



MG INCON Projects

MG INCON has large experience available out of a wide range of projects in diverse companies, branches, international markets as well as with different products, kinds of customers and sales channels.

Definition of the projects i.a.:

- Internationalisation > Set-up of own sites/ joint ventures
- Growth, Internationalisation, Product addition > Company acquisition/ M&A
- Strategy development
- Business Development > Development/ introduction of new products, revenue gain
- Cost optimisation, rise in productivity
- Crises management

Core areas of the product and branch experience are i.a.:

Measuring techniques • Hydraulic components and systems • Joining techniques

Medium-sized enterprises • 50Mio.€/a up to over 300Mio.€/a • 400 to 5.000 employees

For customers in the segments i.a.:

Ag/ Construction machines • Automotive/Trucks • Machine (tool) Building • Plant Constr. / Operation

Sales experience includes:

- B2B direct sales via Area Sales Management, Key Account Management, Agents and own subsidiaries/ joint ventures
- Indirect multi-stage sales via distributors and planners/ contractors

Project 13

Environment, Initial Position, Task

Company:

US-Specialist Drive Technology, 12.000 emp./2,8 Mrd.\$/a; German branch, 500 emp./130 Mio. €/a (2018)

Responsibility:

Executive Consultant in the “Innovation and Growth” department for a business development project

Initial Position:

Strong market position in the area of industrial hydraulics but yet less access and awareness in the mobile hydraulics sector.

Special knowhow in hydraulic control and system technology allows promising solutions also for mobile working machines regarding the trend to further automatisisation and (partly) autonomous functions.

Novelty “Intelligent Linear Actuator**” with first application in the prototype phase.

*(control valve, hydraulic cylinder with integrated sensors, manifold, on-board electronics and security functions in soft- and hardware; allows fast and precise force control (<15ms) with high power density)

Task:

Identification of suitable applications for the novelty and positioning of the client as a development partner and supplier for potential customers in the new target market for agricultural and construction machines as well as for material handling.

Proceeding, Achievement

Proceeding:

Systematic analysis and presentation of the market for mobile machines with segmentation according to branch, type of machine and R&D strategy of the OEMs (incl. listing of relevant contacts).

Segmentation and analysis of different function categories in the machines regarding suitable areas of application for the novelty, i.e. active suspension, damping active level or roll control, autonomous steering, boom stabilization, etc.

Preparation of branch specifics and recommendations for product adaptations, drafting of value propositions/USPs and respectively adapted product/customer presentations in internal workshops.

Targeted individual contacting and information of numerous OEMs of mobile working machines.

Organisation and execution of common visits at OEMs to detail potential applications in technical workshops.

Achievement:

Client is introduced and positioned as an appropriate development supplier at numerous potential customers in the new target market.

Different applications for the novelty are determined and verified in the target market.

Potentials for further optimisation and adaption to the target branch and measures for standardization and cost-optimised series production are pointed out.

Project 12

Environment, Initial Position, Task

Company:

Producer of electromechanical components and systems, 700 emp./90 Mio.€/a (2017)

Responsibility:

General Manager Automotive Division
180 emp./40 Mio.€/a, electrical heating systems for automotive/trucks, E-Mobility

Initial Position:

New complex product line for E-vehicles, prospective strong growing market especially in China expected, high intermediate inputs necessary, capacity planning unsafe, Chinese customers expect presence and local manufacturing capacity, existing joint venture in China is likely not suitable.

Task:

Repositioning in China.

Proceeding, Achievement

Proceeding:

Verification of the existing joint venture for suitability and evaluation of alternative JV-options.

Initiation and coordination of the set-up of an own new manufacturing site in China for the new product line as the best solution.

Involvement of a specialised consulting firm for risk minimisation in setting up a local supply base in China, site searching and recruiting.

Cooperation with a strategic supplier from Germany to manufacture a complex subassembly locally in China.

Achievement:

New site in China is under construction, SOP planned for end of 2018, positive response in the market, further customer projects inquired.

