



## **A. O. Smith to locate India headquarters, manufacturing in Bangalore**

**Milwaukee, Wis.**—A. O. Smith today announced plans to locate the headquarters of its A. O. Smith India Water Heating Private Limited venture in Bangalore and begin construction of a residential water heater manufacturing plant.

Design work on the 76,000 square foot facility will begin in the fourth quarter; construction is scheduled for completion in the second quarter of 2010. The plant will initially employ approximately 100 employees, according to Ajita G. Rajendra, president of A. O. Smith Water Products Company.

"We selected Bangalore for a number of strategic reasons," he pointed out. "The city is centrally located in one of our key target markets in India with a growing consumer class interested in premium water heating solutions. The local infrastructure will be able to support our distribution needs."

"Bangalore also has extensive engineering and technical resources which will be essential to the success of our new venture. As the business expands, we envision adding engineering and procurement resources to the operation."

The plant and India corporate offices will be located on 20 acres in the Harohalli Karnataka Industrial Area just outside of Bangalore. The site provides A. O. Smith with the ability to expand its manufacturing operations as volumes grow.

The manufacturing operation will be designed to assemble glass-lined residential water heaters in sizes ranging from six liters up to 100 liters. In addition to water heater assembly, the company will be installing processes to apply its exclusive Blue Diamond® glass lining to the tanks. The Blue Diamond glass offers superior corrosion resistance when compared with conventional glass-lined products, stainless steel, or copper lined tanks. A. O. Smith also coats the electric element in addition to the interior of the tank for additional corrosion protection.

In the initial phase, the plant will purchase pre-painted steel components for water heater jackets. Plans call for plant expansions as the business grows to including jacket and tank fabrication and painting. Once the facility is fully built out, it will be a fully integrated residential water heater operation, Rajendra said.

Products manufactured under the A. O. Smith brand name and will be marketed to selected dealers in the electrical channel and in the retail channel.

The plant also will manufacture co-branded products for Jaquar Company, PLC, one of the leading suppliers to the sanitary channels in India. A. O. Smith and Jaguar reached a marketing agreement in July.

A. O. Smith currently has sales offices and stocking warehouses strategically located throughout the country as well as a sales and customer service organization in place.

A. O. Smith is the first U. S. water heater business to enter the India market and is supplying premium quality residential and commercial water heaters to the market. The company conducted extensive research before entering the market including consumer focus groups and qualitative studies.

The sleek designs and colors of the new A. O. Smith water heating product line are the result of this research and acknowledge the growing importance Indian consumers place on the attractiveness of their bathrooms and fixtures.

A. O. Smith Water Products Company is the largest operating unit of A. O. Smith Corporation, a \$2.3 billion (U. S.) manufacturer headquartered in Milwaukee, Wis.

Water Products Company markets an extensive line of residential and commercial water heaters and boilers and has manufacturing operations in the United States, Mexico, China, Canada, and the Netherlands.