

Business Bavaria Newsletter

Issue 07/08 | 2013

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Apprenticeships – a growth market

Bavaria's schools are known for their well-trained school leavers. In July, a total of 130,000 young Bavarians start their careers. They can choose from a 2% increase in apprenticeships compared to the previous year.

With 133,000 school leavers, 2013 has a sizeable schooled generation. Among the leavers are approximately 90,000 young people who attended comprehensive school for nine years or grammar school for ten. Following their vocational training, they often start their apprenticeships right away.

To ensure candidates and positions are properly matched, applicants and companies seeking apprentices are supported in their search by the Employment Agency. Between October 2012 and June 2013 companies made a total of 88,541 free, professional, training places available – an increase of 1.8% on the previous year. In the same period, a total of 73,677 Bavarian apprenticeship seekers used the agency's services. There is a high likelihood of finding a suitable trainee.

According to the latest education monitoring publication of the Initiative Neue Soziale Marktwirtschaft, Bavaria is "top when it comes to school quality and access to vocational training". More and more companies are increasing the number of training positions to promote young people and thus lay the foundations for long-term success.

The most popular professions among men and women are very different in Bavaria: while many male leavers favour training as motor or industrial mechanics or retail merchants, occupations such as office manager, medical specialist and retail expert are the most popular choices among women.

→ www.ausbildungsoffensive-bayern.de

→ www.lehrlinge-fuer-bayern.de

Managers recommend Munich

Munich regularly occupies a leading position in surveys. Executives from all over the world have now also selected Munich as a top location. As part of an Ernst & Young study, 8% of 800+ decision-makers named "Munich" when asked to note three cities which are currently the "most attractive investment location in Europe". The Bavarian state capital is thus among the European "Top 5". Yet another indicator is the strength of Germany's economy: the Ernst & Young study notes that "economic performance is improving, unlike in other major European economies. For many leading German companies, the past financial year was the best in their history. The results thus confirm the findings of the latest European

Regional Economic Growth Index (E-REGI) by the property experts at La Salle Investment Management. At a European level, Munich achieved an outstanding second place, ahead of Stockholm and Paris. The Bavarian state capital particularly profited from its highly stable and diversified economy.

Programme flyer:

→ [www.ey.com/Publication/vwLUAssets/Deutschland_attraktivster_Standort_in_Europa/\\$FILE/Standort_D_2013_Studie.pdf](http://www.ey.com/Publication/vwLUAssets/Deutschland_attraktivster_Standort_in_Europa/$FILE/Standort_D_2013_Studie.pdf)

Elissa Lee, Managing Director of GE Aviation Deutschland GmbH, Regensburg.

GE Aviation is a leading producer of engines for the aviation industry worldwide. In 2010, the US company launched the production at its site in Regensburg.



Your jet engines are used around the world. What is the special strength of your engines?

GE's jet engines have developed a strong reputation for outstanding reliability, low fuel consumption and emissions and overall low cost of ownership. These attributes rate very high on our customers' priority list.

Why did you opt for Regensburg as a location in 2010?

GE has been looking for a location in Bavaria that combines a strong pipeline of engineering talent, skilled operators and a good infrastructure of local suppliers. We found all that in Regensburg and are very excited about the support that we get from local companies and governmental agencies.

Do you plan to continue the development of this site?

GE Aviation has decided that TIAI will be the material for the blades in the low pressure turbine of all our new engine types – GENx, LEAP and GE9X. Currently the industry is defining the best way to supply this material in the engines and Regensburg may play a key role in this development.

Highly-qualified specialists are highly important in a company like yours – how did you manage to find the specialists required?

The Aviation industry has a relative small numbers of global players. Our strategy has been to mix the GE Aviation resources with local talents and develop local expertise in the spin casting technology. GE Aviation employs more than 5,000 engineers worldwide and we managed to integrate several engineers from the local universities combined with experienced people from the German industry into this engineering infrastructure.

In what way has the Invest in Bavaria team been able to assist you?