Project 11

Environment, Initial Position, Task

Company:

Manufacturer of tube joining systems for Hydraulic / Automotive / Trucks,
400 emp./105 Mio.€/a (2014)

Responsibility:

CEO, overall responsibility (assigned responsibility for sales, marketing, engineering and quality)

Initial position:

Stagnating revenue development as of 2011 after regaining the pre-crisis level 2007, starting profit erosion on still good level, limited product range, quality supplier and well-known brand.

Task:

Trend reversal of the profit erosion, strategic company development back to again continuous growth.

Proceeding, Achievement

Proceeding:

Intensification of new customer and new project acquisition by introduction of a sales project reporting for all locations, no price dumping to win market shares but stepped up utility argumentation.

Consequent cost management in all divisions by an implemented new KPI cockpit.

Relocation of main areas of assembly to Poland.

Development and implementation of a "Growth Strategy 2020" after planning and executing a multi-month strategy development process including the complete management team. Thereof derived:

- Launching of further internationalisation
- Expansion of the product range
- Entry into customer specific system business with complete pipes
- Introduction of an innovation management
- Conception of a system for operational excellence

Achievement:

Exceeding of the found budget in the first year in revenues and profit (+10%).

Cost savings in the assembly area of 30% with safeguarding of constant quality and delivery performance and without layoffs.

Introduction of two new product lines with a revenue potential of together >20Mio.€/a.

Set-up and introduction of the system business on the market with a forecast >25Mio.€/a, secured by a business plan.

Project 10

Environment, Initial Position, Task

Company:

Manufacturer of tube joining systems for Hydraulic / Automotive / Trucks,
400 emp./105 Mio.€/a (2014)

Responsibility:

CEO, overall responsibility (assigned responsibility for sales, marketing, engineering and quality)

Initial Position:

Growth strategy developed and implemented, competitiveness of the newly established system business endangered because of the necessity to purchase a key component.

Task:

Securing the competitiveness of the system business, reducing the dependence of suppliers, pushing further also inorganic growth and further internationalisation.

Proceeding, Achievement

Proceeding:

Make or buy analysis concerning the critical key component of the system business, taking into account investment, timeline for the technical realisation of the parts diversity and the set-up of an appropriate stock.

Evaluation of cooperations/ partnerships and securing contract options with potential suppliers.

Identifying, contacting and evaluation of suitable companies for acquisition, both for the key component and for the system business itself, to speed up and support the market entry.

Contacting and evaluation of companies with the same and complementary product range in Germany, Italy, Brasil and USA.

Achievement:

Successful negotiation of the favorable takeover of a manufacturer of the key component in Italy, with 90 employees and 15Mio.€/a revenues plus free capacities for future growth and insourcing of purchased parts.

Shortlist of targets for further takeovers in the area of system business is on hand, process started with direct contacting of four owners.

Project 9

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 1.200emp./200Mio.€/a (2010)

Responsibility:

Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics) 700emp./125Mio.€/a

Initial Position:

Transformation from a component to a system supplier initiated, globalisation extended but presence in North America is missing, product range still expandable.

Task:

Securing the extension of the global market access especially also in North America, expansion of the product range, fulfilling of global OEMs requirements, raising of synergies in the group, generation of further profitable growth.

Proceeding, Achievement

Proceeding:

Evaluation of the set-up of an own manufacturing site in the USA taking into account investment, commitment of management capacity, time to market and the risk of creating additional capacities in a competitive market.

Identifying, contacting and evaluation of companies and groups of companies with the same and complementary product range in the USA and if so in further sites. Follow up of externally offered buying options involving specialised consultants.

After the successful takeover of an US-competitor with four plants in the USA, Canada, Brasil and Germany:

- Development and implementation of a global market development strategy and a production network as well as a global key account management with standardised project status reporting, budgeting processes and market identity
- Market penetration with the relevant expanded product portfolio and utilising the new manufacturing options in the regions based on numerous personal visits to existing and new customers and acquisition of additional business
- Increase of productivity and competitiveness of the sites through intensive training and transfer of best practice experience in all areas
- Motivation and retention of high-performers and recruitment of new employees in key plant management, sales and development functions

Achievement:

Successful takeover and integration of a US-based company with 600emp. and 100Mio.€/a revenues, with expansion of the product portfolio and thereby laying the groundwork for strong further organic growth.

