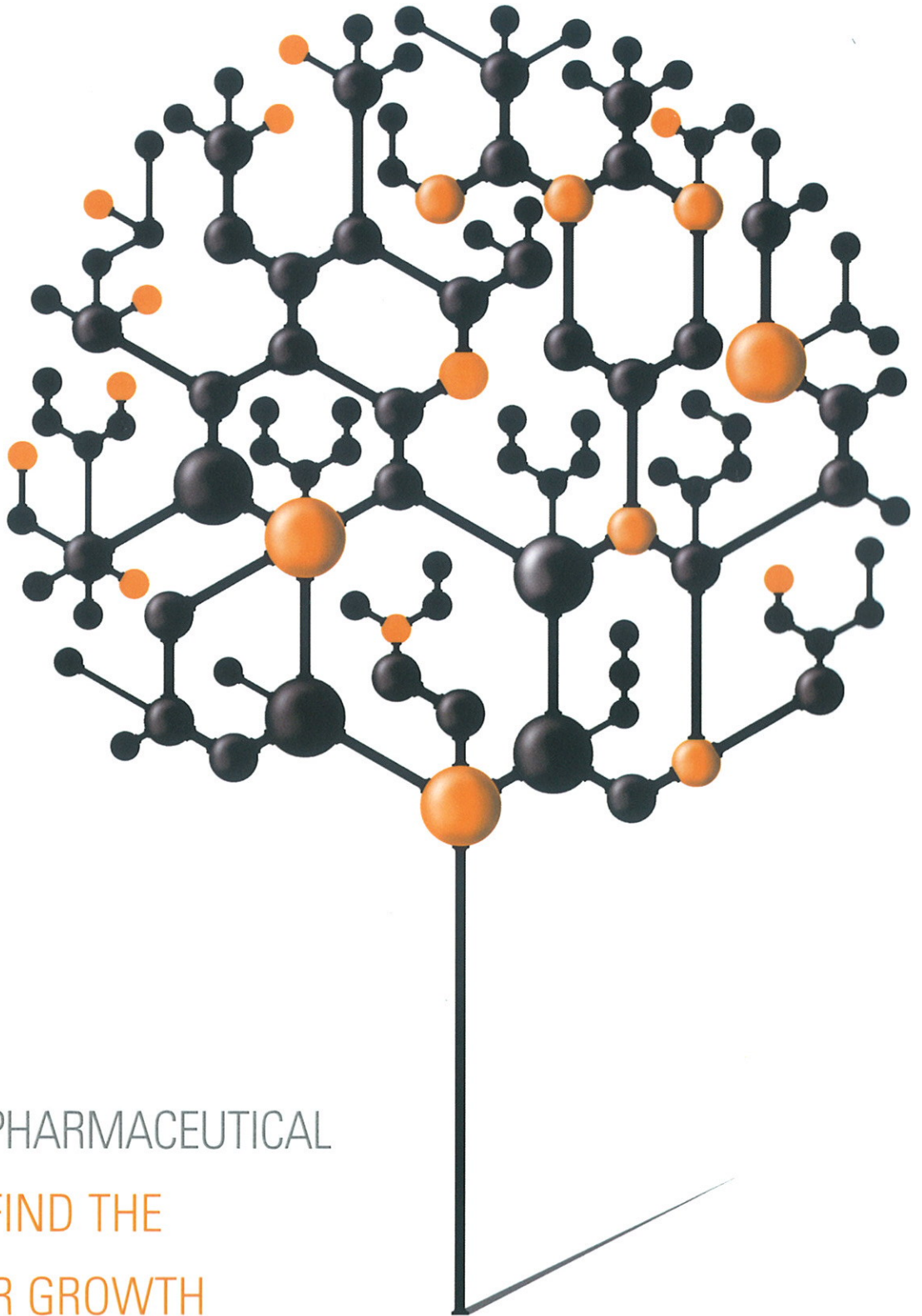


(inside) industry



CHEMICAL & PHARMACEUTICAL
INDUSTRIES FIND THE
FORMULA FOR GROWTH

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GIVES EXHIBITORS
WHAT THEY WANT

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STEPS OUT OF
THE SHADOWS

MEASURING SUCCESS FOR 50 YEARS

Celebrating its 50th anniversary this year, with experienced and motivated staff, and by working closely with customers, SIKO has managed to keep one step ahead of its competitors within distance and angle measuring technology. Daniel Barnes spoke to Jürgen Schuh, General Sales Manager for domestic and international markets at SIKO to get the lowdown on the company and to find out more about its recent plunge into the Far East market.