Invest in Bavaria helped us to get in touch with the local governments and their business development teams at the locations of interest to start up our plant. They offered tremendous support to organize our tours around Bavaria.

Which strategic advantages does the location Bavaria offer GE Aviation?

Germany has proved to be a country with a strong and stable economy that is driven by technological progress. To implement a new technology into the manufacturing chain, we needed a region that offers a mix of strong engineering talent, good infrastructure of local suppliers and governmental support. We found that in Bavaria.

How do you spend your spare time – are you more the sportive or rather the cultural type?

As a dual-career couple with two young children, we love spending our spare time exploring Europe as a family. I have a dual-degree in engineering and music performance, and spend what time I can continuing my music interests. I am also an avid sports fan – working to improve my tennis swings, golf swings and ski techniques – and we have proudly grown to be a fanatical FC Bayern Muenchen family.

Number
of the
month

1.21 billion

The State of Bavaria is the region where the German gaming industry creates its highest turnover. This is the result of a study on Bavaria as a gaming location published by Medientage München GmbH. A total of 228 gaming companies in Bavaria generated a total revenue of €1.21 billion in 2012, which equates to 56% of

the country's total. According to the survey Bavaria's particularly high score stems from its good infrastructure, the state's high economic power and the excellent exchange between politics and the gaming industry.

In focus: Success model dual training

Vocational school and company practice – the dual training system an export hit

At less than 8%, Germany has Europe's lowest youth unemployment rate. The numbers in Bavaria are even better – in the Southern State only 2.7% of young people under 25 were registered as unemployed in June 2013. Why is this? A major advantage in Germany and Bavaria is the education system, states Dr. Eric Schweitzer, President of Deutsche Industrie- und Handelskammer [German Chamber of Commerce] (IHK). In an SWR radio interview he explained, "We have experience of dual training which has a long tradition in Germany, that means there is a high level of commitment among entrepreneurs here. This doesn't exist in Southern Europe and developing something similar takes time." In his opinion the dual training system could be a helpful tool in the fight against youth unemployment in other European countries as well.

The dual system – a successful German concept

The foundation of today's vocational system in Germany dates as far back as the Middle Ages. At that time guilds began to specify the contents of their master's training across the crafts. In 1830 the first vocational school was founded and the course content was based on the students' occupations. The term "Berufsschule" [Vocational School] was first used in Prussia in the 1920's. When the Vocational Training Act took effect in 1969, it secured the state's influence on vocational training, including in post-war Germany, and led to the system that is so successful today. During their training period, trainees attend a vocational school for one or two days a week to deepen the practical experience gained in their companies. There is a uniform training regulation across Germany, however, the Federal States – including Bavaria – specify the exact curriculum themselves. Normally, these include twelve weekly hours of school that can take place over two days a week or as a block programme over several weeks.

Bavarian companies have long put their faith in these home-grown structures. "We are very satisfied with the dual system", comments Theo Zeitler, Personnel Manager of Witron Logistik & Informatik GmbH from the Upper-Palatinate town of Parkstein. The company trains 250 young people and the vocational system has proven effective since the company was founded over 40 years ago. The combination of theory and practice has also been available in dual degree courses for several years. "This will become increasingly important in the future", adds Zeitler. "Graduates from a dual degree course have better job opportunities." The effect is similar to dual training whereby, "the bond with the company is stronger, students are fitter." On an international level this system exists only in Austria and Switzerland. However, that could now change following the economic crisis, when more and more countries have discovered the German model of success. "The German system of dual professional training is developing into a genuine export hit", said German Minister of Foreign Affairs, Guido Westerwelle, at the "Deutsche Unternehmen sind Pioniere der dualen Berufsausbildung im Ausland" conference in the spring of 2013. Even US President, Barack Obama, briefly mentioned the dual system in a Congress speech: "Once they complete school, German kids are ready for the job" said Obama. "They were trained for the jobs that are available."