Increase of the own group revenues by more than 15% and acquisition of additional future annual order volume for the group of over 60Mio.€ within two years after the takeover.

Project 8

Environment, Initial Position, Task

Company:

Group of companies in the area of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 2.000emp./300Mio.€/a (2012)

Responsibility:

Division Manager and member of the executive board (assigned responsibility for sales calculation and logistics), 1.800emp./250Mio.€/a

Initial Position:

Access to complementary product technology in the USA through a company acquisition, but no manufacturing options in Germany or Europe.

Task:

Introduction of the complementary products on the European market.

Proceeding, Achievement

Proceeding:

Evaluation of the supply of the European market with the complementary products out of North American production, taking into account the disadvantage of higher transportation costs, longer lead times and more difficult technical project support for the bulky and heavy products.

Planning and implementation of a market and feasibility analysis to determine the attainable volumes number and revenue wise as well as the investment to set up a production line in Europe.

Transfer and building up of knowledge in the European teams concerning the complementary products.

Securing of an investment through obtaining statements of intent for about 50% of the planned volume following personal presentation of the concept to top-customers.

Achievement:

Strategy for the market entry of the new product line in Europe is on hand, including a business plan to obtain over 20Mio.€ annual turnover in the future with above average target result.

First parts of investment realised at selected German location.

Market entry started with first samplings at customers.

Project 7

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 1.200emp./200Mio.€/a (2008)

Responsibility:

Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics) 700emp./125Mio.€/a

Initial Position:

Transformation from a component to a system supplier initiated, no presence in the important and growing Asian region.

Task:

Drive international expansion, realise market entry in Asia.

Proceeding, Achievement

Proceeding:

Analysis of the Asian market focusing India and China, thereby evaluation of the revenue potential, competitive situation, market entry barriers, and customer structures for different product groups and market segments.

Gaining of personal impressions, information and feedback through several trips into both regions and visits at potential customers, partners and competitors as well as associations - in China supported by a free-lancer.

Comparison and assessment of different options for the market entry, like an own subsidiary with sales only initially and later with production too, joint ventures/ cooperations or company acquisition. Risk assessment concerning culture, language competence, labour law, qualification of local staff and local technology level.

Including of a specialised consulting firm to identify takeover or joint venture options in China, subsequently multiple visits at several targets, negotiation of MoUs, execution of due diligence and structuring of purchase resp. joint venture contracts.

Negotiation of different joint venture options in India. Finalisation of a joint venture at favorable conditions with an Indian partner (well known as current supplier, not a competitor) for the market segment trucks after positive negotiations and samplings with several potential key accounts.

Achievement:

Development of the Indian market through acquisition of 15Mio.€/a planned volume in the truck segment for the new vehicle generation and parallel set-up of a joint venture with a new production plant forming the basis for further expansion also into other market segments.

Prevention of a too risky and overhasty market entry in China through a finally too less suitable joint venture or takeover.

Recommendation to realise the market entry initially with an own manageable sales and project entity is started.

Project 6

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 1.200emp./200Mio.€/a (2008)

Responsibility:

Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics) 700emp./125Mio.€/a

Initial Position:

Transformation from a component to a system supplier initiated, small Joint Venture in Brasil in the truck segment with only one main customer is stagnating at 1Mio.€/a revenues. Capacity at current location is limited; EBIT endangered after the crisis of 2009.

Task:

Profitable expansion of the joint venture in Brasil together with the development of further market segments.

Proceeding, Achievement

Proceeding:

Support of the joint venture in Brasil with personal visits at existing and further potential target customers, subsequently also by key account managers from Germany. Utilisation of current business relationships in Europe to support the expansion in Brasil by highlighting the chances of global supply partnerships also in further market segments.

Employment of a General Manager for the joint venture to relieve the as yet managing joint venture partner. Subsequently targeted further expansion of the local staff and transfer of knowledge through numerous trainings and longer visits of German specialists as well as by personal activities. Introduction of a continuous improvement process.

Move into a suitable newly constructed building and set-up of an investment plan for providing the capacity for the intended growth and also to convince global acting customers about the sustainability of the engagement.

