

CHARACTERISTICS OF THE INDUSTRY IN MAŁOPOLSKA (PART II)

METAL, MACHINE, AUTOMOTIVE AND ELECTROTECHNICAL INDUSTRIES



Małopolska Agencja Rozwoju Regionalnego S.A., Krakowski Park Technologiczny sp. z o.o. and Kraków Nowa Huta Przyszłości S.A. jointly implement a project titled: **“POWER UP YOUR BUSINESS IN MAŁOPOLSKA”**, co-financed by the Regional Operational Programme for the Małopolska Region for 2014–2020 (RPO WM) under Priority Axis 3: “Entrepreneurial Małopolska”, measure: “The Internationalisation of Małopolska Economy”, sub-measure “The Economic Promotion of Małopolska”.

The objective of the project is to directly promote the economic potential of Małopolska on the international scene, improve the competitiveness of regional companies on foreign markets and support foreign investments in Małopolska.

The measures of the “Power up...” project include participating in foreign fairs, organising trade missions and regional workshops, issuing publications and creating a modern information system for the entrepreneurs of Małopolska.

marr We combine the potential of our institutions: **Małopolska Agencja Rozwoju Regionalnego S.A.** (1993): the largest regional business institution implementing entrepreneurial support programmes and EU projects, offering financial instruments to implement business projects, providing services for investors and conducting international promotion activities. www.marr.pl



Krakowski Park Technologiczny sp. z o.o., managing the Special Economic Zone in Małopolska, creating modern aid systems (incubator, seed capital, clustering, etc.), primarily for ICT companies. www.kpt.krakow.pl



Kraków Nowa Huta Przyszłości S.A., managing the largest investment area in Krakow, acting in the area of logistics projects, new technologies, recreation and leisure, urban planning and development of post-industrial areas. www.knhp.com.pl

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**Graphic design and development, typesetting,
text makeup, printing and binding:**

Argrafpol Agnieszka Blicharz-Krupińska
ul. Czarnieckiego 1
53-650 Wrocław
tel. 507 096 545
argrafpol@argrafpol.pl

Preface

This study contains the characteristics of four branches of the metal, machine, automotive and electrotechnical industries in Małopolska (the Małopolskie province). Its purpose is to analyze the state of those types of economic activities in the Małopolskie province, to indicate the dynamics of changes occurring in them, and to identify strengths, opportunities and challenges.

The study contains information on the size of the mentioned markets in Małopolska and their dynamics. The main industries that belong to that markets are presented in the study. The size of the workforce involved in the functioning of each of the industries with information on the dynamics of changes in this area was indicated. The presented information on the number of enterprises in particular branches of industry was supplemented by their structure in terms of the number of employees, the origin of capital and the legal form. The study also contains information about the main centers of the metal, machinery, automotive and electrotechnical industries in Małopolska and a long list of their largest representatives was added.

The summary of the report includes information on the strengths of Małopolska in the listed industries. The most important of their trends and the basic challenges faced by the region in the context of the analyzed markets are listed. Opportunities are also presented that could dynamise the region's development in the area of metal, machine, automotive and electrotechnical industries.

The results of this analysis may serve the promotion of Małopolska, as a region worth investing in. The information contained herein can be a hint for investors, as to where they can find the best conditions for the development of operations and what are the strengths of the Małopolska industries.



Research method

The study was based on the desk research method.

It comes down to the analysis of data from available sources. The statistics are subjected to appropriate selection, verification and processing. This method uses a variety of data sets, which mostly include public statistics documents, industry analyzes and publications, reports, articles and press releases.

Data is processed - tables, charts and graphs are compiled, data from various sources is compiled, and its correctness is verified. The processed statistics are subject to interpretation - the state of a given phenomenon and its changes, their character and dynamics are determined. The prepared study is finalized with conclusions.



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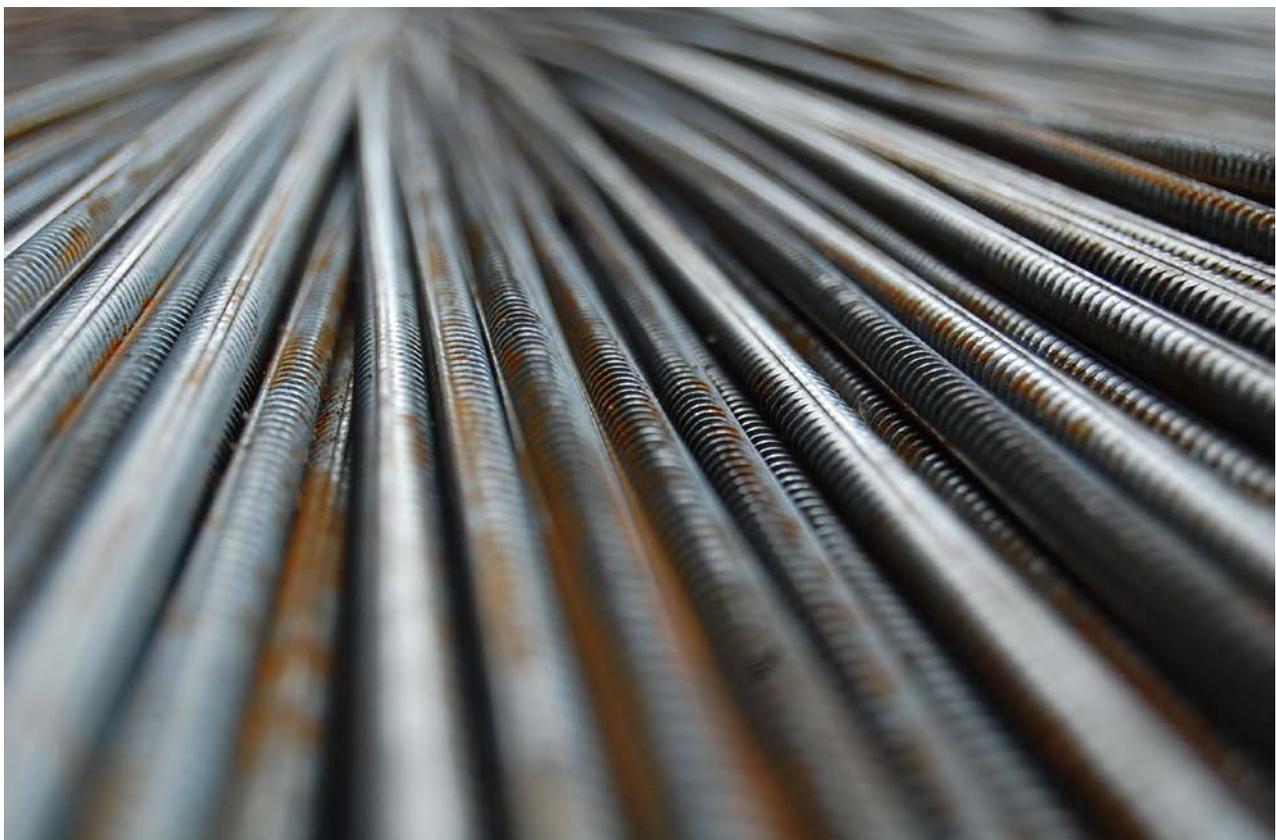
Introduction

Małopolska (the Małopolskie Province) is located in the central-southern part of the country, bordering with Slovakia. It is an important region for the Polish economy.

The Małopolskie Province covers an area of 15 183 km², where more than 3 million people live. It is divided into 22 districts, including 3 cities with district rights. Kraków is the capital city of the province and the seat of its local government authorities. The other two cities with district rights are Tarnów and Nowy Sącz. Other major urban centers in the region are Oświęcim, Chrzanów, Olkusz, Nowy Targ and Bochnia.

The main sectors of the economy of Małopolska include chemical, food, automotive and metallurgical industries. The new technology sector, trade and tourism are also important. The investors are encouraged to locate their businesses in Małopolska by the functioning of special economic zones (Krakow Special Economic Zone, Katowice Special Economic Zone and EURO-PARK Mielec), as well as, industrial and technology parks (e.g. Kraków Technology Park, Tarnów Science and Technology Park, Life Science Park in Krakow).

The total value of Małopolska's GDP corresponds to 8% of the country's GDP. Many large enterprises, including foreign enterprises, operate on the territory of the province, using good communication access, public support, qualified labor force and other advantages of the region¹.



¹ Województwo małopolskie, Polska Agencja Inwestycji i Handlu, <https://www.paih.gov.pl/regiony/wojewodztwa/malopolskie>

Glossary

REGON – National Official Business Register

Current prices - prices actually used in the transactions of purchase and sale of goods and services in a given period. In statistics, the prices from a given year or month are usually assumed as current prices. Those are prices excluding VAT and excise tax.

Sold production of the industry - one of the basic indicators of the economic situation in the sector. This is the value of products produced by enterprises from a given sector presented at current basic prices.

Automotive industry - one of the industries forming the industrial sector of the economy. The industry includes the production of motor vehicles, motorcycles and semitrailers, as well as parts and subassemblies.

Metal industry - a component of the industrial sector of the economy. The industry includes the production of metals and the production of metal finished products.

Finished goods – in accounting terms, they form part of inventories (current assets) of enterprises. They belong to finished products along with completed works and services. Ready products are the products that have passed through all production phases and have been admitted to trading.



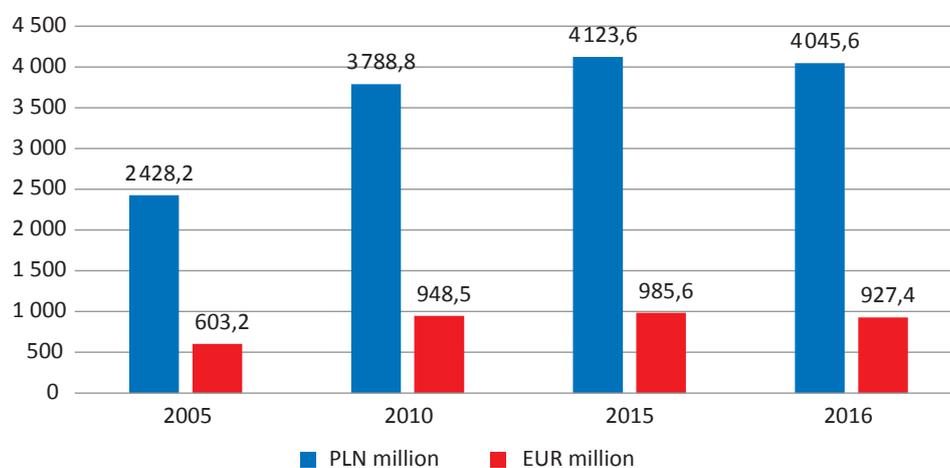
1. Metal industry

1.1. Size and dynamics of the market

The **metal industry** is one of the types of electromechanical industry. It includes activities related to metalworking and production of metal products.

According to data from the Central Statistical Office, in 2016, the value of sold production of the activity consisting in the production of metals amounted to PLN 4.045 billion in the Małopolskie province, equivalent to EUR 927 million².

Figure 1. Value of sold production of the activity consisting in the production of metals in the Małopolskie province



Source: Rocznik Statystyczny Województwa Małopolskiego 2017, Urząd Statystyczny w Krakowie; euro exchange rate according to the average annual exchange rate of the National Bank of Poland (2005: PLN 4.0254, 2010: PLN 3.9946, 2015: PLN 4.1839, 2016: PLN 4,3625)

On the other hand, the value of metal products production exceeded **PLN 7.594 billion**. This is the equivalent of **EUR 1.741 billion**.

In 2016, the value of sold production of metal in Małopolska was 9.1% of the total value of sold production of that type of activity in Poland. In the case of the production of metal products, it was 7.8%.

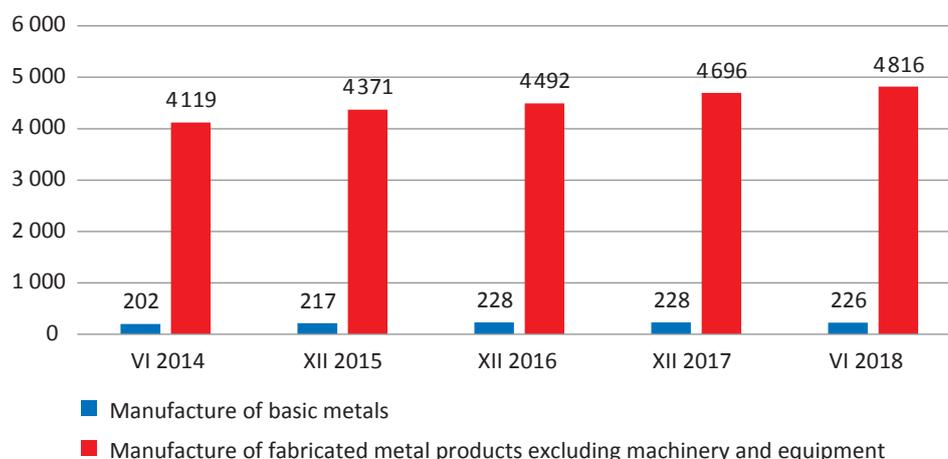
In the case of the metal production industry, the sold production has been in a downward trend since 2011. It is different in the case of the production of metal finished products. Since 2013, the sold production of this type of activity has been growing year by year, and the increases are bigger every year.

² Exchange rate for 2016: PLN 4,3625 (average weighted annual exchange rate of the National Bank of Poland); this exchange rate applies throughout the entire report

As shown by the latest data from the Report on the socio-economic situation of the Małopolskie province in 2017.³, in 2017, the value of sold production of the activity consisting in the production of metals decreased by 0.4% as compared to 2016. On the other hand, the production of metal products increased by as much as 21.7%.

In June 2018, the REGON register included 226 entities involved in the production of metals and 4,816 entities located in Małopolska, dealing in the production of metal finished products. In the case of the first type of activity, the number of entities has remained at a similar level for 3 years, in the case of the second one - it is constantly growing.

Figure 2. Number of entities involved in the production of metals and the production of metal finished products, excluding machinery and equipment in the Małopolskie province (2014-2018)



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności; www.rynkometr.pl

1.2. Main industries

Every third enterprise dealing in metal production in Małopolska deals in founding. A large part of them operates in the area of production of precious metals and other non-ferrous metals (27.9%) and steel products (23.0%).

³ Report on the socio-economic situation of the Małopolskie province in 2017, Statistical Office in Krakow, Kraków 2018



Table 1. Number of entities conducting particular types of activity consisting in the production of metals in the Małopolskie province, June 2018

| Type of activity | Number of entities | % of entities |
|---|--------------------|---------------|
| The casting of metals | 78 | 34.5% |
| Manufacture of basic precious and other non-ferrous metals | 63 | 27.9% |
| Manufacture of other products of first processing of steel | 52 | 23.0% |
| Manufacture of tubes and pipes, conduits, closed sections and connectors of steel | 25 | 11.1% |
| Manufacture of pig iron, ferroalloys, basic iron and steel and metallurgical articles | 8 | 3.5% |
| TOTAL | 226 | 100.0% |

Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

On the other hand, within the activity related to the production of metal finished products, almost half of the companies deal with metalworking and applying coatings on metals, as well as machining metal elements..

Table 2. Number of entities conducting particular types of activity, consisting in the production of metal finished products, excluding machinery and equipment in the Małopolskie province, as at June 2018

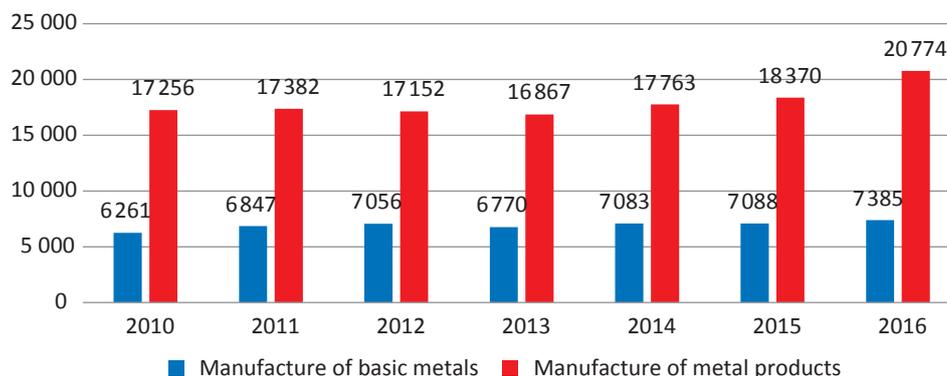
| Type of activity | Number of entities | % of entities |
|---|--------------------|---------------|
| Treatment and coating of metals; mechanical working of metal elements | 2,360 | 49.0% |
| Manufacture of structural metal products | 1,284 | 26.7% |
| Manufacture of other fabricated metal products | 665 | 13.8% |
| Manufacture of cutlery, tools and general hardware | 227 | 4.7% |
| Forging, pressing, stamping and roll-forming of metal; powder metallurgy | 148 | 3.1% |
| Manufacture of tanks, reservoirs and containers of metal | 117 | 2.4% |
| Manufacture of steam generators, except central heating hot water boilers | 12 | 0.2% |
| Manufacture of weapons and ammunition | 3 | 0.1% |
| TOTAL | 4,816 | 100.0% |

Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

1.3. Employment dynamics

In 2016, in Małopolska, the average employment in the production of metals reached over 7 thousand jobs, and in the production of metal products - over 20,000 jobs. In both cases, it is approximately by 1/5 more than in 2010. Thus, in total, on the metal market in the Małopolskie province, over 28 thousand employees worked full time.

