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Schneider Electric and Delixi Group Announce the Official Opening of Their Joint Venture

Shanghai, China, November 16th, 2007 - Delixi Group and Schneider Electric today celebrated the opening of their joint venture DELIXI Electric in Wenzhou (Zhejiang Province). The win-win partnership process between DELIXI and Schneider Electric has been completed, and is set to develop valuable brands, effective management processes and innovative products for its customers on the Chinese market.

The Delixi Group and Schneider Electric signed their partnership agreement last year, on December 17th, 2006. After the study and audit of the joint venture procedure from the Ministry of Commerce, the joint venture finally received all the necessary authorizations for its opening. This 50/50 joint venture between Schneider Electric, a global leader in Low Voltage products, and the Delixi Group, one of the local leaders in the Chinese electrical distribution field, will be named Delixi Electric Ltd. and will be incorporated in Wenzhou (Zhejiang Province).

The strategic business scope of the Joint Venture will focus on the development, production, processing distribution as well as service and technical consulting of Low Voltage and industrial control components, for wholesale, importation and exportation and other related business of their own products and similar products. It will manufacture Low Voltage products in 6 product lines (MCB, MCCB, ELCB, ACB, Contactors and Relays) and distribute under the Delixi brand, a famous and recognized brand in China. With a business model different from Schneider Electric in China, the joint venture will have its own product positioning, organization and R&D, thus benefiting its customers with a unique and innovative value proposition. It plans to employ more than 4,500 staff supervised by a shared management.

Hu Chengzhong, President of Delixi Group, commented this opening: "The opening of this joint venture will help carry forward the Delixi brand by propelling further its internalization strategy thanks to Schneider Electric's technical expertise, management support and overseas network. This transaction represents a major milestone in the development of the electrical industry in China."

Russell Stocker, Executive Vice President of Schneider Electric Asia Pacific Operating Division, said: "This partnership reinforces Schneider Electric's leading position in the Chinese low voltage market, by leveraging Delixi's brand image and local retail network and supply chain. It will offer a different value proposition from Schneider Electric with a distinct market approach."

The Joint Venture will focus on addressing the Chinese market needs, and, through an exclusive relation with Schneider Electric, will also expand its specific business model into other targeted countries.



About Schneider Electric

Schneider Electric, the world leader in electrical distribution and automation & control, develops a global offer of products and services for the residential, buildings, industry, energy and infrastructures markets. In 2006, the 112,000 employees of Schneider Electric generated sales of 13.7 billion through 15,000 sales outlets in 190 countries.

www.schneider-electric.com

Schneider Electric:

Give the best of the New Electric World to everyone, everywhere, at any time

About Delixi Group

Delixi Group is a renowned private enterprise in China specializing in the manufacturing of high and low voltage apparatus, electric power transmission and distribution appliances, as well as industrial automation electronics. With over 14,000 employees and a sales network of more than 1,500 outlets in domestic and international markets, Delixi has been awarded the 'China Famous Trademark', 'China Famous Product Brand', and 'Products Exempt from Quality Inspection' status, and also hosts a National Corporate Technical Development Centre. Delixi Group has also won the National Quality Management Prize. Delixi Group recorded sales of RMB15 billion (1.25 billion) in 2006.

www.delixi.com