Personal negotiation of price increases and future material price index clauses at Brazilian customers during the crisis 2009.

Later harmonisation of the market identity and processing through a smooth and friendly 100%-takeover of the joint venture from the partner and integration into the legal entity of a bigger company acquired in Brasil.

Achievement:

Expansion of the revenues in the Brazilian joint venture to 7,5Mio.€/a, expansion of the local market share in the truck segment to 75%, entry into the market segment agricultural machines, clear improvement of the before endangered EBIT.

Laying the groundwork for future above average growth also in the market segments agricultural machines and construction machines by several started localisation projects at customers.

Project 5

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 1.200emp./200Mio.€/a (2009)

Responsibility:

Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics) 700emp./125Mio.€/a

Initial Position:

After years of strong organic growth sudden slump of revenues, triggered by the global crisis after the "Lehmann crash", despite planned growth of 10% based on current customer forecasts.

Task:

Avoidance of losses in the crisis, defending of the market position, retention of the permanent staff to keep chances after the end of the crisis.

Proceeding, Achievement

Proceeding:

Consistent initiation of counter measures to overcome the crisis:

- Introduction of short-time working on average of 40% in the direct area for up to one year
- Introduction of short-time working of 15% also in the indirect area in agreement with the work council and the staff
- Reduction of overtime, labour leasing and short-term contracts
- Evaluation and implementation of insourcing of so far externally purchased components and processing services, if realisable
- Relocation of further components and products to the plant in Poland
- Retention of customer service, follow-up of inquiries, project acquisition and technical project processing on usual level despite short-time working through motivation of the key staff to work extra time on voluntary basis, thereby utilisation of market chances in the crisis
- Renegotiation of contracts and price increases at customers

Achievements:

Obtaining of the "black zero" despite of revenue slump in the year of the crisis.

Over 60% increase of turnovers two years after the crisis at again good profit level.

Win of additional future order volume of each 20Mio.€/a in the year of the crisis and the following year and thereby securing of the future company success.

Retaining of the permanent staff and strengthen arise out of the crisis compared to the competition.

Project 4

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components and systems for mobile and stationary hydraulic/ automotive/ trucks, 1.050emp./160Mio.€/a (2007)

Responsibility:

Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics) 550emp./90Mio.€/a

Initial Position:

Growth potentials identified and first achievements but profit level is not satisfying and increasingly under pressure because the costs are too high compared to the competition. Securing of current business and new business is only possible with lowered price level.

Task:

Improvement of the competitive position to secure current business and growth chances.

Proceeding, Achievement

Proceeding:

Planning and set-up of a new production plant in Poland for cost optimised production of relocated and new product lines, after an analysis and evaluation of different options in Eastern Europe respective cost level, availability and qualification of labour force, logistics, political stability, subsidies, etc.

Reduction of labour costs and considerable increase of efficiency through:

- Negotiation and closure of a site continuation agreement, converting from piecework to teamwork and introducing the collective agreement tariff
- Introduction and controlling of a continual improvement process "PRO" for increased productivity, cost savings and prevention of waste
- Reduction of the cycle time for prototype construction by 30% and achievement of the customer's requested date in more than 90% of cases with savings of approx. 20%, as well as accelerated testing for customer and internal optimisation projects, meeting the increasing demand through reorganisation and expansion of the trial and prototype construction area

Achievements:

Cost reduction of 10-15% for relocated and new products at the new location in Poland.

Reduction of labour costs in headquarter and master plant of 7% at increased productivity.

Correspondent increase of the competitiveness enables a prolongation of current customer contracts at partly improved margin and the development of previously not accessible market segments.

Project 3

Environment, Initial Position, Task

Company:

Producer of customer specific hydraulic components for mobile and stationary hydraulic/ automotive/ trucks, 900emp./130Mio.€/a (2005)

Responsibility:

Initially Sales Manager then Business Unit Manager and member of the executive board (assigned responsibility for sales, R&D, calculation and logistics), 500emp./80Mio.€/a

Initial Position:

Locations only in Germany and Austria, focusing on only a few key accounts mainly in Germany, stagnation, partly "commoditisation" of the produced components, change of the managing director, executive management, business unit management and sales management were in one hand before.

