

## PRESS RELEASE

### **Solid resonance – Würth Industrial Network closed the financial year 2023 with turnover of EUR 2.324 billion worldwide – of which over EUR 816 million are of Würth Industrie Service Germany.**

*Bad Mergentheim/Main-Tauber-Kreis.* The Würth Group, the global market leader in the development, manufacture and sale of assembly and fastening materials, generated sales of EUR 20.4 billion for the first time in the company's history according to its preliminary annual financial statements for 2023, thus setting a new record. Würth Industrial NetWORK, or WINWORK® for short, is also continuing to grow and recorded sales of EUR 2.324 billion in the financial year 2023. Würth Industrie Service GmbH & Co. KG in Germany closed 2023 with sales of over EUR 816 million. Overall, the company can look back on a solid financial year despite the tense global economic and political environment.

#### **Current market situation and challenges**

The past year brought more difficult conditions in many respects. Above all, there were the war in Ukraine with its geopolitical uncertainties, rising inflation and the worsening energy crisis, weakening economy and continuing dynamic situation in the global procurement market. Although the availability, including the transport situation and delivery times, has largely recovered, prices are still significantly higher than in previous years. Furthermore, the EU and national legislation - such as the Carbon Border Adjustment Mechanism or the Supply Chain Act - have laid down extensive regulations on companies in the fastener supply chain. "Against this backdrop, we are satisfied with the development in 2023," emphasises Martin Jauss, Chairman of the General Management of Würth Industrie Service. In this market situation, security of supply remains the key focus for all global customers. As a Würth Group company and part of WINWORK®, the C-Parts partner has a strong industrial network with long-term supplier partnerships, which together with the multi-supplier strategy, represent an important security factor in the global procurement markets. Thanks to the unwavering commitment of all over 1,800 employees in Germany and over 6,800 employees worldwide with their proactive action, communication with the customers, extensive monitoring of suppliers, recourse to alternatives and appropriate product stocking, Würth Industrie Service has been able to ensure continuous and timely supply to its customers.

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### **Progress in C-Parts management**

2023 has also shown that process optimisation and increased efficiency along the entire C-Parts management chain are becoming significantly more relevant. With automated, digital and contactless technologies, unexpected declines or peaks in demand can be detected quickly and at an early stage, and thus make it possible to handle changing circumstances flexibly – across all application areas of the customers, both in direct production supply such as screws, washers and nuts and in MRO products such as occupational safety materials, chemicals or tools. “We offer tailor-made procurement and logistics concepts to our customers, which are necessary for optimum C-Parts management in their market, in their industry and in every production area,” explains Jaus. Therefore, the company focuses on system solutions that promise the highest level of innovation. In addition to Smart Workplace, the assembly workplace of the future, CPS@miSELF, the solution for digital supply management, focuses primarily on the future of supply. Whether for processes in procurement or even intralogistics: In combination with the proven RFID Kanban systems and the associated hardware such as bins, labels and shelves, the web-based platform not only enables the management of C-Parts from Würth Industrie Service's product range, but also the handling of non-Würth products including A- and B-parts. The C-Parts partner was honoured with the "Germany's Most Innovative Companies 2023", "Digital Champions 2023", "Distributor of 2023" and "Siemens Healthineers Supplier Award 2023" awards for its particular successes in innovation.

### **WINWORK® – A strong, global unit for the industry!**

In more than 40 countries, WINWORK® brings together the companies within the Würth Group that specialise in industrial requirements, thus ensuring seamless integration and implementation of intelligent C-Parts solutions with a consistently high level with regard to products, systems, quality, service and knowledge. It aims to continually strengthen its comprehensive expertise in the field of automated C-Parts supply to manufacturing companies on an international level. The Würth Industrial Network has closed the financial year 2023 with sales of EUR 2.324 billion worldwide.

### **Investments at the Bad Mergentheim site for Europe**

The heart of Würth Industrie Service, also known as one of the most advanced logistics centres for industrial supplies in Europe, forms the basis for the supply to all European customers at the Bad Mergentheim site. To date, the company has invested more than EUR 463 million to ensure maximum supply security and the highest level of quality in its products, service and systems. With the expansion of the logistics

centre at Würth Industrie Service by constructing a new, automated high-bay warehouse, 59,000 additional storage spaces were created on an area of over 4,000 square meters. The total investment amounted to more than EUR 30 million. Following the successful installation of the storage and retrieval machines last autumn, nothing stands in the way of its commissioning next April. In addition to the consistent expansion of storage capacity, the existing facilities have been supplemented by innovative technologies. By using camera monitoring systems, autonomous bin shuttles and self-learning robots in picking and palletising, the C-Parts partner is continuously increasing its level of automation and digitalisation within logistics – with the aim of optimising workplace ergonomics and maximising supply security.