Figure 3. Average full-time employment in the activity consisting in the production of metals and the production of metal products, in the Małopolskie province



Source: Rocznik Statystyczny Województwa Małopolskiego, Urząd Statystyczny w Krakowie. Data refer to business entities in which the number of employees exceeds 9 persons

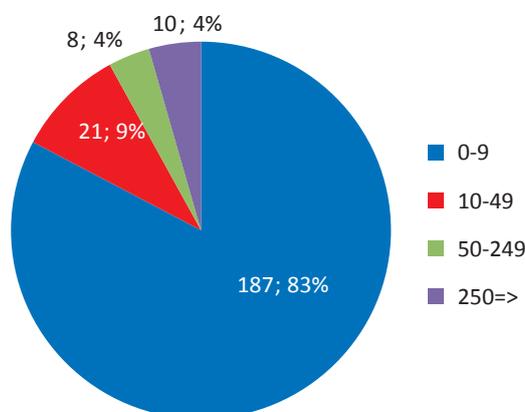
The average remuneration in the activity consisting in the production of metals in Małopolska amounts to PLN 5 051 gross (EUR 1 158) - this is the highest value out of all types of industries analyzed. At the same time, this value is also higher than the average value in Poland for this type of activity - in 2016 it was higher by 11.2%.

The production of metal products offers lower remunerations - in 2016 it was an average of PLN 3 876 gross (EUR 888) in Małopolska. This is by 6.4% more than in general in the country.

1.4. Size of enterprises in terms of number of employees

187 out of 226 companies involved in the production of metals in Małopolska, are enterprises employing 9 and fewer people. In this type of activity, as many as 10 entities are large companies employing over 250 employees. It is the largest share of all the markets analyzed in this report (4%).

Figure 4. Structure of enterprises producing metals in the Małopolskie province by number of employees, June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

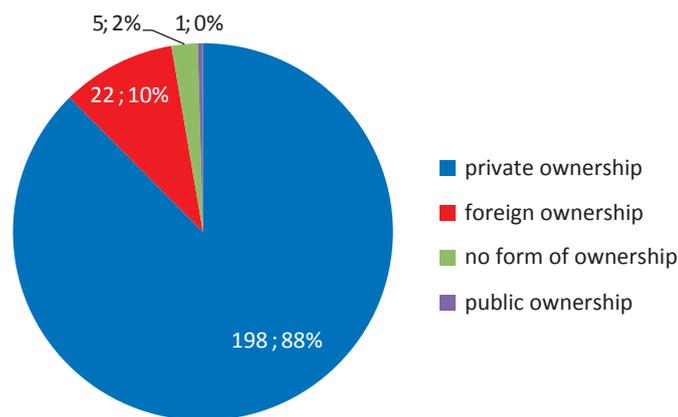
In case of the second activity, corresponding to the metal industry - the production of finished metal products, entities with less than 9 employees account for as much as 93% of the total - this is the highest amount for of all the analyzed industries. The largest enterprises constitute only 0.3% of the total, however, those are 13 companies - the most of companies in the group of the analyzed activities.

1.5. Division of enterprises by the origin of capital

The structure of entities by ownership sectors for Małopolska was developed using data for the whole country. Thus, the estimated numbers of enterprises from each category for the analyzed province were determined. This approach was applied in the analysis of the structure of origin of capital for all the analyzed types of industry.

In total, private ownership in the production of metals accounts for 88% of all entities. The ownership of domestic natural persons is dominant with a share of 77%. The activity is also characterized by a relatively high share of foreign ownership - 10%. Public ownership is only 0.3%.

Figure 5. Estimated structure of enterprises involved in the production of metals in the Małopolskie province, by ownership sectors, June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

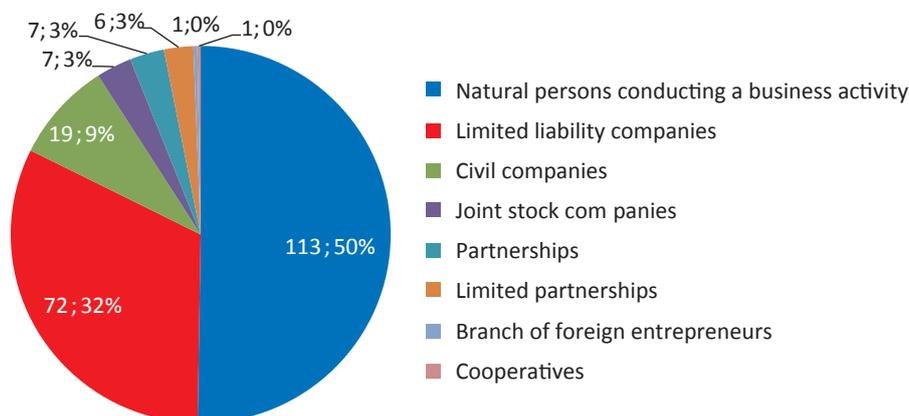
Private value on the market of the production of metal finished products corresponds to 96% of the total structure of entities. The market for the production of metal finished products is characterized by the highest share of domestic ownership of individuals in the structure - 93%. At the same time, foreign ownership has the lowest share in this market - 3%.

1.6. Division of enterprises based on legal forms

The structure of entities by legal forms for Małopolska was developed using data for the whole country. It was assumed that the structure for the country will be similar to that for the Małopolskie province and the percentage share of individual legal forms in Małopolska will be comparable to the country. This allowed determining the estimated number of enterprises from each category for the analyzed region. This approach was used to determine the structure based on legal forms for all the analyzed industries.

According to the adopted assumptions, half of 226 enterprises dealing in the production of metals in Małopolska are natural persons conducting a business activity. On the other hand, 1/3 of enterprises are companies of limited liability. The share of joint-stock companies in the structure of all the activities analyzed in the case of metal production, is the largest - 3%.

Figure 6. The estimated form of activity of enterprises producing metals in the Małopolskie province based on legal form, June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

The activity consisting in the production of metal finished products is characterized by the highest share of natural persons in the structure of entities - it is almost 80%. 12% of enterprises from this market operate in the form of a limited company, and 7% of them - in the form of a civil partnership.

1.7. Domestic and foreign markets

For the metal industry, the main customers in Poland are other industrial enterprises that use metal products in their operations. Such entities include:

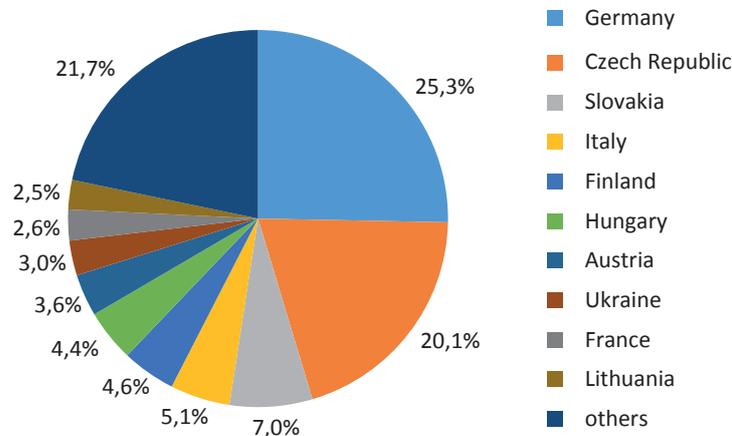
- construction companies using, for example, metal structures to build, among others bridges - Budimex, Skanska and Mostostal are among the largest in Poland,
- companies from the automotive market, using products of the metal industry, for example for car bodies - in Poland, cars are manufactured for example by Fiat-Chrysler Automobiles (FCA), General Motors or Volkswagen,
- food industry enterprises using metal packaging and others - e.g. Grupa Żywiec, Coca-Cola, Pudliszki, Sokołów.

The directions of exports of Polish goods from this market were examined in order to examine foreign directions of sales of metal industry products in Małopolska. The following groups of products manufactured in Małopolska were considered:

- cast iron and steel,
- articles of iron or steel.

Approximately $\frac{1}{4}$ of Polish cast iron and steel goes to Germany, 20.1% to the Czech Republic. The list of key customers includes also Slovakia, Italy and Finland.

Figure 7. Structure of exports of cast iron and steel from Poland in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

Germany is also at the forefront of importers of Polish products made of iron or steel, accounting for 35.5% of our exports. The second and third in order are - the UK and the Czech Republic - have a 5.0% share in the structure. Then Sweden, the Netherlands and France.

In conclusion, Germany is the basic foreign market for the products of the metal industry for Poland and for Małopolska. In the case of basic product categories of this industry, they correspond to 1/3 of exports. The Czech Republic can be considered as the second major market. The forefront of foreign markets for this market, includes also the UK, Sweden, the Netherlands, Italy and Slovakia.

1.8. Main centers

The main centers of the metal industry in Małopolska include:

- **Kraków and the district of Krakow**, where the metal center is the steelworks ArcelorMittal Poland - the largest steel manufacturer in Poland, and other metal market companies, such as Krakodlew S.A., Metalodlew S.A. are located around it, whether - in the vicinity of Kraków - Modern Aluminum Products Skawina (Branch Boryszew S.A.); as a result of the attractive characteristics of the capital of the region, an investment in this area was made by a large company from the packaging industry - CAN-PACK,
- **District of Oświęcim**, where one of the largest manufacturers of Alumetal aluminum casting alloys and manufacturer of aluminum profiles Grupa Kęty S.A. is located in Kęty,
- **District of Olkusz** Zakłady Górniczo-Hutnicze "Bolesław" in Bukowno - the main supplier of zinc and foundry alloys on the domestic market,
- **District of Bochnia**, where one of the leading manufacturers of steel products - Stalprodukt - is located, created based on the production departments of the Krakow smelter,
- **District of Gorlice**, where Kuźnia Glinik - one of the leading smithies in the country is located.

District of Krakow is one of the most important industrial districts in Poland. Enterprises from Małopolska, are the leading representatives of the metal industry in the country⁴.

1.9. The main representatives of the industry

1.9.1. Alumetal S.A.

Grupa Alumetal is a modern and dynamically growing manufacturer of secondary aluminum casting alloys, one of the largest in Europe. The company was separated from Grupa Kęty at the turn of 1999/2000. The current production capacity of the four production plants of the Alumetal Group is 233 thous. tons per year. The automotive industry is the recipient of the company's products in over 90% (cooperation with VW Group, Nemak Group and the Federal Mogul Group). In 2014, the company debuted on the Warsaw Stock Exchange.

The Group includes the holding company **Alumetal S.A.** with its registered office in Kęty and a few other companies, including units responsible for production. In Małopolska there is a production plant in Kęty, dating back to 1953. Other plants outside the Małopolskie province are located in Gorzyce and Nowa Sól. Those plants specialize in the production of secondary aluminum casting alloys, pre-alloys and aluminum for steel deoxidation. In Kęty, there is also an auxiliary unit - T+ S sp. z o.o., dealing in the production of products for the non-ferrous metals industry, steel industry and supplies of chemical raw materials (from 2010)⁵. Alumetal S.A. was ranked 95th on the list of 200 largest Polish companies in the *Wprost* magazine ranking⁶.

Table 3. Alumetal S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | Alumetal S.A. |
| Registered Office: | ul. Kościuszki 111 32-650 Kęty District of Oświęcim |
| Contact details: | Tel.: (33) 47 07,100 Email: alumetal@alumetal.pl www.alumetal.pl |
| Products: | Aluminum alloys, pre-alloys, aluminum for steel deoxidation, waste, fluxes and salts |



Source: www.alumetal.pl

1.9.2. ArcelorMittal Poland S.A.

ArcelorMittal Poland (formerly Mittal Steel Poland) is the largest steel manufacturer in Poland, employing over 11 thous. employees in six branches in the Śląskie, Małopolskie and Opolskie provinces. The company brings about 70% of the production potential of the Polish steel industry. Initially, the company was part of the Mittal Steel Company N.V. - the world's largest steel mill. After the merger, Mittal Steel Company and Arcelor, it is part of the ArcelorMittal group with its registered office in Luxembourg.

Branch of ArcelorMittal Poland in Krakow is a former Huta T. Sendzimir (even earlier - Metallur-

⁴ The metal sector in Eastern Poland, Polska Agencja Informacji i Inwestycji Zagranicznych S.A.

⁵ www.alumetal.pl

⁶ 200 największych polskich firm 2017, Wprost

gical Combine of the Lenin Steelworks), whose history dates back to 1954. In 2003, it was incorporated into the Polskie Huty Stali group (the former name of ArcelorMittal Poland), which in addition to the steelworks in Kraków, acquired steelworks in Dąbrowa Górnicza, Świętochłowice and Sosnowiec. The company employs 4 thous. employees in Krakow. Since 2007, a hot rolling mill has operated in the Krakow smelter - the largest and most modern investment of this type in Europe for 20 years⁷.

ArcelorMittal Poland S.A. was ranked 16th on the list of 1000 largest companies in Poland, prepared by *Gazeta Finansowa* newspaper in 2017⁸.

Table No. 4. ArcelorMittal Poland S.A. Oddział w Krakowie – summary of information

| | |
|--------------------|--|
| Company Name: | ArcelorMittal Poland S.A. Branch in Krakow |
| Registered Office: | ul. Ujastek 1 30-969 Kraków District of the city of Krakow |
| Contact details: | Tel.: (32) 776 66 66 www.poland.arcelormittal.com |
| Products: | Hot-rolled, cold-rolled sheets, steel sheets and strips, rolled strips |



Source: www.poland.arcelormittal.com

1.9.3. CAN-PACK S.A.

Grupa CAN-PACK S.A. is a leading manufacturer in the beverage packaging industry in Central and Eastern Europe. The company constantly strengthen its market position in Western Europe, Asia and Africa. The metal packaging market has been operating for over 25 years. In Krakow, CAN-PACK has been operating since 1992. It started with the production of aluminum beverage cans and aluminum lids. The first production line was launched at the beverage can factory in Brzesko in 1994. The CAN-PACK Group currently comprises a number of production plants located in Poland and around the world, of which several are located in Małopolska: in Brzesko and Tarnów.

The company's offer now - apart from beverage packaging - includes a wide range of welded steel cans for the food industry, easy-open caps, aerosol containers, bottle closures, packaging for chemical and cosmetic industries, glass packaging, as well as services related to packaging production⁹.

CAN-PACK S.A. was ranked 57th on the list of 1000 largest companies in Poland, prepared by *Gazeta Finansowa* newspaper in 2017¹⁰.



⁷ www.poland.arcelormittal.com

⁸ 1000 największych firm w Polsce, Gazeta Finansowa 2017

⁹ www.canpack.eu

¹⁰ 1000 największych firm w Polsce, Gazeta Finansowa 2017

Table 5. CAN-PACK S.A. – summary of information

| | |
|--------------------|---|
| Company Name: | CAN-PACK S.A. |
| Registered Office: | ul. Jasnogórska 1 31-358 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 662 34 03 Email: canpack@canpack.eu www.canpack.eu |
| Products: | Metal packaging (beverage, food, chemical), closures, glass packaging |



Source: www.canpack.eu

1.9.4. Grupa Kęty S.A.

Grupa Kęty S.A. is the parent company for the Group of Companies, comprising a total of 25 companies, 15 of which are foreign ones. The company's history dates back to 1953 when the production of foundry alloys in the company called Zakład Metali Lekkich "Kęty" was launched in Kęty. In addition to the metal industry, the company also produces flexible packaging. Since 1996, the company has been listed on the Warsaw Stock Exchange. The company's products reach 55 countries.



