

Press release

Niederweningen, 26 February 2010

Bucher Hydraulics to streamline pump operations

Bucher Hydraulics, a division of Bucher Industries, is going to streamline its structures and concentrate its European internal gear pump manufacturing operations at one plant. The plan is to transfer the manufacture of internal gear pumps from Bucher Hydraulics Produktions AG in Langendorf, Switzerland, to the main Klettgau plant in Germany by the end of 2010.

As a hydraulic component supplier, the Bucher Hydraulics division was particularly hard hit by the severe economic downturn, with sales falling by 38%. A far steeper decline in business volume was seen at Bucher Hydraulics Produktions AG in Langendorf near Solothurn. The Langendorf plant was acquired with the purchase of former Truninger AG in 2000 and specialises in the manufacture of internal gear pumps. Serving as an internal component supplier, it has extended the range of pumps made at the main Bucher Hydraulics plant in Klettgau, Germany, where the manufactured products are assembled and tested. The contraction in business volume has led to excess capacities and suboptimal internal processes at both the main Klettgau plant and the Langendorf plant.

To bring about the necessary sustained improvement in competitiveness, Bucher Hydraulics plans to further optimise its structures by manufacturing, assembling and testing its internal gear pumps at one site in future. With this in view, it intends to transfer the manufacture of internal gear pumps from Bucher Hydraulics Produktions AG to the main Klettgau plant in Germany by the end of 2010. The Klettgau facility has the infrastructure and manufacturing capacities to handle the production volume from Langendorf, whereas the Langendorf plant would need several million francs in capital improvements over the next few years, which would not be justifiable under the prevailing circumstances. The Langendorf plant is to be closed down by the end of 2010.

The plant closure means the loss of 30 jobs in Langendorf, but the transfer will create about half that number of new jobs in Klettgau. These will be offered primarily to employees in Langendorf. Members of the Langendorf workforce affected are furthermore to be offered the same severance package as that previously given at the Niederweningen facility in Switzerland.

At various sites in Europe, the USA and Asia, Bucher Hydraulics develops and manufactures hydraulic components and systems used in mobile and industrial applications for agricultural machinery, construction equipment, materials handling and environmental, mechanical and plant engineering. The products are marketed worldwide by proprietary sales companies and a well-developed network of independent distributors.

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Simply great machines

In 2007, Bucher Industries celebrated its 200th anniversary commemorating its successful evolution from a blacksmith's shop to a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations currently include specialised agricultural machinery, municipal vehicles, hydraulic components, manufacturing equipment for the glass container industry, and wine and fruit juice production equipment. Bucher Industries' shares are traded on the SIX Swiss Exchange (SIX: BUCN). More information can be found at www.bucherind.com.