective safety and consumer storage products including bicycle reflectors, highway delineators and road markers, emergency warning triangles and Tilt-Bin® storage containers. With a total of 320 employees, its sales exceed \$20 million annually. Jordan Industries is a private investment company with combined sales in excess of \$700 million, with over 50 operating companies worldwide employing more than 6,400 people. Jordan owns a diverse range of businesses involved within several major industry groups including specialty plastics, motors and gears, flavor and fragrances, Internet services, automotive aftermarket, healthcare, and specialty printing and labeling.

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