Grupa Kęty S.A. with its registered office in Kęty is the largest, most modern in Poland and important in Europe manufacturer of aluminum profiles and prefabricated elements and components on CNC devices. Aluminum production plants outside of Kęty are located in Tychy and Ukraine. The products of this area of the company's activity go to the construction and transport industries, including rail, automotive and automotive transport. The recipient of the products is also the innovative electrotechnical and engineering industries¹¹.

Grupa Kęty S.A. was ranked 52nd on the list of 200 largest Polish companies in the Wprost newspaper ranking¹².

Table 6. Grupa Kęty S.A.– summary of information

| | |
|--------------------|--|
| Company Name: | Grupa Kęty S.A. |
| Registered Office: | ul. Kościuszki 111 32-650 Kęty District of Oświęcim |
| Contact details: | Tel.: (33) 844 60 00 Email: kety@grupakety.com www.grupakety.com |
| Products: | Aluminum profiles and elements and components |



Source: www.grupakety.com

¹¹ www.grupakety.com

¹² 200 największych polskich firm 2017, Wprost

1.9.5. KRAKODLEW S.A.

KRAKODLEW S.A. is a foundry that was launched in 1966 as the brewing department of the then Huta Lenina in Krakow. From the beginning, the company has specialized in the production of casting accessories. In addition, in the second half of the 1990s, the foundry expanded its production profile by producing weights for mobile cranes. Currently, Krakodlew S.A. supplies approximately 50 steelworks with metallurgical equipment. The company's products go to such countries as: Poland, the Czech Republic, Slovenia, Germany, Austria, the UK, Switzerland, France, Sweden, Norway, Iceland, Italy, Belgium and the USA. Export accounts for approximately 95% of total sales¹³.



Table 7. KRAKODLEW S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | KRAKODLEW S.A. |
| Registered Office: | ul. Ujastek 1 31-752 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 378 76 01 Email: dn@krakodlew.com.pl www.krakodlew.com.pl |
| Products: | Fittings: moldings, tops, under-cast plates, siphons, slag ladles |



Source: www.krakodlew.com.pl

1.9.6. Kuźnia Glinik Sp. z o.o.

Kuźnia Glinik Sp. z o.o. is one of the leading smithies in Poland and Europe. Its beginnings date back to 1883. The company specializes in the production of - drop and free and semi-free forged forgings. The scope of the smithy's operation is not limited to the process of forgings production. The company also deals with heat and mechanical treatment. It performs orders for the automotive, mining, power, metallurgy, industrial fittings and many other areas. In 2013, Kuźnia "Glinik" Sp z o.o. has become part of the Polish Foundry Group¹⁴.

Polska Grupa Odlewnicza is the largest industrial group in Poland, specializing in the production of castings and forgings. Besides the Forge "Glinik", it includes Odlewnia Żeliwa "Śrem", Pioma-Odlewnia and Stalowa Wola Branch. PGO is part of the TDJ Group - a private Polish investment company operating in various sectors of the economy¹⁵.

¹³ www.krakodlew.com.pl

¹⁴ www.kuzniaglinik.pl

¹⁵ www.pgos.pl

Table 8. Kuźnia Glinik Sp. z o.o. – summary of information

| | |
|--------------------|--|
| Company Name: | Kuźnia Glinik Sp. z o.o. |
| Registered Office: | ul. Chopina 33A 38-320 Gorlice District of Gorlice |
| Contact details: | Tel.: (32) 359 64 10 Email: pgo@pgosa.pl www.kuzniaglinik.pl |
| Products: | Drop forgings, free forged forgings, half free forged forgings and mold forgings |



Source: www.kuzniaglinik.pl

1.9.7. METALODLEW S.A.

Metalodlew S.A. was established in 1994 as a result of ownership transformations in HTS. However, the foundry traditions date back to 1949. Metalodlew S.A. offers unit casts, small series, hand-formed in sand molds, made of several dozen grades of cast steel, cast iron, non-ferrous alloys, with a varied assortment in terms of shape and weight. In addition to the production activity of castings for the industry, Metalodlew S.A. makes also artistic casts. The main recipients of the company's products are along with domestic contractors companies from the European Union, North America and the Middle and Far East¹⁶.

Table 9. METALODLEW S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | METALODLEW S.A. |
| Registered Office: | ul. Ujastek 1 31-752 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 688 71 00 Email: info@metalodlew.pl www.metalodlew.pl |
| Products: | Wire rod, wires, aluminum and its alloys pipes |



Source: www.metalodlew.pl

1.9.8. Nowoczesne Produkty Aluminiowe Skawina

Nowoczesne Produkty Aluminiowe Skawina is an enterprise created as a result of ownership transformation of Skawińskie Zakłady Metalurgiczne, built in 1954. It is the only company in Poland producing wire rod of aluminum and its alloys, non-wire wire rod used in the metallurgy as a deoxidizer. The company's products go to domestic and foreign markets to the energy, food, automotive and household appliances industries. The company has been a part of the Boryszew S.A. Capital Group since 2007. listed in the WIG 30 index - thirty largest companies of the Warsaw Stock Exchange¹⁷.

¹⁶ www.metalodlew.pl

¹⁷ www.npa.pl

Table 10. Boryszew S.A. Oddział Nowoczesne Produkty Aluminiowe Skawina – summary of information

| | |
|--------------------|---|
| Company Name: | Boryszew S.A. Branch Nowoczesne Produkty Aluminiowe Skawina |
| Registered Office: | ul. Piłsudskiego 23 32-050 Skawina District of Krakow |
| Contact details: | Tel.: (12) 276 08 02 Email: info@npa.pl www.npa.pl |
| Products: | Wire rod, wires, aluminum and its alloys pipes |



Source: www.npa.pl

1.9.9. Stalprodukt S.A.

Grupa Kapitałowa Stalprodukt S.A. is a leading manufacturer and exporter of highly processed steel products. The company also has its own well-developed distribution network for steel products. It started its activity as a Steel Processing Plant “Stalprodukt” S.A. in 1992 and was created based on the two production departments located in Bochnia, T. Sendzimir in Krakow, whose history dates back to 1971. Since 1997, the company has been listed on the Stock Exchange.



The Stalprodukt Capital Group includes a parent company with its registered office in Bochnia and 11 subsidiaries. The company’s production plants in the Małopolskie province are located in Bochnia, Kraków and Tarnów (since 1999). In Krakow, there is also a unit responsible for sales departments - Stalprodukt-Centrostal Kraków sp. z o.o.¹⁸.

Stalprodukt S.A. was ranked 43rd on the list of 200 largest Polish companies 2018, in the Wprost newspaper ranking¹⁹.

Table 11. Stalprodukt S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | Stalprodukt S.A. |
| Registered Office: | ul. Wygoda 69 32.700 Bochnia District of Bochnia |
| Contact details: | Tel.: (14) 615 10 00 Email: market@stalprodukt.com.pl www.stalprodukt.com.pl |
| Products: | Electrotechnical plates, cold-formed profiles, road barriers, toroidal cores |



Source: www.stalprodukt.com.pl

¹⁸ www.stalprodukt.com.pl

¹⁹ 200 największych polskich firm 2017, Wprost

1.9.10. Zakłady Górniczo-Hutnicze „Bolesław”

In 2012, Stalprodukt acquired 96.92% of shares in ZGH „Bolesław” S.A. from the State Treasury.

Zakłady Górniczo-Hutnicze „Bolesław” formed in 1958 after the merger of Zakłady Górnicze „Bolesław” with Zakłady Hutnicze „Bolesław”. It is a modern mining and metallurgical complex, which is the main supplier of zinc and alloys on the domestic market and a significant supplier to the markets of neighboring countries, i.e. Czech Republic, Slovakia, Austria and Hungary. The company’s products are applicable, among others in the industry for the production of sheet metal, coatings protecting metal surfaces from corrosion, in construction and many other industries²⁰.

ZGH „Bolesław” S.A. was ranked 70th on the list of 200 largest Polish companies in the Wprost newspaper ranking²¹.

Table 12. Zakłady Górniczo-Hutnicze „Bolesław” S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | Zakłady Górniczo-Hutnicze „Bolesław” S.A. |
| Registered Office: | ul. Kolejowa 37 32-332 Bukowno District of Olkusz |
| Contact details: | Tel.: (32) 295 51 00 Email: office@zghboleslaw.pl www.zghboleslaw.pl |
| Products: | Electrolytic zinc and zinc alloys, including alloys for continuous, unit galvanizing and cast alloys |



Source: www.zghboleslaw.pl

1.9.11. Zakład Walcowniczy Profil S.A.

Zakład Walcowniczy Profil is a traditional company providing services in the production of flat products from copper, copper alloys: brass, high-nickel brass and silver. The company’s registered office is located at the ArcelorMittal Poland steelworks in Krakow²².

Table 13. Zakład Walcowniczy Profil S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | Zakład Walcowniczy Profil S.A. |
| Registered Office: | ul. Ujastek 1 30-969 Kraków District of the city of Krakow |
| Contact details: | www.zwprofil.pl |
| Products: | Belts of various thicknesses, size and dimensions as well as curing conditions, tapes, sheets, anodes and casting alloys |



Source: www.zwprofil.pl

²⁰ www.zghboleslaw.pl

²¹ 200 największych polskich firm 2017, Wprost

²² www.zwprofil.pl

1.9.12. Other significant representatives of the metal market

Table 14. Other significant representatives of the metal market

| Company Name | Registered Office | Products |
|--|---|--|
| Alpha Technology Sp. z o.o. Sp. komandytowa | Kraków, District of the city of Kraków | Castings, zips |
| Ardagh Metal Packaging Poland Sp. z o.o. | Kąty, District of Proszowice | Metal packaging |
| Kolejowe Zakłady Nawierzchniowe "Bieżanów" Sp. z o.o. | Kraków, District of the city of Kraków | Rail surface, steel bridge structures |
| „KUŹNIA” Sułkowice S.A. | Sułkowice, District of Myślenice | Drop forgings forged hot of carbon, alloy, structural and stainless steels |
| KZWM OGNIOPHON S.A. | Andrychów, District of Wadowice | Portable, mobile fire extinguishers, aggregates and extinguishing devices |
| „MAKROTERM”, Agata i Krzysztof Wąchała – Spółka Jawna | Kraków, District of the city of Kraków | Production of heating solutions |
| Nicromet Sp. z o.o. Sp. komandytowa | Oświęcim, District of Oświęcim Skawina, District of Kraków | Foundry alloys for an aluminum foundry |
| Przedsiębiorstwo Innowacyjne Odlewnictwa Specodlew Sp. z o.o. | Skawina, District of Kraków | Sand, precision, chill castings |
| Severt Polska Sp. z o.o. | Gorlice, District of Gorlice | Metalworking and CNC machining services |
| Siligan White Cap Polska Sp. z o.o. | Niepołomice, District of Wieliczka | Metal and plastic lids |
| Staco Polska Spółka z o.o. | Niepołomice, District of Wieliczka | Platform grids, stair treads and related products in ordinary steel, stainless steel, aluminum and plastic |
| Stemik Spółka z o.o. | Zagórzany, District of Gorlice | Building connectors, hinges, bolts, elements of car trailers, flagpole holders, parking posts |
| STP ELBUD sp. z o.o. | Kraków, District of the city of Kraków | Steel structures, protective coatings |
| UNIHUT S.A. | Kraków, District of the city of Kraków | Steel structures, machining |
| WIMED Sp. z o.o. | Tuchów, District of Tarnów | Road signs and traffic safety devices |
| Zakład Budowy Aparatury Chemicznej ZBACH Sp. z o.o. | Tarnów, District of the city of Tarnów | Apparatus and equipment for the chemical, energy, petrochemical and food industries |
| Zakłady Mechaniczne Tarnów S.A. | Tarnów, District of the city of Tarnów | military equipment and equipment (sniper rifles and machine guns, grenade launchers, mortars and others) |
| Zakłady Mechaniczno-Kuźnicze "WOSTAL" Sp z o.o. | Wolbrom, District of Olkusz | Steel structures, drop forgings, products for hard coal mining |

Source: own study

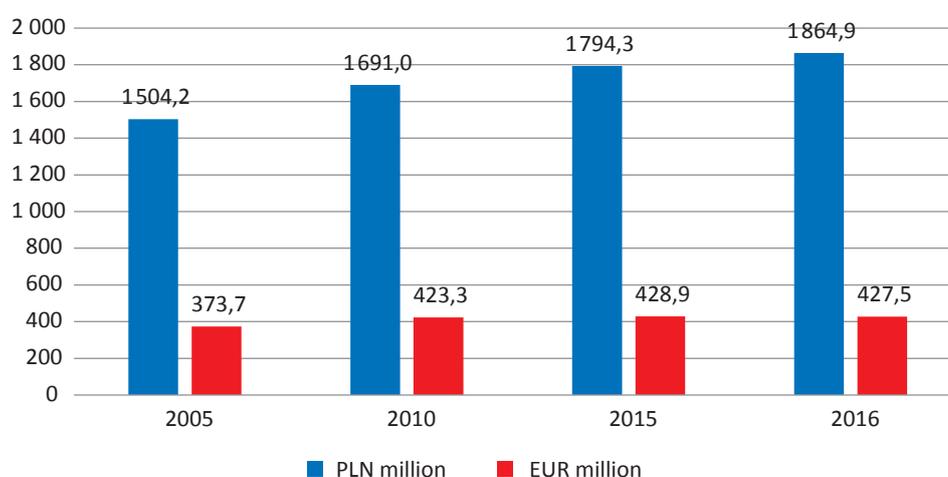
2. Machine industry

2.1. Size and dynamics of the market

Machine industry is also a branch of the electromechanical industry. It manufactures various types of mining, metallurgic, construction, agricultural machines, engines and machine tools.

In 2016, the value of sold production of activity related to the production of machinery and equipment in Małopolska reached **PLN 1.865 billion**. This is the equivalent of **EUR 427.5 million**.

Figure 8. Value of sold production of the activity consisting in the production of machines and devices in the Małopolskie province



Source: Rocznik Statystyczny Województwa Małopolskiego 2017, Urząd Statystyczny w Krakowie; euro exchange rate according to the average annual exchange rate of the National Bank of Poland (2005: PLN 4.0254, 2010: PLN 3.9946, 2015: PLN 4.1839, 2016: PLN 4.3625)

The aforementioned value constituted 4.3% of the total sold production of the activity consisting in the production of machinery and equipment in Poland.

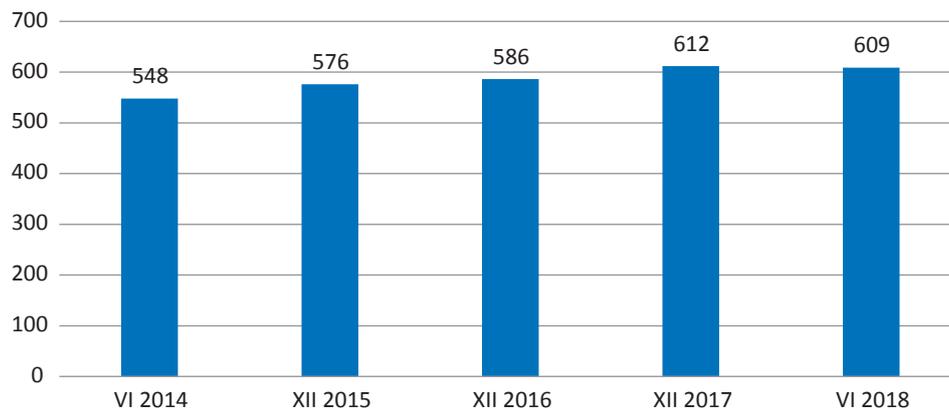
In 2012-2015, the value of sold production of machinery and equipment was decreasing year by year. It was different in 2016 when this value increased. The latest data on sold production of the activity consisting in the production of machinery and equipment indicates in 2017 an increase in this value by 12.1%, compared to the previous year²³.

In 2017, the number of entities producing in Małopolska machinery and equipment not classified elsewhere exceeded 600. For comparison, in June 2014 such entities were 548.



