

Press Releases

DIE PREH GMBH TURNS 90

Technical innovations since 1919

In March 2009 Preh GmbH turned 90. Throughout an eventful history in which war and economic developments forced the company to change and adapt again and again, one thing has remained constant: "In every phase of Preh's development, it has always been extremely innovative," says Preh President Dr. Michael Roesnick.

It all started in a building that once served as a tavern in the town of Bad Neustadt on the Saale River in Germany: Here, on March 11, 1919, Jakob Preh founded a small company to produce electrical parts and accessories for the radio industry, which was then still in its infancy. Today, 90 years later, Preh is a leading automotive supplier specializing in control systems, sensors and electronic control units, with 2,000 employees worldwide. The company has plants in Germany, Portugal, Romania and Mexico, as well as offices in the U.S.A. and most recently in China. The drastic cost-reduction measures that the Preh Group initiated in the course of the worldwide economic crisis at the end of 2008 will be continued in 2009. "Our balanced customer portfolio in the automotive business, as well as upcoming launches of major orders, offer a secure base for Preh to face the future optimistically, despite the worldwide recession," says Roesnick.

In 1924, after being in business five years, Jakob Preh had already introduced his first radio receiver called the "Preh Radio," making him a pioneer in the emerging radio industry. In 1932, Preh temporarily began to produce automotive electrical parts: direction indicators and rear lights. It was the beginning of involvement in a market that, beginning in the late 1980s, became the company's core business. With a new start after World War II, Preh played a major role in the production of consumer electronics in the 1960s and 70s. The decline of the German television manufacturing industry, however, forced the company to strike out in a new direction. In the early 1980s Preh started developing its automotive business, and gradually the business became Preh's core competency. One of its first important orders came in 1987 – a heating control unit for the VW Passat. Over the next two decades, Preh received large orders for interior control systems, such as those for the prestigious BMW 5 and 7 Series, the Maybach, the Mercedes E-Class and S-Class, as well as the Audi A4, A5, A6, A8, Q5 and Q7. Porsche is also one of Preh's customers.

Preh has often been distinguished as a supplier and innovator. Examples of these awards include the "GM Global Supplier of the Year" award for the years 2005, 2006 and 2007, as well as the Automotive News 2006 PACE Award for the "defogging sensor" product innovation.

In 2007, Preh crossed the magic sales threshold of €300 million for the first time. In the same year, the innovative "PrehCon" center console concept made its world debut. Despite the dramatic slump in the global automotive market in 2008, Preh GmbH made comparatively

solid progress. After adjustments for the sale of PrehTronics GmbH in 2008, the Preh Group posted sales of around €305 million, only slightly below the previous year. Among the product highlights of 2008 were ECUs for the integrated active steering system, the integrated radio and climate control system and the iDrive controller for the BMW 7 Series, as well as the climate control system for the Ford F-150 pickup. In February 2009, Preh announced an additional order from Ford – an integrated radio and climate control system for the new Lincoln MKZ.