

## PRESS INFORMATION

# Bosch Rexroth signs joint venture agreement with Zhejiang Hechuan Technology to strengthen automation business in China

Jan Saeger | 02.11.2023 | Lohr am Main

Joining product portfolios to create strong player in mid-price segment of Chinese industrial automation market

- Focus on automation & electrification products at optimal cost-performance ratio
- Agreement also includes Bosch Rexroth acquiring minority share in Zhejiang Hechuan Technology
- The new joint venture will market its portfolio under the brand Le-AutomatiX and will be based in Shanghai



Agreements to establish a joint venture were signed by Thomas Fechner, Member of the management board of Bosch Rexroth and Wang Xiangbin, Chairman of Hechuan Technology on November 2, 2023. Other members of the boards of management of both companies were also present.

**Bosch Rexroth and Zhejiang Hechuan Technology plan to join their forces in the field of industrial automation in China. Bosch Rexroth is a Germany-based leading supplier of automation and electrification solutions and has been active in China since 1978. Zhejiang Hechuan Technology, focusing on research and development, manufacturing, sales and application integration of industrial automation products, is based in Quzhou, Zhejiang Province, and listed on the Shanghai stock exchange. An agreement to create a joint venture mainly for the Chinese automation market was signed on November 2, 2023. As second part of the partnership, Bosch Rexroth will acquire a minority stake of Zhejiang Hechuan Technology to become a strategic investor in the company, which underlines the commitment of both parties to the joint venture.**

“The joint venture is set to become a powerful player in the Chinese automation market. Customers will benefit from a joint portfolio shaped by two strong partners which will even better meet their needs regarding specifications, technology and price. Combining our competencies in industrial automation will also support the successful development of our respective companies,” says Thomas Fechner, Member of the management board of Bosch Rexroth responsible for Factory Automation.

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Zhejiang Hechuan Technology is a technology-driven provider and has strong competence in local management. With fast response times and high manufacturing capability, the company has been constantly enriching its product portfolio especially in the servo market. Zhejiang Hechuan Technology has already gained a substantial position in the Chinese market. “Based on a shared view on innovation initiatives, and by combining our strengths, we aim to become ecosystem partners in the entire value chain of industrial automation, creating a better life with our work,” says Wang Xiangbin, Chairman of Hechuan Technology.

Supported by the incentives of ‘Transformation and Upgrading of the Manufacturing Industry’, the potential of the Chinese automation market is very large, especially in the fast-growing industries. The newly founded joint venture is planned to offer a complete automation product portfolio as well as FTS (Flexible Transport Systems), aiming to meet the requirements of local customers related to speed and optimal cost-performance ratio.

The joint venture will set up its own direct sales and service network. Drawing on the competencies and resources of both partners, the new company is planned to be based in Shanghai. The establishment of the joint venture is subject to the approval of various bodies, including the antitrust authorities.

### Basic Information Bosch Rexroth

As one of the world’s leading suppliers of drive and control technologies, Bosch Rexroth ensures efficient, powerful and safe movement in machines and systems of any size. The company bundles global application experience in the market segments of Mobile and Industrial Applications as well as Factory Automation. With its intelligent components, customized system solutions, engineering and services, Bosch Rexroth is creating the necessary environment for fully connected applications. Bosch Rexroth offers its customers hydraulics, electric drive and control technology, gear technology and linear motion and assembly technology, including software and interfaces to the Internet of Things. With locations in over 80 countries more than 32,000 associates generated sales revenue of around 7.0 billion euros in 2022.

### Basic Information Bosch

The Bosch Group is a leading global supplier of technology and services. It employs roughly 421,000 associates worldwide (as of December 31, 2022). The company generated sales of 88.2 billion euros in 2022. Its operations are divided into four business sectors: Mobility, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT provider, Bosch offers innovative solutions for smart homes, Industry 4.0, and connected mobility. Bosch is pursuing a vision of mobility that is sustainable, safe, and exciting. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group’s strategic objective is to facilitate connected living with products and solutions that either contain artificial intelligence (AI) or have been developed or manufactured with its help. Bosch improves quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is “Invented for life.” The Bosch Group comprises Robert Bosch GmbH and its roughly 470 subsidiary and regional companies in over 60 countries. Including sales and service partners, Bosch’s global manufacturing, engineering, and sales network covers nearly every country in the world. The basis for the company’s future growth is its innovative strength. At 136 locations across the globe, Bosch employs some 85,500 associates in research and development, of which nearly 44,000 are software engineers.

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