In other countries trainees are usually trained exclusively at schools, mostly supplemented by just one or two internships. Consequently, transition to the professional world is more difficult. "We are seeing an amazing development", comments Hubert Schöffmann, Deputy Head of the Vocational Training Department at IHK Munich. "A few years ago the mantra was still the economy needs a high percentage of university graduates, that is the only recipe." That has now changed. "Spain, Greece, Portugal, Italy, Slovakia and Latvia all declared in December that they wanted to introduce a system based on the German model. "That would be desirable, but might turn out to be difficult" according to Schöffmann. "In Germany there are established structures, a condition these countries lack." That is also why young people from Spain are already coming to Bavaria to start their metal and electrical industry training, for example, at the Scherdel group. In co-operation with German and Bavarian companies, the German Chamber of Foreign Trade already offers such training programmes in many countries worldwide. For example, GDW Werkzeugmaschinen GmbH from Herzogenaurach is active in India, implementing their professional training based on the German vocational system. "We introduced the dual system in our training centre twelve years ago, because we were not that happy with the training and the skills of our employees at that time", explains GDW's boss Hermann F. Weiler. In Coimbatore, the second largest city of the Southern Indian State of Tamil Nadu, IHK Nuremberg oversees the tool-makers' final examination. We train 250 young people and we cannot hire them all. But above all German-Indian companies are lining up to employ them", says Weiler.

→ www.meinbildungsweg.de/uebersicht.php

→ www.bmbf.de/de/17127.php

Bavaria in your briefcase

This year's tourism building is in Lower Bavaria



In addition to unspoilt nature, cultural treasures and culinary delights, tourists in Bavaria also expect to find architectural highlights. To help spread the word on the jewels to be found in tourist accommodation, the Bavarian architectural association has awarded outstanding tourism buildings with the artouro award since 2011. This year, the Lower-Bavarian Hofgut Hafnerleiten was declared the 2013 winner at the start of the holiday season.

The vote for the luxury spa hotel near Bad Birnbach acknowledges a wider trend towards relaxed, nature-themed tourism for discerning guests. At the award ceremony Lutz Heese, President of the Bavarian Architect's Association, emphasised that it was not enough to concentrate on quality. Topics such as disabled access, energy-efficiency, and sustainable planning and construction are also crucial. The jury was particularly convinced by the individual cube shaped units that are loosely scattered across the Lower Bavarian landscape as they complemented the existing small scale buildings and offer room for change and future extensions. The small cubes allow the hotel to provide themed offerings such as massage, cosmetics, sauna, meditation and relaxation areas.

Founded in 1999 as a cookery school, the Lower Bavarian Hofgut is now a popular retreat: many guests use their stay to rest, relax and recharge. To ensure the recovery process is not disturbed by digital toys, there is no television and mobile phones are banned – reception is only available in the car park.

The Special Award of the jury went to a temporary building project for the first time - the Schneekirche (snow church) at Mitterfirmiansreut in Philippsreut. The snow church commemorates an event 100 years ago when the villagers made a church from snow to point out to the bishop that they were missing a real church. Nominations also went to the Museum der Bayerischen Könige, the Limesmuseum in the Römerpark Ruffenhofen, Weingut Schmachtenberger, Tannerhof in Bayrischzell and the Internationale Jugendbegegnungsstätte Oberschleißheim.

→ www.byak.de/start/architektur/artouro

Fairs and events

... in Munich

ISPO BIKE 2013 **25 - 28 JULY 2013**

International trade fair for e-mobility, urban biking, bicycles, bike wear and accessories.

