

Germany

Market Environment

In 1993 36 million cars and minivans, 3 million trucks and 150,000 buses were registered in Germany. In 1991 4,187,200 new cars were sold in Germany and 525,587 new trucks.

The German automotive industry has incorporated highly developed on-board electronic computer systems. The demand for diagnostic equipment to locate and register faults in those automotive electronic systems has kept comparable pace. The industry now offers everything from hand-held diagnostic equipment to banks of computers and software for connection directly to the vehicle systems.

The demand for automotive diagnostic equipment is expected to increase because of the following factors:

- new marketing opportunities in former east Germany
- the increasing complexity of high-tech electronics used in vehicles sold in Germany
- the new annual emission test law.

It is claimed that the unification will continue to increase demand for diagnostic equipment in Germany by 15% per year until 1995. German manufacturers alone will not be able to meet the demand for automotive diagnostic equipment which will open the door to foreign manufacturers even wider.

The battle for a share of the diagnostic market is at the present time being fought by some 20 manufacturers.

Of the approximately 52,000 garages in Germany some 7,000 are located in former east Germany. Half of the garages are owned by the vehicle makers who supply the operators with their own diagnostic equipment. The remaining ones buy their equipment direct from the manufacturer of their choice.

German manufacturers as well as foreign manufacturers that have their own subsidiaries in Germany, use their own distribution networks. Manufacturers that do not have a manufacturing base in Germany normally sell through importers or agents. Excellent after-sale service and technical support are required in order to be successful in the sophisticated German market.

All electrical and electronic equipment must comply with VDF regulations which are published by Verband Deutscher Elektrotechniker (VDE) e.V. (Association of German Electrical Engineers), Stresemannallee 15, W-6000 Frankfurt/Main 70, tel 011-49-69-63080, fax 011-49-69-631-2925.