### **Employees**

The Würth Group employs 87,047 employees worldwide. Out of that, more than 6,800 employees are a part of WINWORK® and over 1,800 employees are employed by Würth Industrie Service in Germany. In view of demographic change and the resulting shortage of labour, Würth Industrie Service consistently focuses on training its employees. In 2023, the company celebrated the milestone of "20 years of apprenticeship". In 25 job profiles, around 200 colleagues are completing an apprenticeship or a dual study programme at the Baden-Württemberg Cooperative State University. As one of the biggest employer in the Main-Tauber region, the company invests EUR 1.5 million annually in training and development of its employees.

### **Constant commitment to sustainability**

Sustainability is a strategic success factor for Würth Industrie Service. The company is continuously working to act in a more sustainable manner in all areas of entrepreneurial activity and to implement targeted measures globally. The sustainability strategy published by the company focuses on transparency in all activities. It has been particularly successful in the area of sustainable energy production. To ensure a self-sufficient energy supply, Würth Industrie Service relies on renewable energies and equipped the south façade of the new high-bay warehouse with an additional photovoltaic system in 2023. Several photovoltaic systems with a total output of almost 2,000 kWp and a generation volume of around 1,500,000 kWh are currently installed at the Drillberg site. The C-Parts partner was honoured with the "Excellent Sustainability 2023" award for its sustainable actions.

## **Outlook 2024**

After around three years of the Covid-19 pandemic, the supply situation, including transport capacities and delivery times, is easing for Würth Industrie Service. Nevertheless, pricing is still proving to be a challenge. Geopolitical challenges such as the war in Ukraine and the associated high energy prices as well as the current situation in the Red Sea are influencing the economic environment. The industrial sector in particular continues to be affected by uncertainty. Despite these uncertainties, the company is optimistic about the coming months. After all, process optimisation along the lines of holistic C-Parts management is becoming significantly more relevant in times of required increase in efficiency. To support industrial companies in Europe, the company relies on the expertise of its employees in combination with the products and supply solutions that have been used by over 20,000 customers for more than 25 years.

## **25 years as an industry partner**

Würth Industrie Service GmbH & Co KG is celebrating its 25th anniversary this year. The company's anniversary marks a significant milestone in the history of the company, which was founded on 13th January 1999 as an independent subsidiary of the Würth Group with just 80 employees on an abandoned 120-hectare barracks in Bad Mergentheim - now known as the Würth Industrial Park. Over the years, Würth Industrie Service has continued to grow as a C-Parts expert for industrial customers with a holistic concept and solutions for production and operating equipment and has firmly established itself as an innovation leader.

## **Photo material**

### **Captions:**



Photo 1: Aerial view of Würth Industrial Park.jpg

Caption 1: Würth Industrial Park in Bad Mergentheim

Photo source 1: Pia Schmitt, Würth Industrie Service GmbH & Co. KG



Photo 2: CPS@miSELF.jpg

Caption 2: A digital management tool and only one system for all types of parts – setting a course for the future of supply.

Photo source 2: Thomas Möller, bitterrechtfreundlich.de



Photo 3: Introduction of storage and retrieval machines.jpg

Caption 3: The new storage and retrieval machines were transported to their place in the high-bay warehouse of Würth Industrie Service GmbH & Co. KG by heavy goods vehicle and crane.

Photo source 3: Paul Dürr, Würth Industrie Service GmbH & Co. KG



Photo 4: Photovoltaics.jpg

Caption 4: Würth Industrie Service relies on the use of highly efficient photovoltaic systems for sustainable energy generation.

Photo source 4: Paul Dürr, Würth Industrie Service GmbH & Co. KG

#### Brief profile of Würth Industrie Service GmbH & Co. KG

Within the Würth Group, Würth Industrie Service GmbH & Co. KG is responsible for supplying to the industrial sector. Since its foundation in the year 1999, the company is located at the Würth Industrial Park in Bad Mergentheim, Germany with over 1,800 employees.

As a one-stop C-Parts provider, the company offers its customers a specialised product range with over 1,400,000 items: from screws and tools to connection and fastening technology, technical chemicals as well as occupational safety solutions. Aside from the extensive standard product range, the strength of the company lies in its customer-specific, logistical and dispositive supply and service concepts as well as special parts. Under the service brand "CPS® - C-Product Service", the company offers modular solutions customised as per the customer's requirements. These consumption-based and demand-based systems streamline the processes for purchase, logistics and quality assurance while enabling the procurement of small parts in a cost-optimised manner. Logistic and dispositive services such as shelving systems that use scanners or a just-in-time supply using Kanban bin systems play a significant role in increasing productivity.