²³ Report on the socio-economic situation of the Małopolskie province in 2017, Statistical Office in Krakow, Kraków 2018

Figure 9. Number of entities involved in the production of machinery and equipment in the Małopolskie province



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności; www.rynkometr.pl

2.2. Main industries

Half of the machinery market entities in Małopolska produce general purpose machines. Moreover, approximately 1/3 are the entities produce other special-purpose machines.

Table No. 15. Number of entities conducting particular types of activity, consisting in the production of machinery and equipment in the Małopolskie province, June 2018

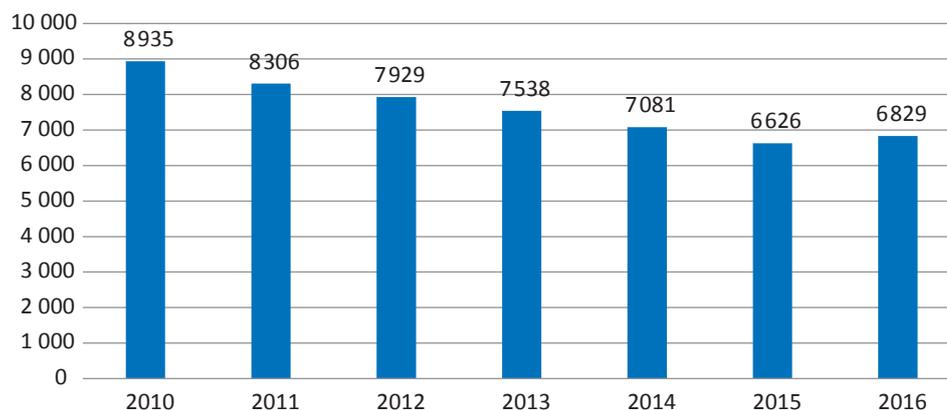
| Type of activity | Number of entities | % of entities |
|--|--------------------|---------------|
| Manufacture of other general-purpose machinery | 283 | 46.5% |
| Manufacture of other special-purpose machinery | 199 | 32.7% |
| Manufacture of general-purpose machinery | 61 | 10.0% |
| Manufacture of agricultural and forestry machinery | 33 | 5.4% |
| Manufacture of metal forming machinery and machine tools | 33 | 5.4% |
| TOTAL | 609 | 100.0% |

Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności.

2.3. Employment dynamics

The engineering industry is the only of the analyzed types of industry in Małopolska, where average employment has been falling in recent years. In 2016, there were 6.8 thousand jobs in this market, in the Małopolskie province, (in 2010 it was 8.9 thousand full-time jobs) - a decrease of 23.6%. In 2016, employment increased - by 3.1%, compared to the previous year.

Figure No. 10. Average full-time employment in the activity consisting in the production of machines and equipment, in the Małopolskie province



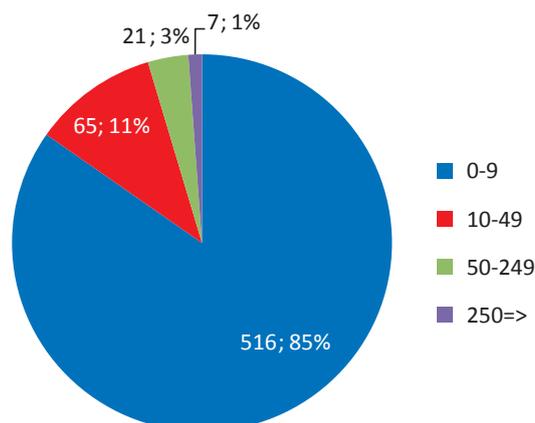
Source: Rocznik Statystyczny Województwa Małopolskiego, Urząd Statystyczny w Krakowie. Data refer to business entities in which the number of employees exceeds 9 persons; without employment abroad.

The average remuneration in the activity consisting in the production of machinery and equipment in Małopolska is PLN 3,947 gross (EUR 905). Remunerations in this type of activity grow from year to year. At the same time, they are by 9.5% lower than the remunerations in the country.

2.4. Size of enterprises in terms of number of employees

85% of enterprises in the engineering industry in Małopolska are entities employing less than 9 people. Large and very large entities (over 50 employees) are only 5% of the total or 28 entities.

Figure 11. Structure of enterprises dealing in manufacture of machinery and equipment n.e.c. in the Małopolskie province by number of employees, June 2018

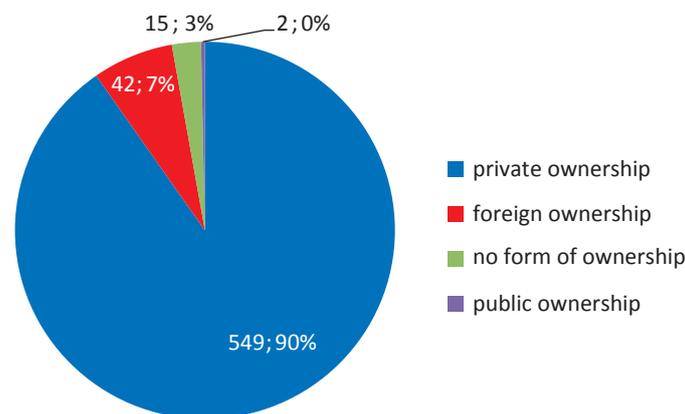


Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

2.5. Division of enterprises by the origin of capital

The machine market is characterized by a very high share of private property in the structure of business entities - 90%. The share of foreign entities or with a majority of foreign ownership in this market amounts to 7%.

Figure 12. The estimated form of activity of enterprises manufacturing machinery and equipment in the Małopolskie province by ownership sectors, June 2018

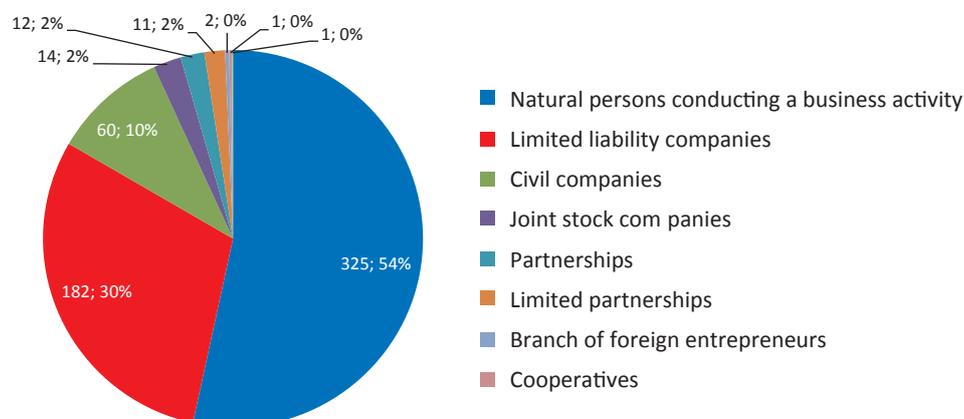


Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

2.6. Division of enterprises based on legal forms

Slightly more than half (53%) of machine market entities in Małopolska are natural persons conducting business activity. 30% are enterprises in the form of a limited liability company, and the joint-stock companies account for approximately 2% of all entities.

Figure 13. Estimated form of activity of enterprises manufacturing machinery and equipment in the Małopolskie province by legal form, June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

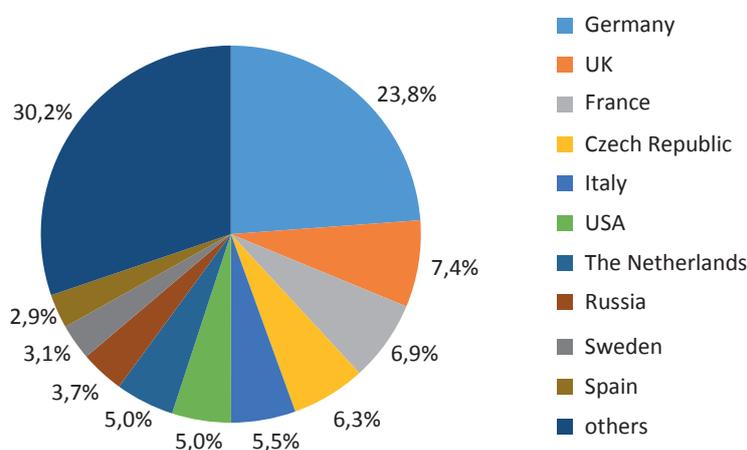
2.7. Domestic and foreign markets

In the case of the **machine industry**, the markets will depend on the type of machinery that is produced by the company. For example, for a manufacturer of machine tools of Małopolska, customers will be metalworking companies. For a mining equipment manufacturer, customers will be enterprises such as Jastrzębska Spółka Węglowa or Polska Grupa Górnicza. For a crane manufacturer, the construction industry will be the industry for the sale of products.

In order to examine the directions of sales of the machine industry products in Małopolska, the directions of exports of Polish machines, mechanical devices and their parts were analyzed.

The largest part (23.8%) of the structure of exports of various types of machines from Poland is occupied by Germany. The next include: 7.4% in the United Kingdom, 6.9% in France and 6.3% in the Czech Republic, as well as Italy, the USA and the Netherlands.

Figure 14. Structure of exports of nuclear reactors, boilers, machinery and mechanical devices; parts of them from Poland in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

Those countries should be considered the basic directions of sales of the machine industry products from Małopolska.

2.8. Main centers

The machine industry from Małopolska is concentrated in cities. Those include, e.g.:

- **Kraków** – where the branch of the international machinery company Alfa Laval is located,
- **Tarnów**, where the branch of the international Lenze and Fabryka Maszyn Tarnów are located,
- **Andrychów**, where Andrychowska Fabryka Maszyn DEFUM SA - machine tools production plant operates.



An important field in the engineering industry in Małopolska is the production for the needs of mining. Enterprises producing mining machines are located in:

- **Gorlice** - enterprise named Narzędzia i Urządzenia Wiertnicze “Glinik” Spółka z o.o.,
- **Nowy Sącz** - FAMUR S.A. Systemy Ścianowe.

2.9. The largest representatives

2.9.1. Alfa Laval Kraków Sp. z o.o.

Alfa Laval Kraków Sp. z o.o. is a production plant for fan heat exchangers that started its operations in Krakow in 2015. The factory, equipped with new and specialized machines, produces air coolers and condensers in the full production cycle, including the production of lamella blocks and some elements of the casing for mounting the finished product. Alfa Laval Krakow is the only Alfa Laval factory in Europe where commercial air coolers are produced²⁴.

Alfa Laval Kraków Sp. z o.o. is associated with the international company **Alfa Laval**, which bases its operations on three key technologies: separation, heat exchange and flow technologies. The company has 3 separated sales segments: energy, food and water and maritime. It is currently in about 100 countries, with 42 large production plants (including 22 in Europe, 10 in Asia, 8 in the US and 2 in Latin America)²⁵.

²⁴ https://www.elektronika-sa.com.pl/files/news/2016/alfa_laval/alfa_laval_krakow.pdf

²⁵ www.alfalaval.pl

Table 16. Alfa Laval Sp. z o.o. – summary of information

| | |
|--------------------|---|
| Company Name: | Alfa Laval Kraków Sp. z o.o. |
| Registered Office: | ul. Zawita 56 30-390 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 252 99 99 Email: krakow@alfalaval.com www.alfalaval.pl |
| Products: | Fan heat exchangers for commercial applications |



Source: www.alfalaval.pl

2.9.2. Andrychowska Fabryka Maszyn DEFUM S.A.

Andrychowska Fabryka Maszyn DEFUM S.A. is a leading Polish manufacturer of machine tools. It was established in 1946. Since the 1970s, it has been producing numerically controlled machines. In 2011, Andrychowska Fabryka Maszyn S.A. took over the production of machine tools of Dąbrowska Fabryka Maszyn S.A., and a year later changed its name to Andrychowska Fabryka Maszyn DEFUM S.A.²⁶

Table 17. Andrychowska Fabryka Maszyn DEFUM S.A. – summary of information

| | |
|--------------------|---|
| Company Name: | Andrychowska Fabryka Maszyn DEFUM S.A. |
| Registered Office: | ul. Stefana Batorego 35 34-120 Andrychów District of Wadowice |
| Contact details: | Tel.: (33) 875 22 40 Email: biuro@afm.com.pl www.afm.com.pl |
| Products: | CNC lathes, CNC rotary lathes, CNC vertical centers, CNC machining centers, special machines |



Source: www.afm.com.pl

2.9.3. FAMUR S.A. Systemy Ścianowe Nowomag Oddział w Nowym Sączu

FAMUR S.A. Systemy Ścianowe Nowomag Branch in Nowy Sącz is a manufacturer of systems for hauling spoil for longwall mining complexes. The history of the factory dates back to 1951, when as Nowosądeckie Zakłady Przemysłu Terenowego were producing agricultural equipment. Since 1971, it has been producing comprehensive coal mining systems, which include scraper and sub-wall scraper conveyors, belt conveyors and spoil crushers.

The plant operates within the FAMUR Group - it was bought in 2003 by Fabryka Maszyn FAMUR S.A. and since then it has been operating within the FAMUR Group. In 2014, FAMUR S.A. was merged with NOWOMAG. The **FAMUR Group** is a manufacturer of machinery and equipment for the mining industry. It also manufactures machines and equipment for the needs of railways and the cement industry. It currently consists of 42 companies and 11 manufacturing plants. The group employs approximately 5,000 employees. The company belongs to TDJ S.A.²⁷

²⁶ www.afm.com.pl

²⁷ www.famur.com

Table 18. FAMUR S.A. Systemy Ścianowe Nowomag Oddział w Nowym Sączu – summary of information

| | |
|--------------------|---|
| Company Name: | FAMUR S.A. Systemy Ścianowe Nowomag Oddział w Nowym Sączu |
| Registered Office: | ul. Jana Pawła II 27 33-300 Nowy Sącz District of the city of Nowy Sącz |
| Contact details: | Tel.: (18) 540 84 01 www.famur.com |
| Products: | Systems of haulage of spoil for longwall complexes in mining |



Source: www.famur.com

2.9.4. Lenze Tarnów Spółka z o.o.

Lenze Tarnów Spółka z o.o. was founded in 1996. This is a production plant whose main activity is the machining of cast iron and aluminum castings as well as the assembly of geared motors. The company employs over 150 people. It is associated with the international company **Lenze**, which is a global specialist in the field of industrial, intelligent drive technology and automation. It manufactures and develops products in the field of mechatronics, such as transmissions and motors²⁸.

Table 19. Lenze Tarnów Spółka z o.o. – summary of information

| | |
|--------------------|--|
| Company Name: | Lenze Tarnów Spółka z o.o. |
| Registered Office: | ul. Kochanowskiego 30 33-100 Tarnów District of the city of Tarnów |
| Contact details: | www.lenze.com |
| Products: | Machining cast iron, aluminum and assembly of geared motors |



Source: www.lenze.com

2.9.5. M&R Printing Equipment Poland Sp. z o.o.

M&R Printing Equipment Poland Spółka z o.o. produces printing machines. The company began its operations in 1985. At the end of the 1980s, the company released Challenger - its first automatic printing machine. The plant in Wojnicz, which is supposed to produce the equivalents of American machines in the metric system, began operating in 2004. The company is a branch of **M&R Companies** - the world's largest manufacturer of screen printing machines²⁹.

