

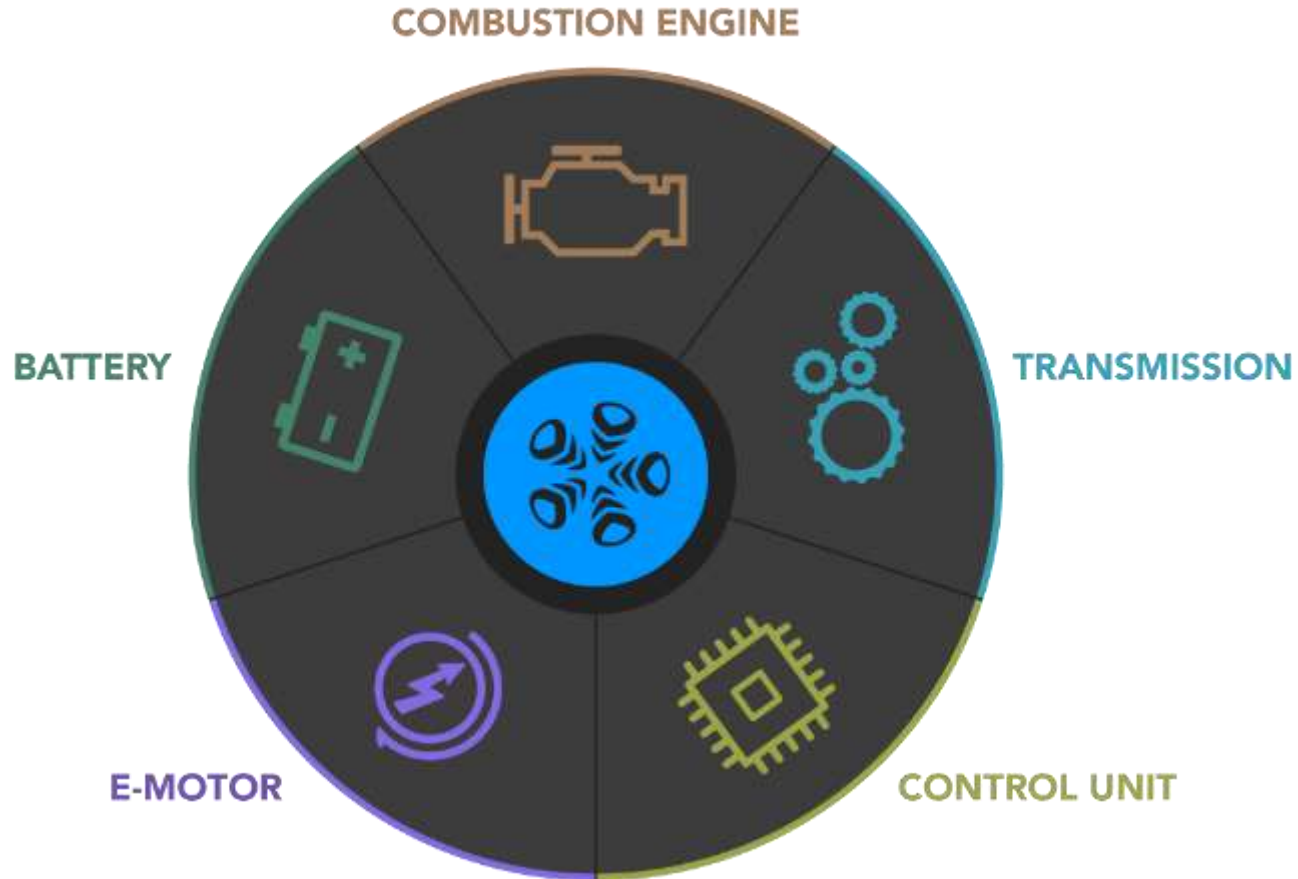
RUNNING A TECHNOLOGY COMPANY IN TURKEY

Dr Umut Genç

AVL Turkey

AVL Global

AVL IS AN AUTOMOTIVE ENGINEERING COMPANY



RESEARCH 10% of turnover in-house R&D

INNOVATION 1500 granted patents

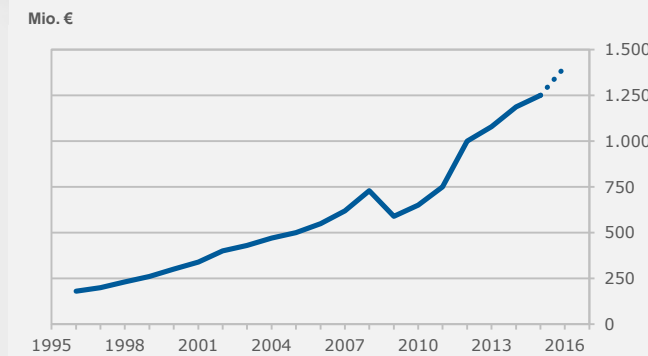
STAFF

- **8,050** employees
- **65%** engineers & scientists

GLOBAL FOOTPRINT

- 30** engineering locations
 - >220 test beds
 - Global customer support network

GROWTH



SALES

- 1995: 0.15 billion €
- 2015: 1.27 billion €
- prev. 2016: 1.41 billion €

EXPERIENCE

More than **65** years !

