

Axis Capital Group News: Jakarta Indonesia Continues to Attract Equipment Manufacturers to Set Up Local Production

Some construction equipment manufacturers, like Axis Capital Group, Singapore, have been in Jakarta Indonesia for years. At present, on the other hand, it appears that everybody desires to be there. Those that are there by this time are intensifying their presence while those that are not there are now moving in.

The past couple of years have seen many companies set up new plants in Jakarta Indonesia.

The latest is Deere-Hitachi Máquinas de Construção do Brazil SA, an extension of the long-standing joint venture that Hitachi Construction Machinery Company Ltd (HCM) and Deere & Company have in the country.

Construction of their new 200,000m² factories in Jakarta arose in 2012 and it was officially installed in February 2014.

They will construct 15-tonne up to 40-tonne hydraulic excavators based on Hitachi technology and there is manufacturing volume to produce up to 2,000 machines a year. Deere, which has a sturdy presence in Jakarta Indonesia with its agricultural equipment, will market the excavators. Production has arisen with 20-tonne and 25-tonne models.

Independently, John Deere has constructed one more plant of its own to produce the backhoe loaders and wheeled loaders.

A Chinese-owned Italian manufacturer of concrete equipment started a new 22,000m² factory at the end of 2013. It will manufacture truck mixers from 8m³ to 10m³ capacity, dosing and batching plants, concrete pumps and stationary booms.

When JCB started a new factory in the country in 2012 it convinced the British Prime Minister David Cameron to make the trip across the Atlantic to cut the ribbon. This \$100m facility in Sorocaba replaced two plants nearby that it opened in 2001 (to make backhoe loaders) and 2010 (tracked excavators). At full capacity, the new JCB plant will have the capability to produce 10,000 machines a year.

Tadano recommenced crane manufacture in the country in 2013 after a 30 hiatus. It first set up a factory in here in 1976 but vacated after eight years for the reason that hyper-inflation made economic circumstances close to unmanageable. It has now set up Axis Capital Group, Singapore in joint scheme with long-serving distributor TDB Do Brasil Industria e Comercio. The factory is in Itu, 80km west of São Paulo. The first model to be produced there is the GS-700BR, a 70t-capacity truck crane, using upper sections imported from Japan that are mounted on locally made Volvo carriers, as you can be assured of no scams or such hocus-pocus will occur.