With a distinguished history dating back to 1963 when the company was founded by Günther Wandres, SIKO has advanced from creating basic hand wheels with mechanical indicators, into a company that now offers high-tech electronic solutions for the worldwide machine building industry. "We can say today that we are the market leader for mechanical and electrical indicators as well as the linear magnetic measurement systems," declared Jürgen Schuh. Through the company's worldwide network of distributors and subsidiaries, SIKO employs 220 people, 168 of whom are based at the company's headquarters in the German municipality of Buchenbach, a few kilometres east of Freiburg, not far from the Swiss and French borders.

Enhancing Existing and Developing New Markets

With the machine building industry accounting for a large portion of SIKO's markets, the company can count many of the world's largest manufacturers of woodwork, packaging, printing and textile machines as important and long term customers. In addition to continuing to develop this part of the business, Mr Schuh explained that the company's strategy is also to develop new business areas, which so far, SIKO has managed to, with a good level of success. These areas include the solar industry, where the company's MagLine SunTracking system provides non-contact and wear-free measurement technology for position and angle detection of solar, heliostat and photovoltaic modules. The mobile automation industry, such as cranes and lifting

platforms, is a sector Mr Schuh revealed SIKO has also developed more solutions for, and he also mentioned the medical industry as an emerging market for SIKO, one that the company believes offers a lot of future potential. "Our strategy is to expand our range of customers providing solutions to businesses which are not only related to the traditional machine building industry," said Mr Schuh. "To widen the customer base is important for us. To be independent from the different industries is our aim."

Maintaining the Market Edge

Becoming a market leader is one thing, but staying there is another challenge all together. After all, it is only natural for like-minded companies to attempt to replicate market leading products in order to try and get their own share of the market. "Every successful product has competition," acknowledged Mr

Schuh. "We have a situation, especially in Asia, where in the last few years that competition has copied our product almost 100 per cent." The situation is one that Mr Schuh said SIKO is able to handle and has set up its own assembly facility in China to remain on an even, competitive keel. However, it is much more than price that has enabled SIKO to get where it is today. "If you look at the simple mechanical indicators, maybe the price might be a big issue for customers, but if you look at the more demanding products for full automatic solutions, then the support, availability and functionality is an issue as well, and at the bottom line, the quality is crucial."

The company's recent turnover figures topped €23 million, and half of that is through work carried out for customers in Germany. Out of the other 50 per cent, USA, Italy and China are the company's three biggest export markets. But expect that to



Jürgen Schuh, General Sales Manager



Wandres Horst, Managing Director



change in the future, as Mr Schuh revealed the company's latest investment of a Singapore subsidiary is part of a strategy to expand the Far East market. "The subsidiary in Singapore is working like a hub for the south-east Asian market, (for countries) like Indonesia, Thailand and Vietnam," he said. "Providing support direct from the European communities is quite complicated in these countries so we are using Singapore as a hub to transfer the products, solutions and the support."

On the topic of research and development, SIKO works closely with its customers and one of the key developments the company has seen in recent years is the transition from manually adjusted systems to automatic. "The customers who are asking for the new solutions are already our existing customers so we develop using feedback from them," revealed Mr Schuh. "We are asking

them what they are planning for the future, and then we direct our developments into the same direction so it fits into their requirements."

Production Site and Website Investment

Besides the investment in the Singapore subsidiary and creating a new sales network, SIKO also plans to invest into the production site at its headquarters. "SIKO has developed quite well in the last few years so we need to invest in more space within the production facility and the offices," confirmed Mr Schuh. Plans are not yet set in stone, but he said developments should occur in the next couple of years. But a more pressing matter for the company, however, is the development of a new website, which will be available in

six languages enabling the company to keep up to speed with the ever increasing number of international companies buying SIKO products.

It all looks very promising for SIKO over the next few years, and Mr Schuh was more than inclined to concur on the matter. "I was looking at the running projects and at the development plans we have in place for this year and the next couple of months, and we are very optimistic about 2013," he said. "We also see signs for the comeback of the Asian market which was slowing down last year, so this will bring us more business, and with our strategy to explore new markets and the fact that the existing markets are not saturated at the moment, we estimate the long-term objectives of the company to be quite promising." ■