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Volvo Personvagnar Komponenter, Volvo Technology Transfer and Semcon sign a letter of intent

Volvo Personvagnar Komponenter AB (VCCC) Technology Transfer AB (VTT) and Semcon AB have signed a letter of intent, which means that the parties will negotiate the possibility of Semcon becoming part-owner of a company which will carry out machine development, service and maintenance work and which will be owned by VCCC, VTT, Volvo Lastvagnar Komponenter AB, Semcon and the employees of the company. Negotiations are expected to be completed during March 2000, and involve the Mechanical Engineering unit which is currently part of VCCC. The Mechanical Engineering unit, which is part of VCCC's engine division in Skövde, has a total turnover of around SEK 240 million.

For Semcon this partnership means an opportunity to further strengthen and develop activity within production technology and at the same time to extend long-term collaboration with Volvo.

- "Establishing long-term customer relations and supplying service of high technological competence and of a high standard has once again proved to be a winning concept. Now we've got another opportunity to negotiate a long-term partnership agreement with one of our largest customers," says Björn Magnusson, who is responsible for business development at Semcon.

For the Mechanical Engineering unit at Volvo, the partnership with Semcon will mean that strategic competence can be linked to business in the long term, whilst Semcon can add new methods and modes of working.

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