

SHANGHAI KROMSCHROEDER METERS

ELSTER-AMCO Group extends its presence in China

Fifteen million official inhabitants, maybe 20 million including unofficial inhabitants, 12% economic growth per annum, over 4000 new skyscrapers in the last 15 years, one new skyscraper per day, around 3.5 million gas consumers and counting. Where? In Shanghai. And that's where the new joint venture Shanghai Kromschroeder Meters was founded in August 2003, a joint venture in which the majority shareholder is G. Kromschroeder AG. The remaining shares are divided between Shanghai Gas Meter & Appliance Co. Ltd. and Qianwei Kromschroeder Meters (QKM).



Shanghai Gas Meter & Appliance Co. Ltd., formerly known as Gas Meter & Appliance Factory of Shanghai Municipal Gas Company, was the first company in China to specialise in the development, manufacture and distribution of products and services covering the entire range of gas equipment. The company can proudly look back on 130 years of corporate history.

With the help of this new joint venture, ELSTER-AMCO continues to build up its presence in China, thus taking full advantage of the rapidly growing Chinese gas market. Following the liberalisation of the gas market, manufacturers of gas meters can only achieve long-term success by supplying

these markets with products and local services. Town planners have forecast that, with the continuing development of the west-east gas pipeline project, gas consumption in Shanghai will increase to 1.5 billion cbm by the year 2005 and by 2010 it will be as much as 8 billion cbm per year. These figures illustrate the rapid development of the Shanghai gas market and underline the necessity to supply this market with high-quality metering devices. The Pudong quarter of the city already has a dense distribution network and in other parts of the city work is well underway.

On June 1, 2004, the production of the meter types BK-G2.5 and BK-G4, including the well-known V1.2 litre measuring unit, was started. This BK-series meter is used for domestic metering purposes and, since it has proved to be a reliable and highly-accurate meter, is successful all over the world. The new joint venture operates with a new, state-of-the-art, semi-automated production line from Germany. Sonic nozzle test rigs have been installed in the calibration rooms and automatic pre-calibration systems are in use in order to adjust the error curve during the production of the measuring unit, all of which guarantees the high accuracy of the products. Automatic dosing equipment and leak test systems ensure efficiency and quality in the production process (Fig. 1). The use of the latest production technology in the field of gas meter assembly ensures that production errors are minimised and that the quality of the processes and products is constantly monitored. When it comes to maintenance, rapid support from specialists in Germany is readily available. With the help of extensive technology transfer on the part of G. Kromschroeder AG, output has steadily risen since July 2004, as planned, enabling the joint venture to meet the high demand for the BK meters.

Situated near the city centre, Shanghai Kromschroeder Meters enjoys the best possible conditions to ensure the just-in-time supply of gas meters and



Fig. 1: Training with the new equipment





Fig. 2: Production building at Shui Dian Road in Shanghai

service know-how to the customers in this growing gas market (Fig. 2).

The new joint venture is supported by the know-how and worldwide experience of G. Kromschroeder AG in Osnabrück. This also includes personnel support, which guarantees quality, especially during the initial stages of the project, and ensures there are no problems concerning the use of the new technology. In order to keep up the high quality standards of the BK meters, certain components critical for the accuracy, such as the diaphragms, are imported from Germany. All of the other individual components are supplied by the joint venture partner in Chongqing. This is a good example of the positive synergy effects that can arise from having a joint venture involving market leaders in the field of gas meter production from both Germany and China. ELSTER-AMCO is convinced that, with Shanghai Kromschroeder Meters, they have found the right partner to expand and strengthen their strategic position in China.

CARSTEN LORENZ, KROMSCHROEDER GERMANY

c.lorenz@kromschroeder.com