→ www.ispo.com/prj_54/view/index.cfm?LNG=2&nv=0&elb=54.110.1.1.122815&clb=

In fashion munich 2013 **10 - 12 August 2013**

International trade fair for fashion and accessories

→ www.in-fashion-munich.de/index.php/en/news-munich

PREMIUM ORDER Munich 2013 **10 - 13 August 2013**

International fashion trade show

→ www.premiumexhibitions.com/premium/munich/location/

munich fabric start 2013 **03 - 05 September 2013**

Trade show for textiles, accessories, and trims

→ www.munichfabricstart.com/welcome.html

Oils + Fats 2013 **18 - 20 September 2013**

International trade fair for technology and trade of oils and fats

→ www.oils-and-fats.com/en

drinktec 2013 **16 - 20 September 2013**

World's leading trade fair for the beverage and liquid food industry

→ www.drinktec.com/en

... in Nuremberg

FachPack 2013 **24 - 26 September 2013**

International trade fair for packaging, technology, processing and logistics

→ www.fachpack.de/en

... in Augsburg

IHE HolzEnergie 2013 **26 - 29 September 2013**

International trade fair and congress for wood energy

→ [www.messen.de/de/9626/in/Augsburg/IHEenergy from wood/info.html](http://www.messen.de/de/9626/in/Augsburg/IHEenergy%20from%20wood/info.html)

Renexpo 2013 **26 - 29 September 2013**

International trade fair and congress for renewable energy and energy efficiency

→ www.renexpo.de/index.php?id=7&L=1

GOLF EUROPE 2013 **29 September - 01 October 2013**

International Golf Exhibition

→ www.golf-europe.com/en.html

Publisher

Invest in Bavaria - The Business Promotion Agency of the Bavarian Ministry of Economic Affairs, Infrastructure, Transport and Technology and Bayern International.
Widenmayerstr. 34
80538 Munich | Germany
Phone +49 89 24210-7500
welcome@invest-in-bavaria.com

Business Bavaria

Coordination: Alexandra Schmidhuber
Art Direction: Alex Podolay
Editorial Department: www.textbau.com
Translation: www.translate-me.info
Layout: www.red.de
HTML-Version: www.kirchbergerknorr.de

Image sources

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Special: Bavaria's regions

Upper Franconia



Bamberg: View from the tower of Ceyersworth Palace

When the annual Richard-Wagner Festival begins on 25 July 2013, Bayreuth will once again be the centre of global media attention. Celebrities from the world of art, culture, music and politics come here to enjoy the major productions of the Nibelungen Saga. However, Upper Franconia does not just produce high culture: people in the region do not mind getting their hands dirty as well. At about 40%, the number of people employed in the industrial sector here is higher than the

Federal average. In addition, Upper Franconia is home to many global players – more than 500 international market leaders chose to base themselves in the Northeast of Bavaria, which borders the Czech Republic on the East. As well as an outstanding water and environmental technology sector, the Bavarian governmental district is also the centre of Germany's textile industry.

Upper Franconia in numbers

- Area: 2,792 square miles
- Population: about 1.1 million
- Regional structure: 4 urban districts (Bamberg, Bayreuth, Coburg, Hof), 9 rural districts

Top industries

- New Materials / Ceramics - Plastics
- Center for the German textile industry
- Water / Environmental Technology
- Focus of the Bavarian food industry
- Modern services
- Furniture and Toy Industry
- IT and Automotive

Living in Upper Franconia

- "Gesundheitspark Franken" (Franconia health institute) with 14 spas and therapeutic baths
- Highest density of breweries worldwide
- Bamberg Symphony, world-famous orchestra
- Well-developed local recreation area and landscapes between Fichtelgebirge, Franconian Switzerland, Franconian Forest and the "Gottesgarten" (God's Garden) in the Obermain region

Research and innovation

- 4 universities, 2 colleges
- East-West competence centre, Marktredwitz
- Competence centre New Materials, Northern Bavaria, Bayreuth
- Projekt group of the Fraunhofer Society concerning process innovation and "Keramische Verbundstrukturen" (ceramic composite structures), Bayreuth
- Logistics cluster, Logistics agency Oberfranken
- Water cluster in Hof, competence centre for water and environmental technology

Infrastructure

- Hub between the metropolises of Prague, Frankfurt, Munich, Berlin
- 6 highways, comprehensive railroad services, ICE hub
- Regional Airport Hof / Plauen, Commercial Airport Bayreuth
- Harbour Bamberg for mass transportation and heavy load
- Within 4 hours, about 60 million consumers can be reached

Unique features of Upper Franconia

- Situated on the main transportation axis from Scandinavia to the Mediterranean Sea as well as from France to Russia
- Home to global players: More than 500 international market leaders
- Second highest industry density of all European regions