²⁸ <http://www.tarnow.pl/Biznes/Aktualnosci-biznesowe/Lenze-Tarnow-swietuje-dwudziestolecie>

²⁹ www.mrprint.com.pl

Table 20. M&R Printing Equipment Poland Spółka z o.o.– summary of information

| | |
|--------------------|--|
| Company Name: | M&R Printing Equipment Poland Spółka z o.o. |
| Registered Office: | Wolicka 11 32-830 Wojnicz District of Tarnów |
| Contact details: | Tel.: (14) 678 74 00 Email: info@mrprint.com.pl www.mrprint.com.pl |
| Products: | Printing machines |



Source: www.mrprint.com.pl

2.9.6. Narzędzia i Urządzenia Wiertnicze “Glinik” Spółka z o.o.

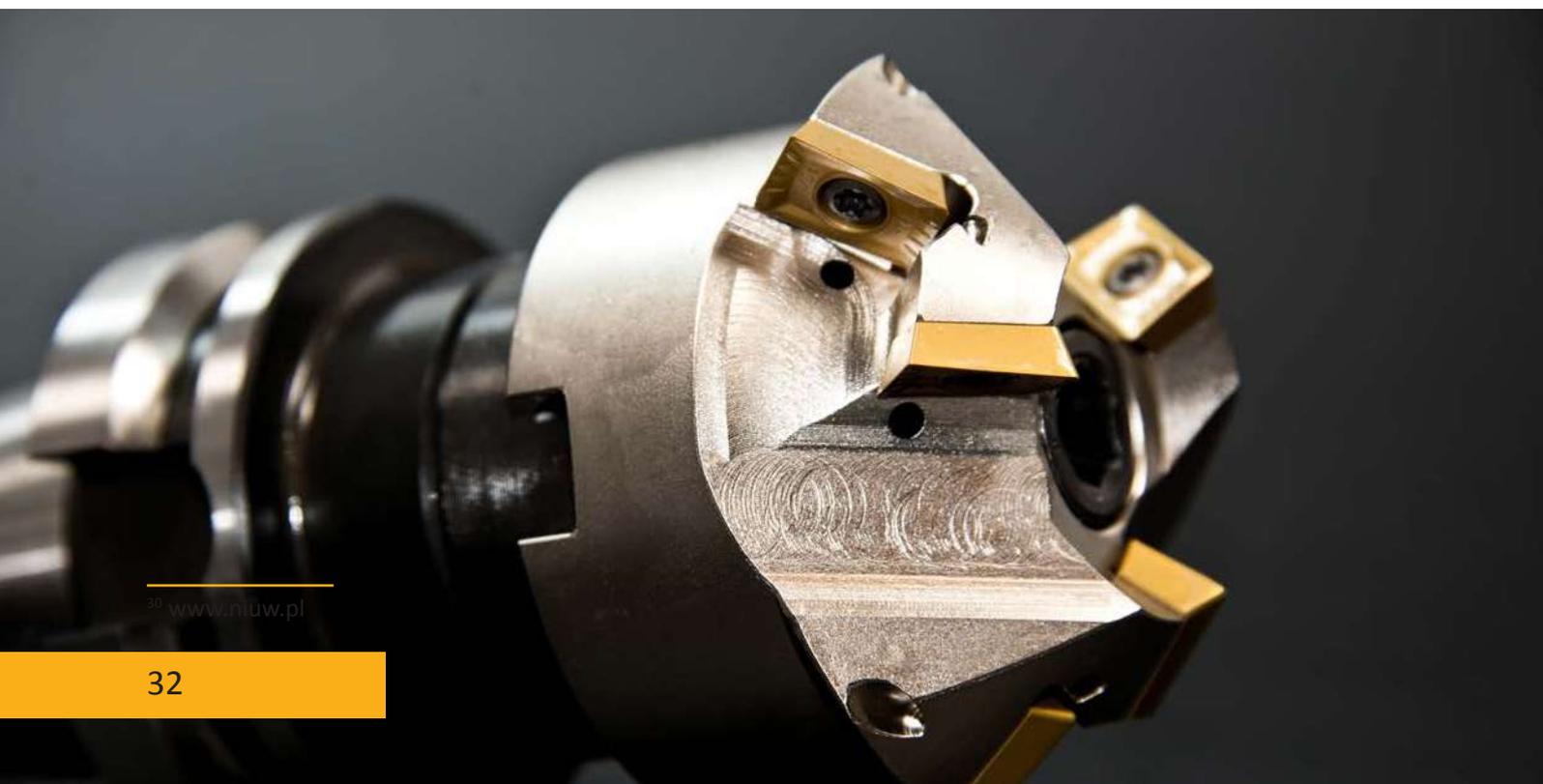
Narzędzia i Urządzenia Wiertnicze “Glinik” Spółka z o.o. is a manufacturer of drilling tools and equipment with a tradition dating back to 1883, when a refinery and repair workshops providing services to it, were established in Gorlice. The previous company’s names are: Fabryka Maszyn i Narzędzi Wiertniczych, Fabryka Maszyn Wiertniczych i Górniczych Glinik, Fabryka Maszyn Glinik S.A. The company’s structures include specialized construction, technology, production and commercial departments. TDJ S.A. investment company controls the enterprise³⁰.

Table 21. Narzędzia i Urządzenia Wiertnicze „Glinik” Spółka z o.o.– summary of information

| | |
|--------------------|--|
| Company Name: | Narzędzia i Urządzenia Wiertnicze “Glinik” Spółka z o.o. |
| Registered Office: | ul. Józefa Michalusa 1 38-320 Gorlice District of Gorlice |
| Contact details: | Tel.: (18) 35 49 700 Email: niuw@glinik.com.pl www.niuw.pl |
| Products: | Tools and drilling equipment |



Source: www.niuw.pl



³⁰ www.niuw.pl

2.9.7. Zakład Budowy Urządzeń Dźwigowych ZBUD Spółka z o.o.

Zakład Budowy Urządzeń Dźwigowych ZBUD Spółka z o.o. is an enterprise whose history dates back to the 1980s, although the production of the current type of assortment began in the 1990s. The ZBUD offer includes: close transport equipment (overhead cranes, cranes, winches, hoists), transport equipment (slings, traverses), products for the offshore sector (hoisting and service equipment for drilling platforms) and industrial steel structures as well as design, consulting and training services. ZBUD has the largest machines in the region for processing large-size elements, ensuring the possibility of processing elements with a unit weight of several tons. The company currently employs 560 people³¹.

Table 22. Zakład Budowy Urządzeń Dźwigowych ZBUD Spółka z o.o.– summary of information

| | |
|--------------------|--|
| Company Name: | Zakład Budowy Urządzeń Dźwigowych ZBUD Spółka z o.o. |
| Registered Office: | ul. Żabieńska 6 33-200 Dąbrowa Tarnowska District of Dąbrowa Tarnowska |
| Contact details: | Tel.: (14) 644 46 00 Email: zbud@zbud.com.pl www.zbud.com.pl |
| Products: | Handling equipment, transport equipment, products for the offshore sector |



Source: www.zbud.com.pl

2.9.8. Zakłady Budowy Maszyn i Aparatury im. L. Zieleniewskiego w Krakowie S.A.

Zakłady Budowy Maszyn i Aparatury im. L. Zieleniewskiego w Krakowie S.A. is one of the oldest companies in the machine building industry in Poland, founded in 1804. Since then, continuously it has continuously produced a wide range of parts, equipment and machines. It specializes in services in unit and small lot production based on the provided technical documentation. The company's clients are companies from Germany, France, Spain, Belgium, Ukraine, Estonia, Norway, Sweden and the USA³².

Table 23. Zakłady Budowy Maszyn i Aparatury im. L. Zieleniewskiego w Krakowie S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | Zakład Budowy Urządzeń Dźwigowych ZBUD Spółka z o.o. |
| Registered Office: | ul. Grzegórzecka 69 31-559 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 250 09 32 Email: sekretariat@zieleniewski.com.pl www.zieleniewski.com.pl |
| Products: | Screw compressors, reciprocating compressors, blowers, pumps, spare parts, unit and small lot production |



Zakłady Budowy Maszyn i Aparatury
im. Ludwika Zieleniewskiego
w Krakowie

Source: www.zbud.com.pl

³¹ www.zbud.com.pl

³² www.zieleniewski.com.pl

2.9.9. Other representatives of the machine market in Małopolska

Table 24. Other important representatives of the machine market

| Company Name | Registered Office | Products |
|--|--|---|
| BOLARUSA S.A. | Bochnia, District of Bochnia | Refrigeration and low temperature equipment |
| ES-SYSTEM NT Sp. z o.o. | Dobczyce, District of Myślenice | LED lighting solutions for architectural, industrial, commercial and urban environments |
| Fabryka Maszyn i Urządzeń OMAG Sp. z o. o. | Oświęcim, District of Oświęcim | Machines and equipment for the mining industry and parts for the needs of the automotive market |
| Fabryka Maszyn Tarnów Łukasz Świdorski & Józef Świdorski s.c. | Wierzchosławice, District of Tarnów | Grinders and lathes |
| Fabryka Wentylatorów „OWENT” sp. z o.o. | Olkusz, District of Olkusz | Professional industrial fans |
| Techglass Sp. z o.o. | Kraków, District of the city of Krakow | Glass furnaces, power supplies and kits |
| Vatra S.A. | Zabierzów, District of Krakow | Geothermal heat pumps |

Source: own study



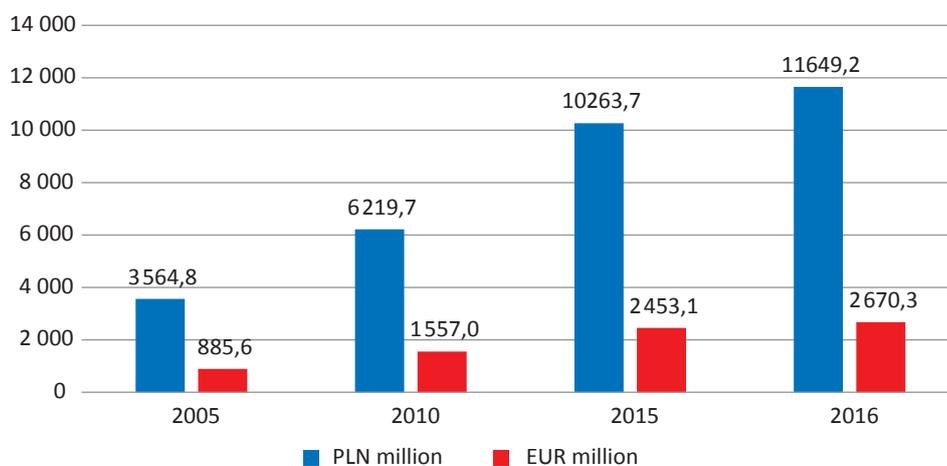
3. Automotive industry

3.1. Market size

The **automotive industry** includes activities related to the production of cars.

The industry associated with the production of motor vehicles generates the highest revenues among the four analyzed industries. In 2016, the automotive industry in the Małopolskie province accounted for **PLN 11.649 billion** of production sold. This is the equivalent of **EUR 2.670 billion**.

Figure 15. Value of sold production of the activity consisting in the production of motor vehicles, trailers and semi-trailers in the Małopolskie province



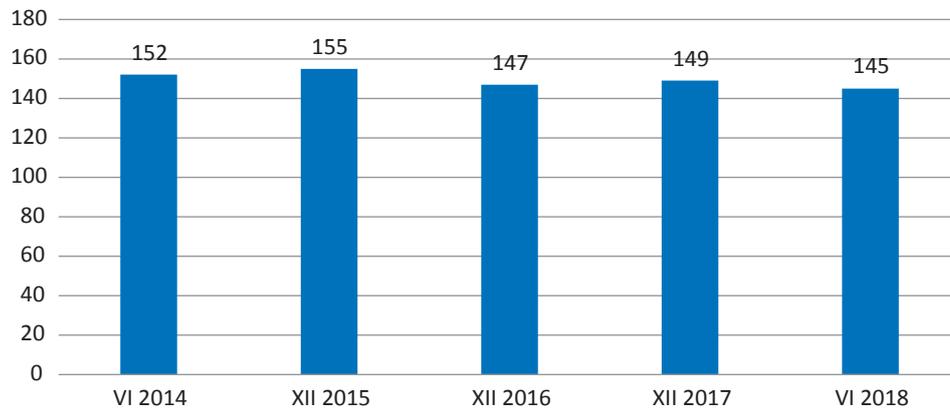
Source: Rocznik Statystyczny Województwa Małopolskiego 2017, Urząd Statystyczny w Krakowie; euro exchange rate according to the average annual exchange rate of the National Bank of Poland (2005: PLN 4.0254, 2010: PLN 3.9946, 2015: PLN 4.1839, 2016: PLN 4.3625)

The share of sold production of activity consisting in the production of motor vehicles, trailers and semi-trailers in the Małopolskie province constitutes 8.4% of domestic production.

In the period 2011-2016, only in 2012 the market for the production of motor vehicles in Małopolska recorded a decrease in the volume of production sold. In the other years, the analyzed market recorded an increase at the level of 1.1% (in 2015) to 14.3% (in 2013) in relation to the previous year.

There are 145 entities operating in Małopolska, dealing in the production of motor vehicles, trailers and semi-trailers, excluding motorcycles. This is 7 less than in April 2014.

Figure 16. Number of entities involved in the production of motor vehicles, trailers and semi-trailers, excluding motorcycles in the Małopolskie province



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności; www.rynkometr.pl

3.2. Main industries

The largest part (63.4%) of entities from the automotive market is involved in the production of parts and accessories for motor vehicles. A large group (26.2%) are also companies producing trailers and semi-trailers.



Table 25. Number of entities of particular types of activity consisting in the production of motor vehicles, trailers and semi-trailers, excluding motorcycles in the Małopolskie province, as at June 2018

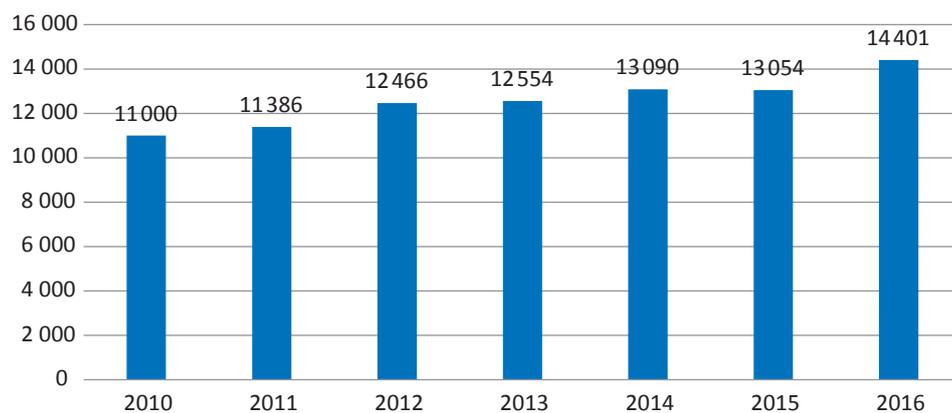
| Type of activity | Number of entities | % of entities |
|---|--------------------|---------------|
| Manufacture of parts and accessories for motor vehicles | 92 | 63.4% |
| Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers | 38 | 26.2% |
| Manufacture of motor vehicles, excluding motorcycles | 15 | 10.3% |
| TOTAL | 145 | 100.0% |

Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

3.3. Employment dynamics

The automotive market in Małopolska is characterized by a very dynamic increase in average employment. In 2016, there were over 14 thous. of jobs in this sector. This is by 30.9% more than in 2010.

Figure 17. Average full-time employment in the activity consisting in the production of motor vehicles, trailers and semi-trailers in the Małopolskie province



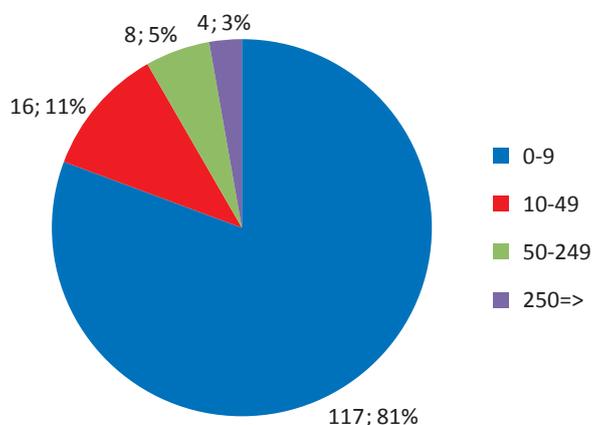
Source: Rocznik Statystyczny Województwa Małopolskiego, Urząd Statystyczny w Krakowie. Data refer to business entities in which the number of employees exceeds 9 persons; without employment abroad.

The average remuneration in the activity of producing motor vehicles, trailers and semi-trailers in Małopolska is PLN 4 646 gross (EUR 1 065). This value is very similar to the national average in that industry.

3.4. Size of enterprises in terms of number of employees

From all analyzed markets, on the automotive market, the smallest entities (below 9 employees) constitute the smallest part of the structure of - 81% in Małopolska. Every 10th entity has 10-49 employees, and 8.3% of them - more than 50 employees.