Task:

Professionalisation of sales, strategic advancement and internationalisation, speed-up and strengthen of growth, modernisation of customer communication and external appearance.

Proceeding, Achievement

Proceeding:

Introduction and optimisation of a project list together with consistent prioritisation and negotiation of customer target dates according to order probability, attractiveness and complexity.

Efficient transfer of existing product solutions through targeted project acquisition at current and new customers.

Market entry into new, previously not accessible product segments, enabled through internal cost optimisation and set-up of a new production location in Poland.

Motivation and coordination by introduction of target agreements and variable compensation.

Repositioning from a component to a system supplier and opening of the market for expanded project scope with better margins, achieved by the acquisition and integration of two companies with complementary products, knowhow and references.

Establishment of a sales subsidiary in the USA.

Significant improvement in market image by redesigning the Internet and trade fair presence, providing high quality image brochures and a convincing company presentation.

Achievement:

Increased revenues from 80Mio.€/a to 125Mio.€/a with profitability improvement of 30% and acquisition of additional future order volume of each 7Mio.€/a in the first two years and 13Mio.€/a in the 3rd year after project kickoff.

Successful repositioning of the company as a system supplier with correspondent market perception.

Project 2

Environment, Initial Position, Task

Company:

Manufacturer of pressure and temperature measuring technology, calibration standards, leak and pressure test benches, certified DKD-laboratory, supply to almost all industries and branches, 5.000emp./320Mio.€/a (2001)

Responsibility:

Division Director product line OEM-pressure sensors (Key Account Management, Product Management, parts of production/ engineering) 12emp./5Mio.€/a

Initial Position:

Product line OEM-pressure sensors is quite fragmentary, consists of only single customer specific variants of few main customers and is hardly known in the market and at the own global subsidiaries. Access to automotive applications blocked due to missing certification.

Task:

Global positioning and establishment of the product line OEM-pressure sensors, significant increase of the global revenues.

Proceeding, Achievement

Proceeding:

Introduction of a project data base and focused development of reference customers and applications.

Continual expansion of the product programme in accordance with determined market requirements.

Introduction of a modular construction system and internal standardisation for faster and more profitable realisation of single project inquiries and variants.

Development and implementation of a complex marketing strategy with:

- Placement of specialist articles
- Placement of advertisements
- Providing of launch packages for new products, including USPs, target markets with application specifications, comparison with competitors, product and programme brochures and flyers
- Integration in the trade fair appearances

Product and sales training in the subsidiaries worldwide, local market analysis and ongoing personal support for customer site visits.

Achievement of the required certification under ISO/TS 16949 for relevant production and business processes, having overcome internal resistance, thereby more easily market access to automotive/truck/on-road/off-road customers.

Achievement:

Increased global revenues by 140% to more than 11Mio.€/a.

Significant growth in market recognition.

Increasingly motivated, independent sales activity in the organisation and continually increasing project requests.

Project 1

Environment, Initial Position, Task

Company:

Manufacturer of pressure and temperature measuring technology, calibration standards, leak and pressure test benches, certified DKD-laboratory, supply to almost all industries and branches, 4.500emp./220Mio.€/a (1997)

Responsibility:

Area Sales Manager in Germany/ Region Northwest, Sales of the entire product portfolio, indirect 2 emp., 3,5Mio.€/a

Initial Position:

Takeover of a sales area resulted from reorganisation, customer support and new customer acquisition were suffering due to a before too big area. Growth is difficult because of already marked leading position.

Task:

Revenue growth and increasing margins intensified new product introduction.

Proceeding, Achievement

Proceeding:

Setting up a project database to prioritise and control the sales activities and for focused new customer acquisition.

Optimisation of customer service and contact frequency across all options (visits, calls, writings, etc.).

Convincing technical consulting and increased cross selling through intensive analysis of the customer applications.

Consistent negotiation of price adjustments.

Dealer training and incentives.

Achievements:

Increased revenues in the area by more than 30%.

Most successful region 1999.

Strong above average growth with new electronic products.