

Media Information
17 September 2008

BMW Group wins prize for “The Best Factory 2008”.

Frank-Peter Arndt accepts European award for management quality.

Cologne/Munich. The jury’s decision had already been made in spring 2008: the BMW Group’s Production of Chassis and Driveline Systems division in Dingolfing was the winner of the industrial competition for “The Best Factory / Industrial Excellence Award 2008”. At the presentation ceremony in Cologne on 16 September, Frank-Peter Arndt, BMW Board Member in charge of production, accepted the prize.

The award acknowledges outstanding production management which gives companies a permanent competitive advantage. The BMW Group is the first car manufacturer to receive this European award, which was introduced in 2002.

The jury mainly justified the award by citing the clearly defined strategy which has achieved a very high level of penetration across all levels of the organisational unit. This is evident from the high level of independent improvement management carried out by the workforce. The other factor is the high level of efficiency confirmed by the outstanding performance of indicators for quality, time and costs.

Nikolaus Bauer, Director Chassis and Driveline Systems Production assesses the effect of gaining the award: “Our application for the Industrial Excellence Award has confirmed the route we have taken and sharpened our perspective on strategy and customer focus. This award also provides confirmation of our performance as an in-house manufacturer of components and all employees are entitled to regard this achievement with a sense of pride. We perceive this award as a motivation to meet the challenges of the future. I am particularly pleased to receive this award in the year 2008 – the centenary year of industrial production at the Dingolfing site. Living confirmation that age is no restriction for innovation!”

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The Industrial Excellence Award competition looks at how management quality influences the excellence of a division. The jury looks at the operating unit itself and assesses all the processes along the entire production and logistics chain – from the supplier to the final customer. A key contribution is

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consistent tracking of all stakeholder interests – including customers and employees, as well as shareholders, business partners and other interest groups. The Industrial Excellence Award highlights strategic customer focus and a corporate culture directed towards sustainable, long-term development. The award is based on a comprehensive questionnaire developed by academics at INSEAD – one of the world’s biggest and most prestigious business schools and the WHU Otto Beisheim School of Management.

In addition to winning the Bavarian Quality Prize in 2003, Chassis and Driveline Systems was also the first business in the automobile sector to gain Germany’s most important award for corporate quality in November 2005 - the Ludwig-Erhard Prize 2005. In 2006, the division received the European Quality Award – the highest European award for universal corporate excellence.

Chassis and Driveline Systems is part of the worldwide production network of the BMW Group and has developed in Dingolfing as a centre of competence for chassis and axle drives. The vehicle modules produced here are supplied to all BMW plants in Germany and abroad.

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