Figure 18. Structure of enterprises involved in the production of motor vehicles, trailers and semi-trailers, excluding motorcycles in the Małopolskie province by number of employees, June 2018

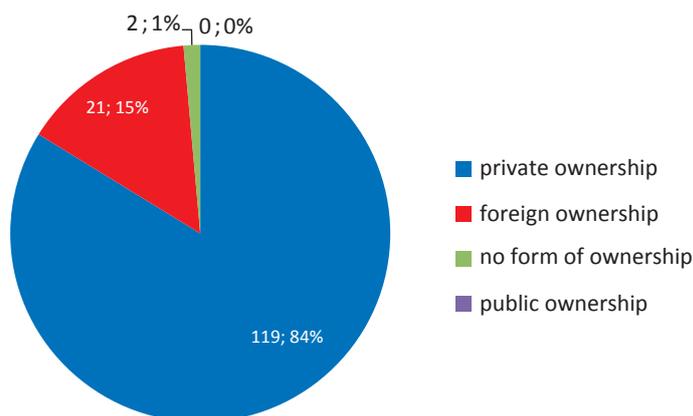


Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

3.5. Division of enterprises by the origin of capital

The automotive market is characterized by the highest share of foreign ownership in the structure of entities - it amounts to 15%. Enterprises with national private ownership account for 84% of all entities.

Figure 19. Estimated structure of enterprises dealing in manufacture of motor vehicles, trailers and semi-trailers, excluding motorcycles in the Małopolskie province by ownership sectors, as at June 2018

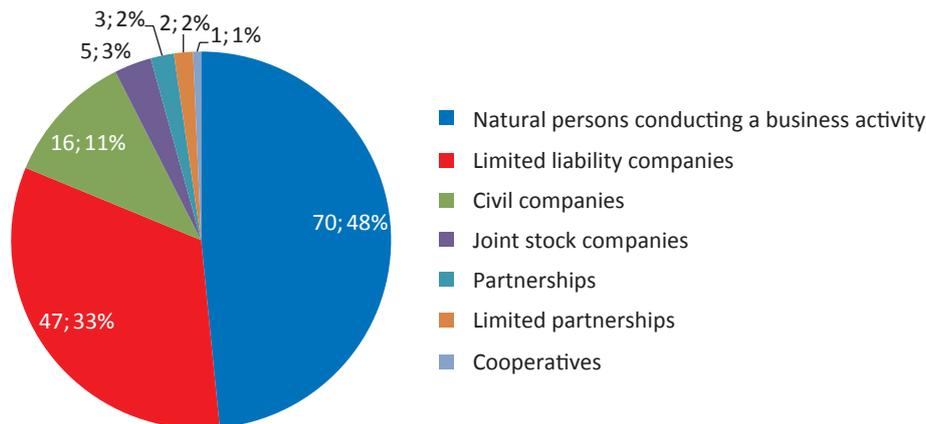


Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

3.6. Division of enterprises based on legal forms

The automotive market is characterized by the lowest, from all the analyzed markets, the share of natural persons conducting economic activity in the structure, not exceeding 50%. Thus, more space in the structure is occupied by various types of companies, while the share of joint-stock companies is relatively low (1.6%).

Figure 20. Estimated structure of enterprises dealing in manufacture of motor vehicles, trailers and semi-trailers, excluding motorcycles in the Małopolskie province, based on the legal form, as at June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

3.7. Domestic and foreign markets

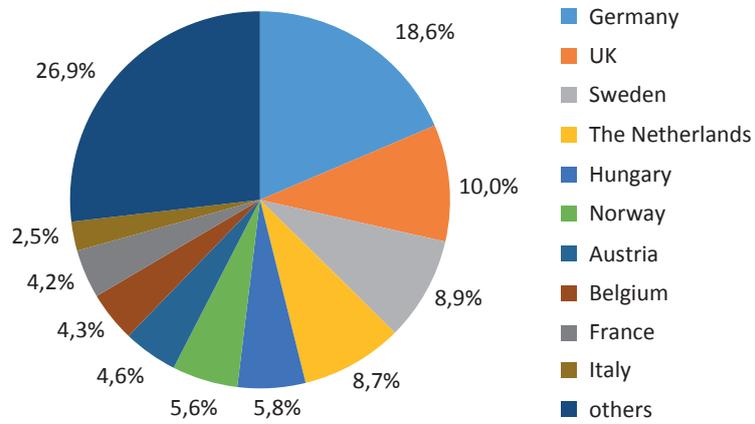
Depending on the type of products manufactured, the **automotive industry** will either directly sell products to end users (e.g. transport companies using lorries or semi-trailers) or will it be a supplier of subassemblies for the production of motor vehicles.

The directions of exports of Polish goods from this market were examined in order to examine directions of sales of automotive industry products in Małopolska. The following several groups of products manufactured in Małopolska were considered:

- motor vehicles for transporting goods, including chassis with engine and cab - i.e. trucks as MAN produced near Krakow,
- parts and accessories for tractors, motor vehicles and car vehicles - i.e. products manufactured by, e.g. Valeo plants,
- trailers and semi-trailers; other vehicles without the mechanical drive (excluding rail vehicles); parts thereof - i.e. products manufactured e.g. by ZASŁAW plant in Andrychów.

The largest part of Polish vehicles for transporting goods are sold to Germany (18.6%). The second largest sales market for those products is the United Kingdom (10.0%), and the third one is Sweden (8.9%). The Netherlands, Hungary and Norway are further on.

Figure 21. Structure of export of motor vehicles for the transport of goods, including chassis with engine and cab, from Poland, in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

Approx. 40% of parts and accessories for vehicles exported from Poland are sold to Germany. 9.0% of them are exported to the Czech Republic and over 6% to both Italy and the UK. The next places in the ranking are occupied by Slovakia, Spain and France.

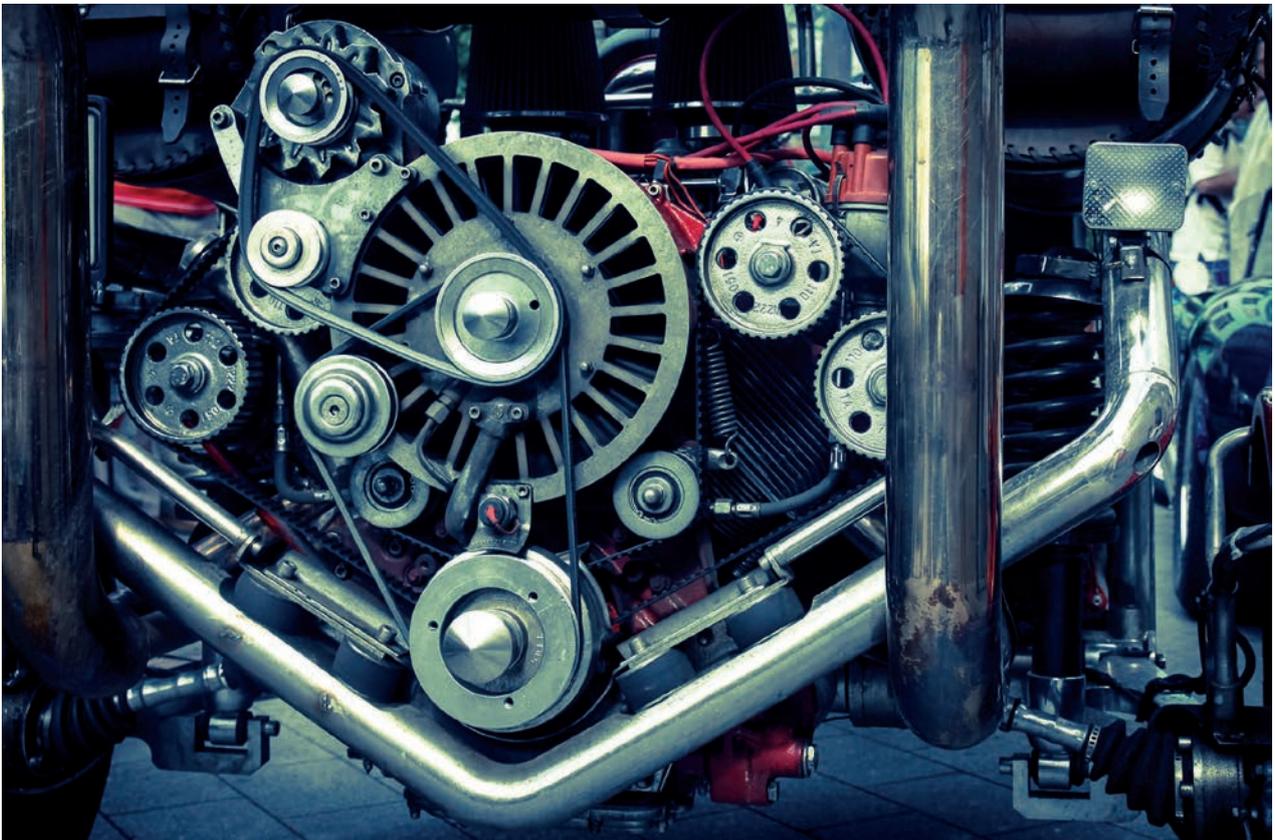
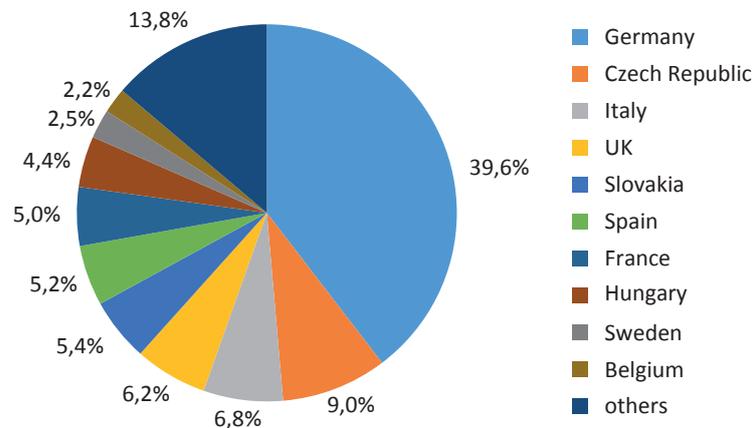


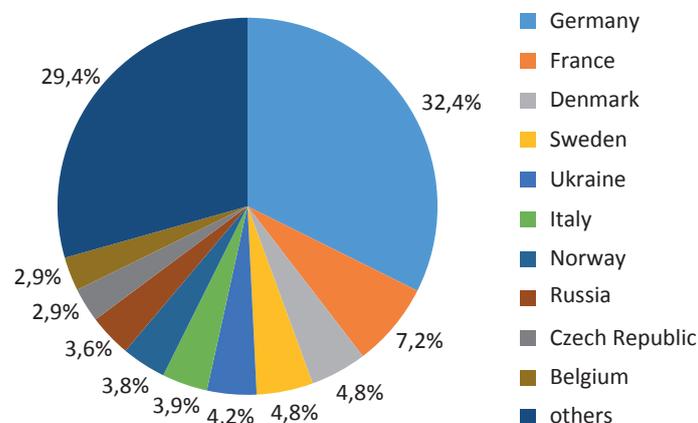
Figure 22. Structure of export of parts and accessories for tractors, motor vehicles and motor vehicles from Poland, in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

As in the case of other product categories, Germany is one of the importers of Polish trailers and semi-trailers (32.4%). France ranks second (7.2%), followed by Denmark (4.8%). The next big recipients of Polish trailers and semi-trailers are Swedes, Ukrainians and Italians.

Figure 23. Structure of export of trailers and semi-trailers; other vehicles without the mechanical drive (excluding rail vehicles) and parts of them, from Poland, in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

In conclusion, Germany is the largest sales market for the automotive industry in Małopolska. Next, the UK and Scandinavian countries - Sweden, Norway, Denmark, as well as the Czech Republic and France can be mentioned.

3.8. Main centers

Companies producing vehicles in Małopolska are located in:

- **Niepołomice near Krakow** - the manufacturer of MAN trucks,
- **Andrychów** - ZASŁAW TSS Sp. z o.o. Sp.k. - a manufacturer of vehicles and utility buildings in Poland.

Parts of car equipment are manufactured, among others in:

- **Skawina and Chrzanów** - Valeo - manufacturer of elements mounted in cars (radiators, wipers, lamps),
- **Myślenice** - Cooper Standard, a manufacturer of automotive body seals.

3.9. The largest representatives

3.9.1. Cooper Standard Automotive Polska Sp. z o.o.

Cooper Standard Automotive Polska Sp. z o.o. is a plant producing car equipment items, located in Myślenice. It was established in 2007, its clients include such companies as: Suzuki, Citroen, Renault, Daimler, TPCA, GM, Honda, Ford, Peugeot or Volvo. It employs over 400 people.

The plant in Myślenice is part of the international company **Cooper Standard**, which is a leading global manufacturer of automotive body seals, fluid flow systems and active and passive vibration monitoring systems. In Poland, it also has factories in Bielsko-Biała, Częstochowa, Dzierżoniów and Piotrków Trybunalski³³.

Table 26. Cooper Standard Automotive Polska Sp. z o.o. – summary of information

| | |
|--------------------|--|
| Company Name: | Cooper Standard Automotive Polska Sp. z o.o. |
| Registered Office: | Ul. Burmistrza Andrzeja Marka 32-400 Myślenice District of Myślenice |
| Contact details: | Tel.: (12) 62 77 100 www.cooperstandard.com |
| Products: | Thermoplastics, scrapers, door seals, windows and rear door flaps |



Source: www.cooperstandard.com

3.9.2. MAN Trucks Spółka z o.o.

MAN Trucks Spółka z o.o. is a truck production plant located in Niepołomice near Kraków. It was opened in 2007. It is involved in the production of trucks from the TGS and TGX series with dmc above 16 tones. The key markets for vehicles are Eastern Europe and the CIS countries. Vehicles produced in Niepołomice are also delivered to Western Europe, the Middle East, Asia and Africa. The plant deals with assembly - the main components are supplied by other MAN plants or by external suppliers³⁴. According to the report of the Polish Automotive Industry Association, the

³³ <https://pracodawcy.pracuj.pl/cooper-standard-polska-sp-z-o-o,20134>

³⁴ www.truck.man.eu



MAN Factory in Niepołomice in 2017 produced a record number of 15 756 cars - by a thousand more than a year earlier. Polish customers received 3,518 cars from the factory, German customers received - 1,583 cars, Dutch customers - 1 242 cars, and Belgian customers- 1,222 cars³⁵.

Table 27. MAN Trucks Spółka z o.o. – summary of information

| | |
|--------------------|---|
| Company Name: | MAN Trucks Spółka z o.o. |
| Registered Office: | ul. Doktora Rudolfa Diesla 1 32-005 Niepołomice District of Wieliczka |
| Contact details: | Tel.: (12) 253 30 00 www.truck.man.eu |
| Products: | Trucks |



Source: www.truck.man.eu

3.9.3. Valeo in Poland

Grupa Valeo is a company that produces car parts. In Poland, it has 4 factories, 3 of which are located in Małopolska: in Skawina and in Chrzanów. Grupa Valeo in Poland was ranked 65th on the list of 1000 largest companies in Poland, prepared by Gazeta Finansowa newspaper in 2017³⁶.

There are two plants in Skawina: **Zakład Produkcji Systemów Chłodzenia Silnika** and **Zakład Produkcji Systemów Wycieraczek**. The latter is the largest and oldest branch of Valeo in Poland, which was established in 1996, initially in Zielonki, and in 2001 it was moved to Skawina. It employs over 2,000 employees. The factory has over 100 production lines associated with the latest generation of innovative heat exchangers. The second of Skawina's plants was established in 2003 and currently, it employs 1,000 employees. It specializes in the design, production, painting and assembly of blades, arms and wiper mechanisms. In 2013, the production of wiper motors was additionally started.

³⁵ Automotive branch. Report 2018, Polish Automotive Industry Association

³⁶ 1000 największych firm w Polsce, Gazeta Finansowa 2017

Table 28. Valeo w Skawinie - Zakład Produkcji Systemów Chłodzenia Silnika i Zakład Produkcji Systemów Wycieraczek – summary of information

| | |
|--------------------|---|
| Company Name: | Valeo w Skawinie - Zakład Produkcji Systemów Chłodzenia Silnika i Zakład Produkcji Systemów Wycieraczek |
| Registered Office: | ul. Przemysłowa 3 32-050 Skawina District of Krakow |
| Contact details: | Tel.: (12) 12 277 10 00, (12) 277 13 00 www.valeo-poland.com |
| Products: | Heat exchangers (coolers), wipers |



Source: www.valeo-poland.com

The Valeo plant in Chrzanów - **Zakład Produkcji Systemów Oświetlenia** - is the youngest plant of this company in Poland. It has been operating since 2004. The plant produces rear and front lamps for passenger cars using advanced metallisation, assembly and injection technologies, including multi-component and multi-color injection. Over 1 850 employees implement projects for such clients as: Porsche, Mercedes, VW, BMW, Volvo, Nissan, Audi, Renault, Opel, Toyota, PSA.

