Hay expands into largest automotive market worldwide - New greenfield site in China

The Hay Group is continuing its expansion. Just a few weeks after acquiring the Spanish company Forjanor, effectively expanding Hay’s cold and horizontal forging operations, sales pipeline and strengthening its Southern European customer base, the company has taken an additional strategic step with the opening of its new state-of-the-art forging site in Tianjin, China, located one hour outside of Beijing. With investments of approximately €45 million into vertical and horizontal forging technology in China, Hay consolidates its position as a global player within automotive forging.

“This site represents Hay’s most important step in recent history”, said Dr. Bernd Gottschalk, Executive Chairman of The Hay Group, during the opening ceremony and in the presence of representatives of key customers such as Volkswagen, Audi and Daimler, partners like NZWL and TriRing, as well as employees, all of whom contributed to the successful development of the new forging site. “Such a move cannot be taken for granted for a mid-sized company and would not have been possible without the support of our owner The Gores Group,” said Gottschalk.

The Hay Group, founded in Bad Sobernheim in 1925, is now bringing the most advanced horizontal forging technology to China with its new Hatebur presses. The site has been planned with state-of-the-art standards and processes to an extent that only a new greenfield site can make possible.

With this new enterprise, The Hay Group is now present with its own production capacity in the world’s largest automotive market and can participate in its growth, while backing activities of its customers in its European home markets. This is becoming increasingly important for future sustainable growth as new orders are awarded to suppliers that can support their customers’ value creation with local production capabilities into new markets.

Hay’s new venture has already been proven successful given Tianjin Hay Forging’s, a 100% owned subsidiary of The Hay Group, contracted volumes in excess of €60 million ahead of the start of production. “This is a clear proof of trust from our customers, who we followed to Asia with this investment,” says CEO Dr. Ralph Onken.

There are significant expansion plans for the Tianjin site, which has been built with ample space to accommodate for such growth. The training program in Lüchow and Bockenau (Germany) undertaken by Hay’s Chinese employees and the ongoing technical advice provided by Hay’s German employees located in Tianjin set a great example of collaborative effort for future expansion, as highlighted by Dr. Onken.