5 powertrain elements

ONE PARTNER

AVL – TECHNICAL CENTERS POWERTRAIN ENGINEERING



Ann Arbor, USA



Basildon, UK



Coventry, UK



Haninge SWE Södertalje



HQ Graz, AUT



Moscow



Seoul, KOR



Shanghai CN



Dehli-Gurgaon, IN



Plymouth, USA



Lake Forest, USA



Sao Paulo, BRA



Tokio
Nagoya



Istanbul, TUR



Sydney, AUS



Paris, FRA



Neuenstadt, GER



München, GER



Regensburg, GER



Stuttgart, GER



Ingolstadt, GER



Remscheid, GER

**3500+
Engineers**

**250+
Test Beds**

AVL Turkey

Founded
2008



Established
R&D Center 2
in Istanbul
2016



**En büyük yerli proje
Türk mühendisler**



2015
Established
R&D Center 1
in Istanbul



Team of 100+
engineers, with mostly
MSc and PhD degrees.





Why and How Turkey?

TURKEY AS A COMPETITIVE CENTER





- **Good location** at cross section of continents
- **Big local market** with 78M customers
- High number of young people
- Several Megacities (Istanbul has 15M people)

- **Good infrastructure**

- Air travel and number of connections
- Very good highways
- 4G coverage – mobile internet
- Broadband internet



BETTER COST

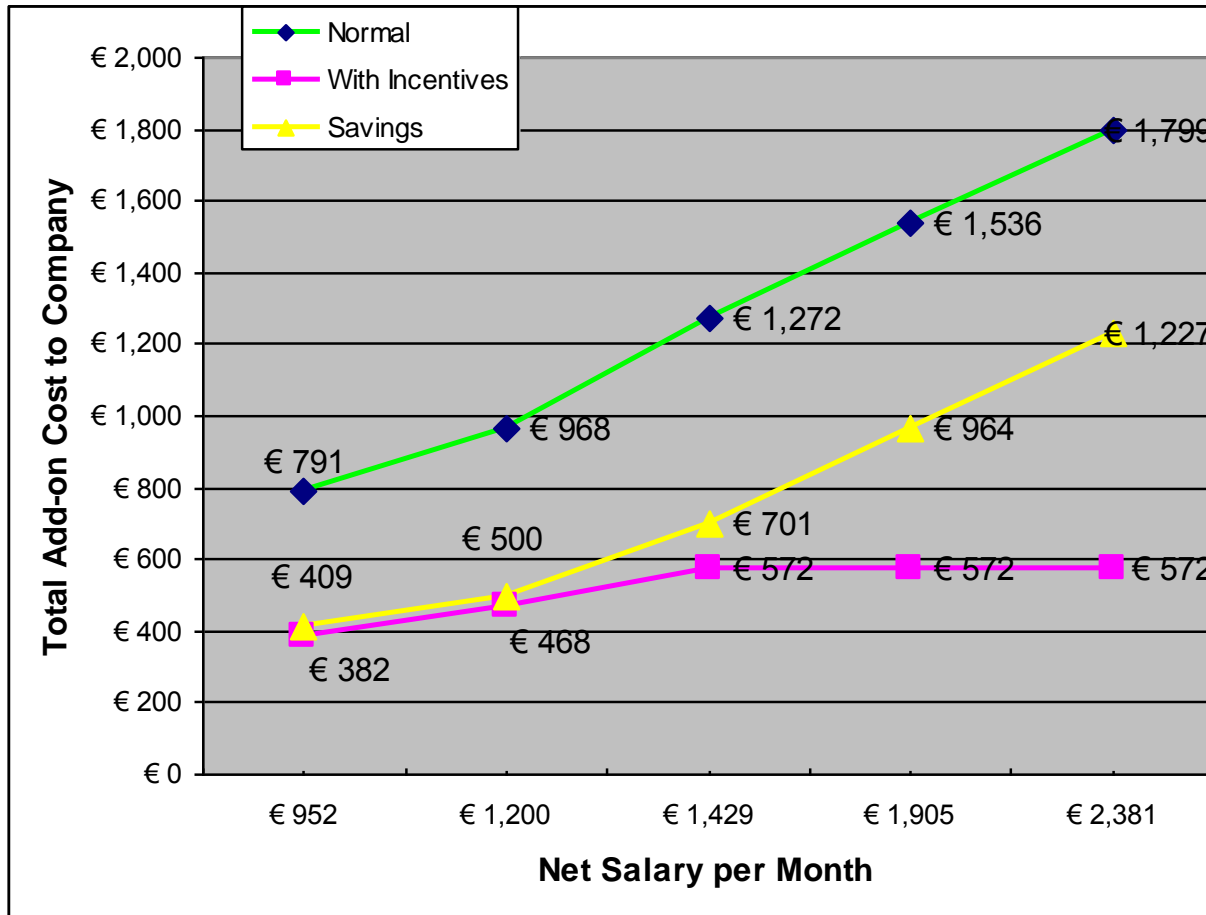
- **Developing Country** – Lower Cost of Living (Not EU)

- **Strong incentives**
 - Technology Parks
 - No income Tax
 - Reduced Social Security Contribution
 - No Corporate Tax

 - R&D Centers
 - Reduced income Tax
 - Reduced Social Security Contribution
 - Reduced Corporate Tax

- **Project Specific R&D Funds**
 - Each R&D project could be subsidized up to 60%

Example of Techno Parks



PEOPLE & SKILLS

- **High number of young professionals**
- 200 Universities in Turkey
- 50+ universities in Istanbul
- Leading universities **teach in English**
- Many Turkish people go to EU or USA for Masters / Phds
- Large pool of western companies operating in the country
- Many experienced professionals in the market
- **Can-do attitude & Entrepreneurial spirit**



Business Case

- Think Local and Global
- Grow local market

Leadership

- Local knowledge is key

Choose the right location / city

- Objective of the business

Network and Consultants

- Trusted advisors / lawyers / accountants

Utilize incentives and funds

- Lower costs



THANK YOU



www.avl.com