Table 29. Valeo w Chrzanowie - Zakład Produkcji Systemów Oświetlenia – summary of information

| | |
|--------------------|--|
| Company Name: | Valeo in Chrzanów - Lighting Systems Production Plant |
| Registered Office: | ul. Europejska 50 32-500 Chrzanów District of Chrzanów |
| Contact details: | Tel.: (32) 758 20 00 www.valeo-poland.com |
| Products: | Rear and front lamps for passenger cars |



Source: www.valeo-poland.com

ZASŁAW TSS Sp. z o.o. Sp.k. is a company belonging to the group of leading manufacturers of vehicles and utility buildings in Poland. It started operating in 1953, initially as a manufacturer of agricultural trailers. Since the 1990s, the company's range has included all kinds of motor vehicles, trailers and semi-trailers with a DMC from 6 to 35 t. ZASŁAW TSS exports its products, among others to Germany, France, Austria, Latvia, Lithuania, Estonia, Norway and Russia³⁷.

Table 30. ZASŁAW TSS Sp. z o.o. Sp.k. – summary of information

| | |
|--------------------|---|
| Company Name: | ZASŁAW TSS Sp. z o.o. Sp.k. |
| Registered Office: | ul. Krakowska 140 34-120 Andrychów District of Wadowice |
| Contact details: | Tel.: (33) 875 16 06 www.zaslaw.pl |
| Products: | Vehicles and utility installations |



Source: www.zaslaw.p

³⁷ www.zaslaw.pl

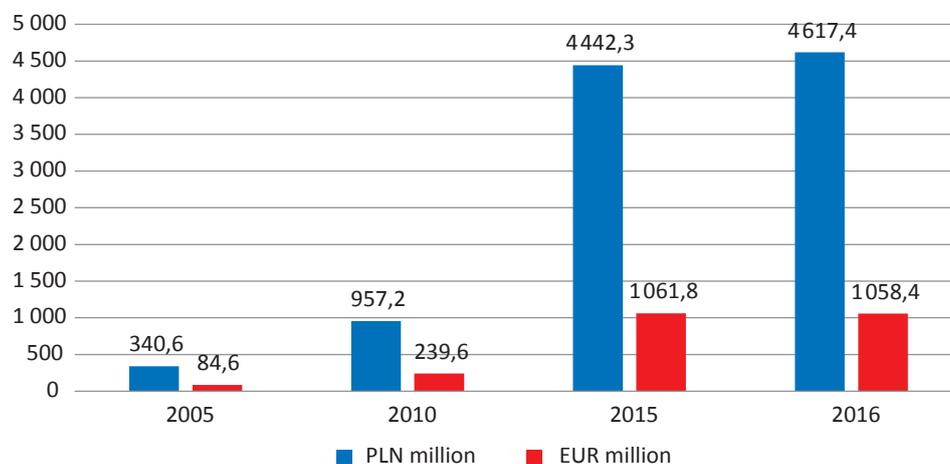
4. Electrotechnical industry

4.1. Market size

The **electrotechnical and electronic industry** is a branch of the electromechanical industry, covering the production of electrical power, electrotechnical, electronic, tele-electronic and tele-technical products.

In 2016, the value of sold production of the activity related to the production of electrical equipment in the Małopolskie Province reached **PLN 4,617 billion**. This is the equivalent of 1.058 billion euros

Figure 24. Value of sold production of the activity consisting in the production of electrical devices in the Małopolskie province



Source: Rocznik Statystyczny Województwa Małopolskiego 2017, Urząd Statystyczny w Krakowie; euro exchange rate according to the average annual exchange rate of the National Bank of Poland (2005: PLN 4.0254, 2010: PLN 3.9946, 2015: PLN 4.1839, 2016: PLN 4.3625)

The aforementioned value constituted 8.6% of the total sold production of the activity consisting in the production of electrical devices in Poland.

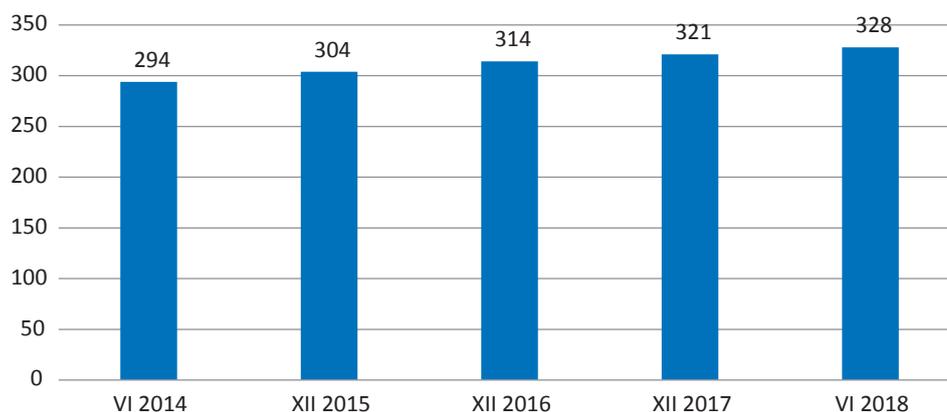
In 2011 there was a very large increase in the value of sold production of electrical equipment in Małopolska compared to the previous year. Then, until 2015, the market recorded declines in the value of sold production, in 2016 to increase by 8.7%.

According to the latest data, the value of sold production of the activity consisting in the production of electrical equipment in 2017 was by 10.6% higher than in 2016³⁸.

The number of entities dealing in the production of electrical devices in the Małopolskie province is growing every year. In June 2018 there were 328 of them, while in April 2014 their number did not exceed 300.

³⁸ Report on the socio-economic situation of the Małopolskie province in 2017, Statistical Office in Krakow, Kraków 2018

Figure 25. The number of entities dealing in the production of electrical devices in the Małopolskie province.



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności; www.rynkometr.pl

4.2. Main industries

Over 100 companies from the electrotechnical market in Małopolska, represent each the industries producing electric lighting equipment and engines, generators, transformers, etc.

Table 31. Number of entities conducting particular types of activity consisting in the production of electrical devices in the Małopolskie province, June 2018

| Type of activity | Number of entities | % of entities |
|---|--------------------|---------------|
| Manufacture of electric lighting equipment | 113 | 34.5% |
| Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus | 111 | 33.8% |
| Manufacture of other electrical equipment | 47 | 14.3% |
| Manufacture of domestic appliances | 31 | 9.5% |
| Manufacture of wiring and wiring devices | 22 | 6.7% |
| Manufacture of batteries and accumulators | 4 | 1.2% |
| TOTAL | 328 | 100.0% |

Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

4.3. Employment dynamics

In 2016, the average employment in the electrotechnical industry in Małopolska was doubled in comparison with 2010. The boom in growth took place in 2011. Since then, employment in the production of electrical equipment has remained at the level of over 7 thous. jobs.

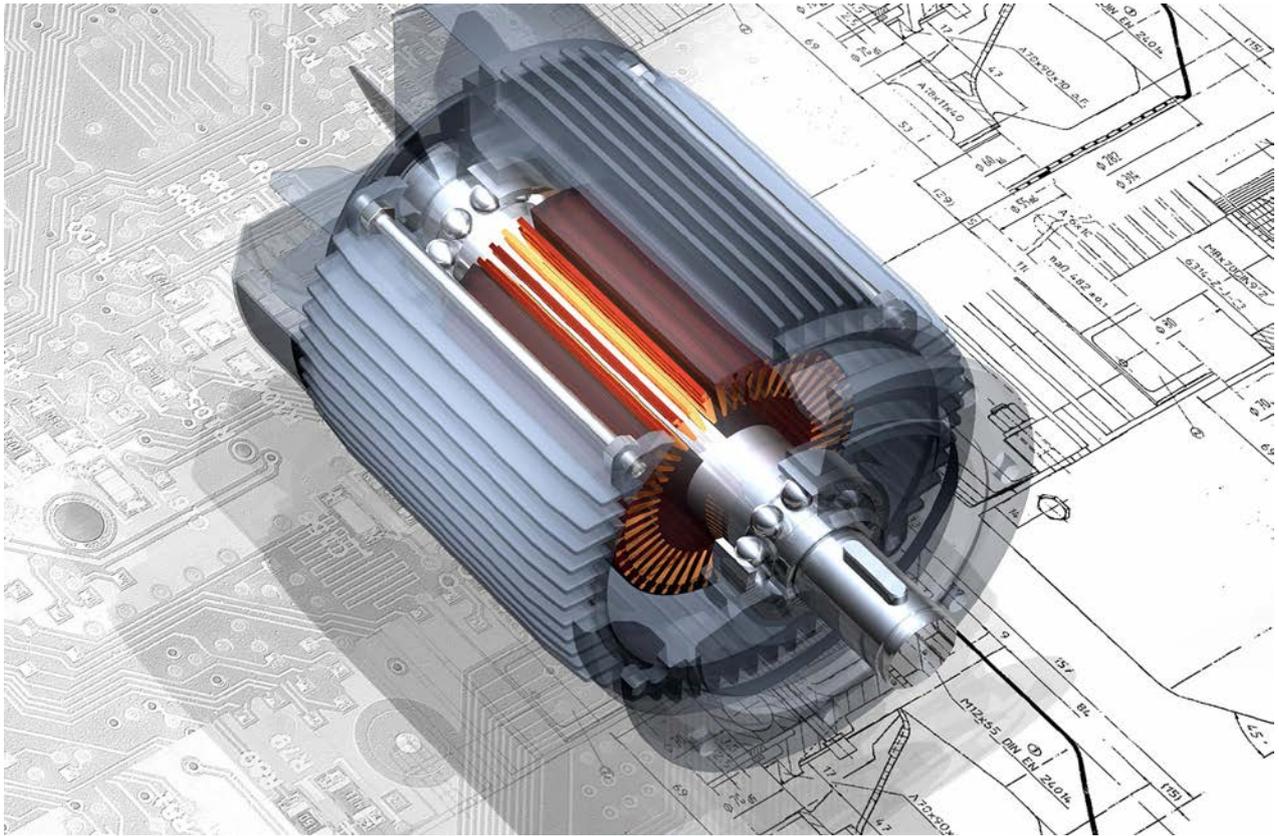
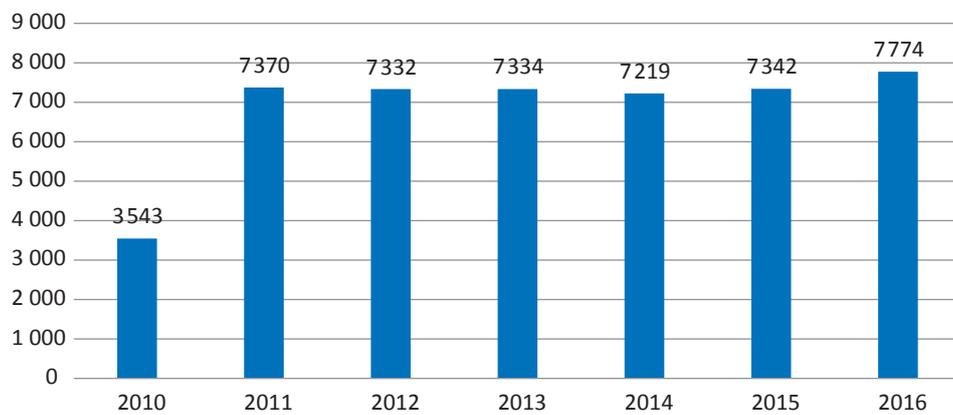


Figure 26. Average full-time employment in the activity consisting in the production of electrical devices, in the Małopolskie province



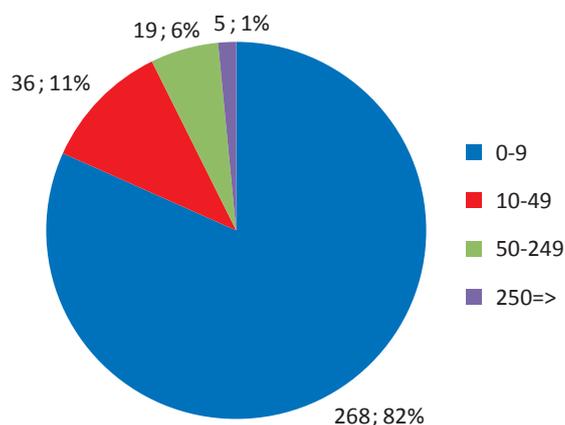
Source: Rocznik Statystyczny Województwa Małopolskiego, Urząd Statystyczny w Krakowie. Data refer to business entities in which the number of employees exceeds 9 persons; without employment abroad.

The average remuneration in the activity consisting in the production of electrical devices in Małopolska is PLN 4,209 gross (EUR 965). This is by 1.4% less than the average remuneration in Poland.

4.4. Size of enterprises in terms of number of employees

In the electrotechnical market, micro enterprises (less than 9 employees) account for a relatively small proportion of all entities in the Małopolskie province (82%). Every 10 of them employs 10-49 employees, and 7.3% - over 50 employees.

Figure 27. Structure of enterprises producing electrical devices in the Małopolskie province by number of employees, June 2018

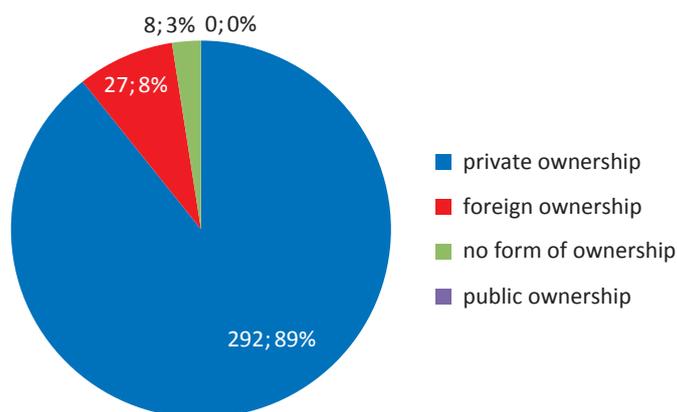


Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

4.5. Size of enterprises by the origin of capital

In the case of electrotechnical market enterprises, the share of domestic private ownership in the structure of business entities is 89%. In turn, the share of foreign ownership amounts to 8%.

Figure 28. Estimated structure of enterprises involved in the production of electrical devices in the Małopolskie province, by ownership sectors, June 2018



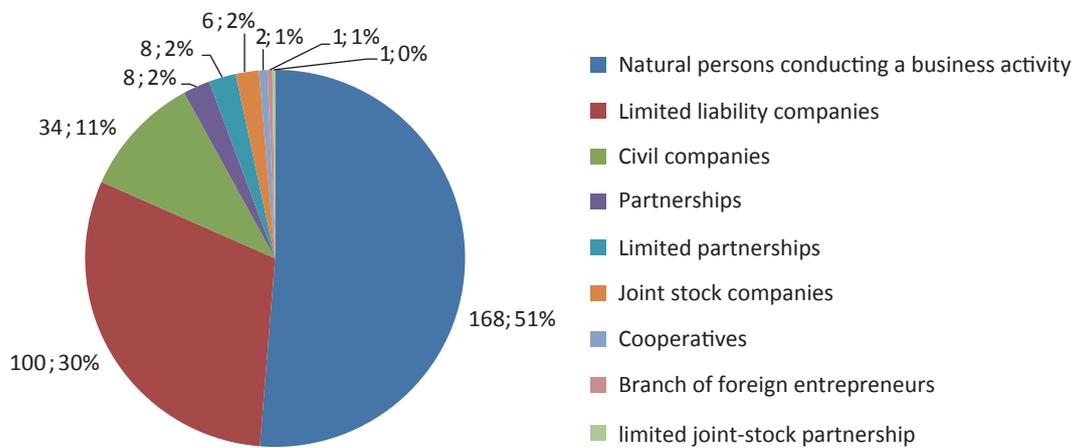
Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności

4.6. Size of enterprises based on legal forms

Half of the electrotechnical market entities in Małopolska are natural persons conducting business activity. As in the case of other markets, approx. 30% of the structure are limited companies, and

2% are joint-stock companies.

Figure 29. Estimated structure of enterprises involved in the production of electrical devices in the Małopolskie province, by legal form, as at June 2018



Source: Kwartalna informacja o podmiotach gospodarki narodowej w rejestrze REGON deklarujących prowadzenie działalności



4.7. Domestic and foreign markets

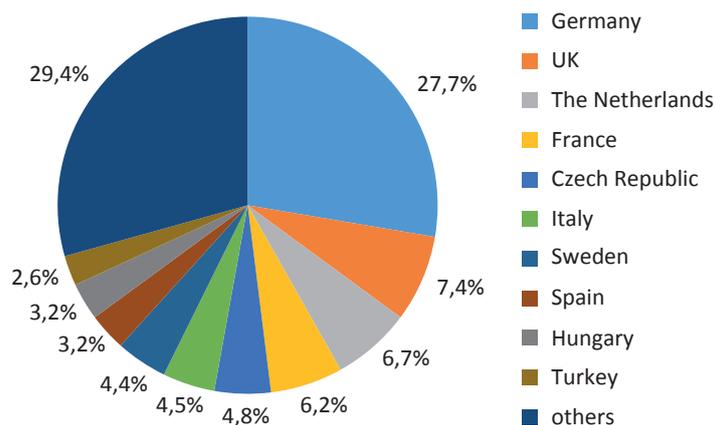
4.7.1. Enterprises of the electrotechnical market by the origin of capital

In the case of the **electrotechnical market**, as in the case of the machine industry, the markets will depend very much on the type of equipment being produced. For example, suppliers of electric motors will be looking for manufacturers of machinery and equipment. Suppliers of wires, cables and electrical equipment will have a very wide range of clients in various sectors of the economy.

In order to investigate the sales directions of products of the electrotechnical industry in Małopolska, the directions of exports of Polish products, such as machines and electrical equipment and parts thereof, were examined; sound recorders and reproducers, television image and sound recorders and reproducers and parts and accessories of such articles

As in the case of other markets, Germany's market with 27.7% share in Polish exports is the key direction for exports of electrotechnical market products. The second is the UK responsible for 7.4% of Polish exports, and the third one is Holland - 6.7%. Then there are France, the Czech Republic and Italy.

Figure 30. Structure of exports of electrical machinery and equipment and their parts from Poland in 2016 [%]



Source: Baza Danych Handlu Zagranicznego, Główny Urząd Statystyczny

Those countries should be considered the most important markets for the sale of electrotechnical market products from Małopolska.

4.8. Main centers

The following locations that are most frequently chosen by large manufacturers from the electrotechnical market, being mainly from the largest cities should be mentioned:

- **Kraków** - ELPE Elektroprodukt Sp. z o. o. - manufacturer of electric oil heaters, TELE-FONIKA Kable S.A. - manufacturer of cables and wires (branch also in **Myślenice**),
- **Tarnów**, ATB TAMEL S.A. – electric motors manufacturer, Tarnowskie Zakłady Osprzętu Elektrycznego TAREL Sp. z o. o.
- **Nowy Sącz** - Norlys Spółka z o. o. – lighting manufacturer.

4.9. The largest representatives

4.9.1. ATB TAMEL S.A.

ATB TAMEL S.A. is a manufacturer of electric motors. The origins of the company date back to 1949. Currently, the engines manufactured by TAMEL are used in the operation of fans, pumps, compressors and are widely used in the chemical and petrochemical industries. The company's products reach recipients all over the world, including to Europe, Asia, Africa, New Zealand and Australia. Tamel's export sales are currently 85%³⁹.

Table 32. ATB TAMEL S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | ATB TAMEL S.A. |
| Registered Office: | ul. Elektryczna 6 33-100 Tarnów District of the city of Tarnów |
| Contact details: | Tel.: (14) 632 11 33 Email: office.tamel@tamel.pl www.tamel.pl |
| Products: | Electric motors |



Source: www.tamel.pl

4.9.2. summary of information

ELPE Elektroprodukt Sp. z o. o. is a manufacturer of electric oil heaters based in Krakow. The beginning of the company is the creation of a small craft workshop at ul. Zamojskiego in 1987. In the following years, the company developed new plants - at ul. Suchy Jar and Centralna. Since 2006, the company is part of the UTECH Capital Group from Poznań⁴⁰.

Table 33. ELPE Elektroprodukt Spółka z o. o. – summary of information

| | |
|--------------------|---|
| Company Name: | summary of information |
| Registered Office: | ul. Tadeusza Śliwiaka 16 30-797 Krakow District of the city of Krakow |
| Contact details: | Tel.: (12) 651 11 00 www.elpe.pl |
| Products: | Electric oil heaters |



Source: www.elpe.pl

4.9.3. Norlys Spółka z o. o.

Norlys Spółka z o. o. it is an international holding with over sixty years of tradition, whose production plant is located in Nowy Sącz. In this city, the company has been operating for 25 years, producing outdoor lighting. The company employs over 300 employees⁴¹.

³⁹ www.tamel.pl

⁴⁰ www.elpe.pl

⁴¹ www.norlys.pl

Table 34. Norlys Spółka z o. o. – summary of information

| | |
|--------------------|---|
| Company Name: | Norlys Spółka z o. o. |
| Registered Office: | ul. Zawiszy Czarnego 7 33-300 Nowy Sącz District of the city of Nowy Sącz |
| Contact details: | Tel.: (18) 444 21 11 Email: norlys@norlys.com.pl www.norlys.pl |
| Products: | External lighting |



Source: www.norlys.pl

4.9.4. Schneider Electric Industries Polska Sp. z o. o.

Schneider Electric Industries Polska Sp. z o. o. was founded in 1998. Manufactures circuit breakers type Compact NS / NSX and Compact NSXm, as well as circuit breakers type COMPACT INS / INV. In addition, it produces a variety of accessories for those products. The recipients of the products are the Schneider Electric Group factories (subassemblies) and the company's distribution centers (finished products). **Grupa Schneider Electric** is an international company operating in the energy sector⁴².

Table 35. Schneider Electric Industries Polska Sp. z o. o. – summary of information

| | |
|--------------------|--|
| Company Name: | Schneider Electric Industries Polska Sp. z o. o. |
| Registered Office: | ul. Mostowa 19 32-332 Bukowno District of Olkusz |
| Contact details: | www.schneider-electric.pl |
| Products: | Switches of low voltage apparatus, disconnectors |



Source: www.schneider-electric.pl

4.9.5. Tarnowskie Zakłady Osprzętu Elektrycznego TAREL Sp. z o. o.

Tarnowskie Zakłady Osprzętu Elektrycznego TAREL Spółka z o. o. established in 1972. Initially, the company operated under the name "ELPOL", and from 1997 it changed its name to "TAREL". The company manufactures electrical equipment - sockets, plugs, tap-offs, protection boxes, switch gears, power kits, overhead line fittings, cable warning cables, control connectors, insulating boxes. In addition to the plant in Wola Rzędzińska near Tarnow, the company also has a production plant in Nakło nad Notecią⁴³.

⁴² www.schneider-electric.pl

⁴³ www.tarel.pl



Table 36. Tarnowskie Zakłady Osprzętu Elektrycznego TAREL Spółka z o. o. – summary of information

| | |
|--------------------|--|
| Company Name: | Tarnowskie Zakłady Osprzętu Elektrycznego TAREL Spółka z o. o. |
| Registered Office: | Wola Rzędzińska 297a 33-150 Wola Rzędzińska District of Tarnów |
| Contact details: | Tel.: (14) 679 33 50 Email: tarel@tarel.pl www.tarel.pl |
| Products: | Electrical equipment: sockets, plugs, taps, protective boxes, switch gears and others. |



Source: www.tarel.pl

4.9.6. TELE-FONIKA Kable S.A.

Grupa TELE-FONIKA Kable S.A. is a leading European manufacturer of cables and wires. It was created as a result of the consolidation of several cable industry plants, i.e. TELE-FONIKA Kable, founded in 1992 in Myślenice, Krakowska Fabryka Kabli and Bydgoska Fabryka Kabli, as well as two foreign factories. The company's products are sold to over 80 countries. In Małopolska, TELE-FONIKA Kable has production plants in two cities - Myślenice and Kraków. Its registered office is located in Myślenice⁴⁴.

⁴⁴ www.tfkable.com

Table 37. TELE-FONIKA Kable S.A. – summary of information

| | |
|--------------------|--|
| Company Name: | TELE-FONIKA Kable S.A. |
| Registered Office: | ul. Hipolita Cegielskiego 1 32-400 Myślenice District of Myślenice |
| Contact details: | Tel.: (12) 652 50 00 Email: info@tfkable.com www.tfkable.com |
| Products: | Cables and wires |



Source: www.tfkable.com

4.9.7. WESEM Spółka z o. o.

WESEM Spółka z o. o. is a company with its registered office in Wieliczka. Its production plant is located in Niepołomice. Since 1977, it has manufactured lighting for agricultural machines and cars. The company exports its products to Europe, Asia and America⁴⁵.

Table 38. WESEM Spółka z o. o. – summary of information

| | |
|--------------------|---|
| Company Name: | WESEM Spółka z o. o. |
| Registered Office: | ul. Grabska 8 32-005 Niepołomice District of Wieliczka |
| Contact details: | Tel.: (12) 278 12 95 Email: biuro@wesem.pl www.wesem.pl |
| Products: | Lighting for agricultural machines and cars |



Source: www.wesem.pl

4.9.8. Zakład Usługowo Produkcyjny EMITER Sp. j.

Zakład Usługowo Produkcyjny EMITER Sp. j. was established in 1992 as a civil partnership, transformed into a general partnership in 2001. Initially, the company's registered office was in Łososina Górna. In 2008 the office moved to Limanowa, where an administration, assembly and production halls, as well as finished goods warehouse are located. The company also has branches in Zgierz and Straszyn. It manufactures low-voltage current transformers, thermosetting casing, metal casing and electrical switchgear. The company's products go to European countries, including Slovakia, the Czech Republic, Romania, Croatia, Slovenia, Bulgaria, Hungary, Norway and Germany⁴⁶.

⁴⁵ www.wesem.pl

⁴⁶ www.emiter.com

Table 39. Zakład Usługowo Produkcyjny EMITER Sp. j. – summary of information

| | |
|--------------------|---|
| Company Name: | Zakład Usługowo Produkcyjny EMITER Sp. j. |
| Registered Office: | ul. Skrudlak 3 34-600 Limanowa District of Limanowa |
| Contact details: | Tel.: (18) 337 00 90 www.emiter.com |
| Products: | Current transformers, enclosures, electrical switchboards |



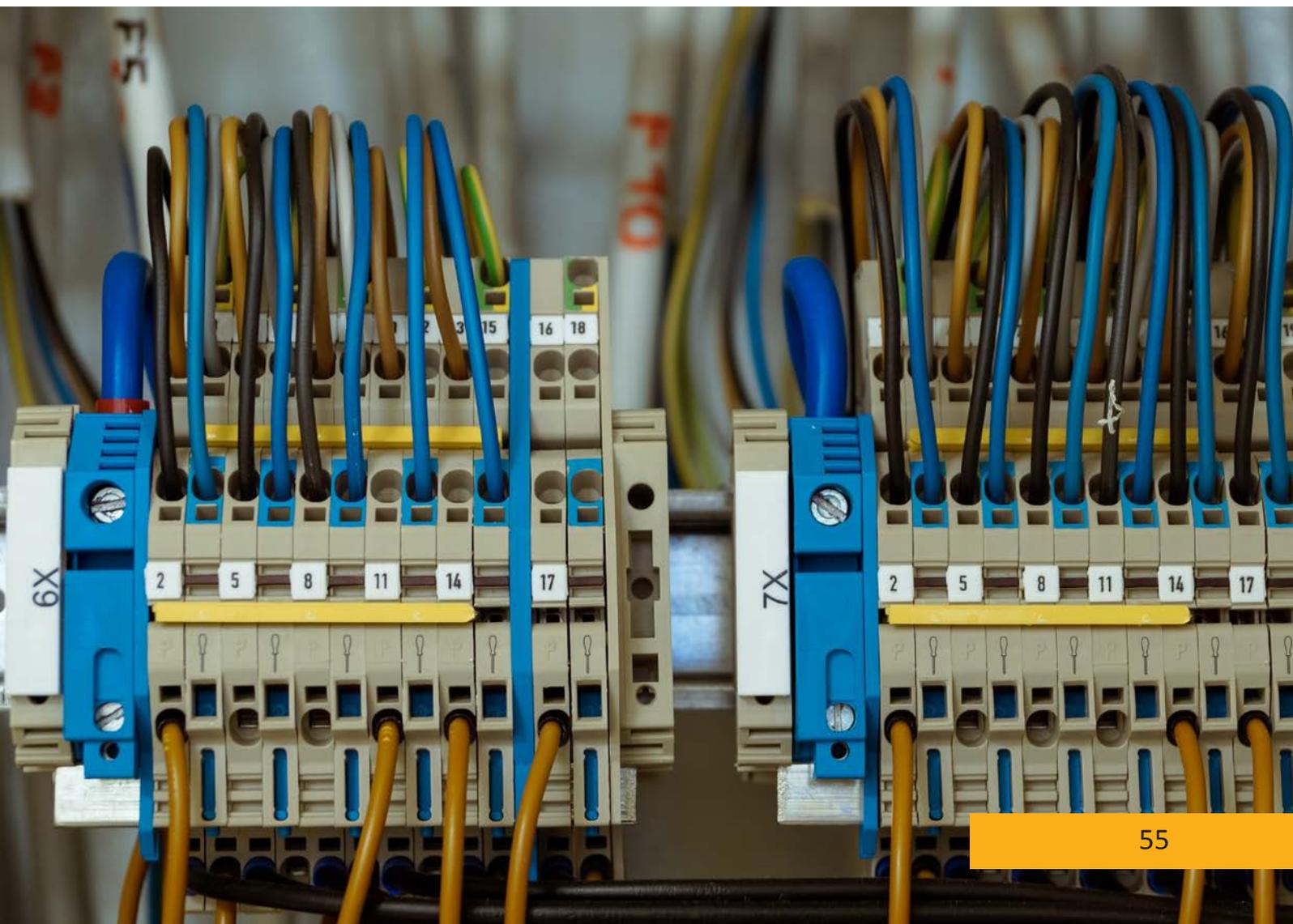
Source: www.emiter.com

4.9.9. Other representatives of the electrotechnical market in Małopolska

Table 40. Other important representatives of the electrotechnical market

| Company Name | Registered Office | Products |
|---------------------------------------|--|--|
| SMA Magnetics Sp. z o. o. | Zabierzów, District of Krakow | Transformers, chokes, filters |
| TELKOM-TELOS S.A. | Kraków, District of the city of Krakow | Industrial, mining, railway, military and intercom devices |
| Zakład Elektroniczny Omega Sp. z o.o. | Morawica, District of Krakow | Electric wiring |
| Zakłady Kablowe BITNER Sp. z o.o. | Trzyciąż, District of Olkusz | Cables and wires |

Source: own study



5. Summary: strengths, trends, challenges, opportunities

Figure 31. Strengths of Małopolska in the context of the development of the analyzed branches of industry

| | |
|---|---|
| Long tradition of the analyzed industries - many enterprises with even more than 50 years of functioning | The activity of strong and recognizable enterprises, such as ArcelorMittal Poland, Grupa Kęty, MAN, TELE-FONIKA Kable |
| Activities of significant entities in the industry, not only in the capital of the region - Kraków, but also in other parts of the region | A significant number of large and very large enterprises that guarantee high revenues to municipal budgets, prestige and jobs |
| A high share of private ownership in the structure of entities | Foreign ownership of up to 15% |
| The presence of enterprises that are the leading representatives of their industry | Exports constituting the largest part of the sales revenues of many leading companies |
| An important place for foreign investments and the presence of foreign capital from highly developed countries | Very good human capital base (including university graduates) |

Source: own study

Figure 32. Key trends in the analyzed branches of the Małopolska industry

The increase in the value of sold production of the majority of analyzed industries, as well as the increase in the number of entities

Employment growth in all analyzed industries outside the engineering industry

Consolidation trends of enterprises - companies become parts of large domestic and sometimes even international capital groups

Source: own study







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