

Toyota Material Handling

Service business transformation

Spring Servitization Conference the 13th - 15th May 2019

Joakim Plate and Patrik Carlsson



**Joakim Plate**

Director Service Market
Toyota Material Handling Europe

Since 2011 Joakim Plate is responsible for the European Service Market business within Toyota Material Handling Europe. A vital part of this involves developing and executing the Service strategy, in which connectivity plays an important role. Joakim will in his presentation, together with Mr Patrik Carlsson, describe how TMHE is working with the transformation from reactive to proactive service and towards the ultimate target of “zero breakdowns”. Prior to his current responsibilities Joakim has held various positions within TMHE with focus on Service Market Business Development. Before joining TMHE in 2003 Joakim worked as Business Manager within the Ericsson group 2000 - 2003 and Purchasing Manager within AstraZeneca 1998 – 2000.

**Patrik Carlsson**

Sr Manager Business Development
Service Market
Toyota Material Handling Europe

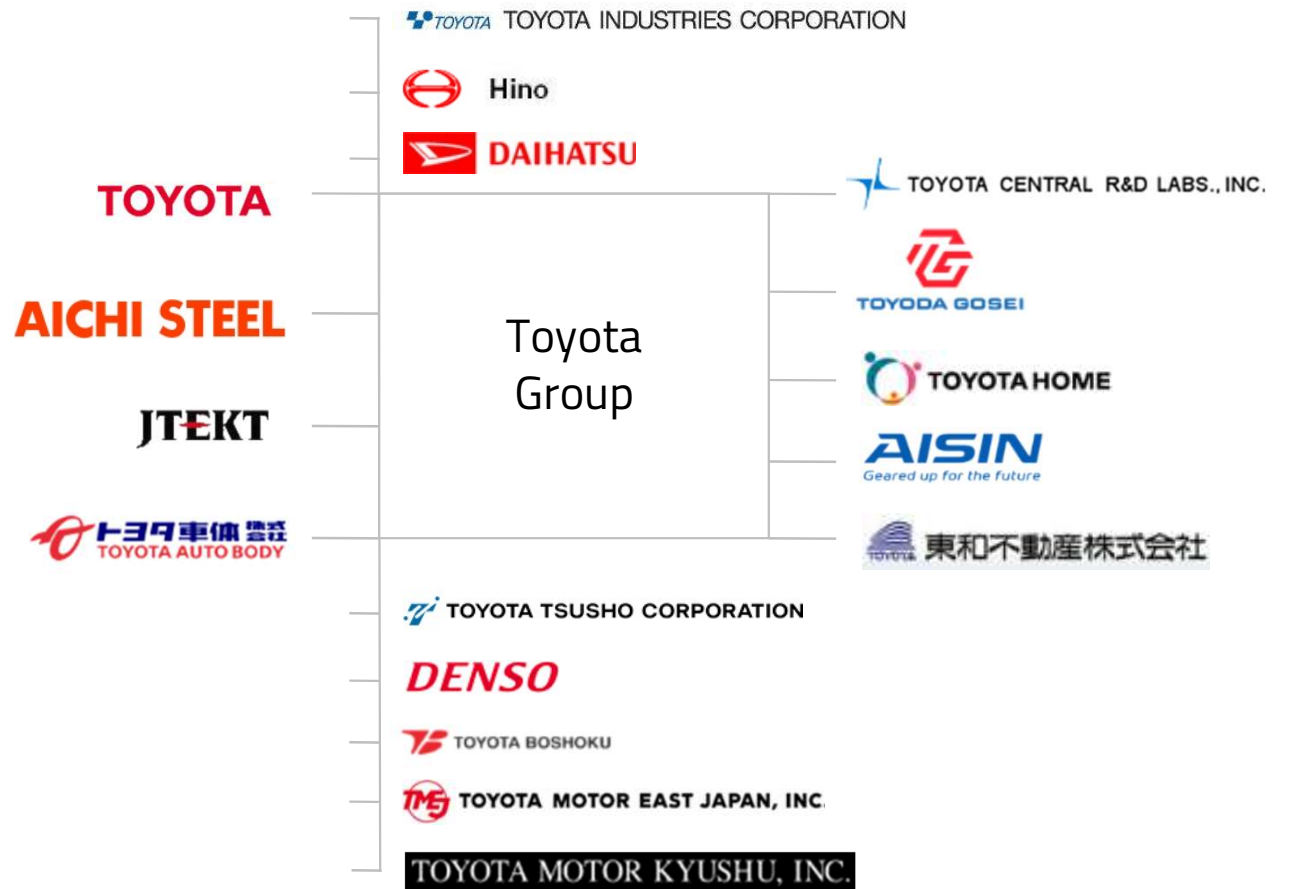
Patrik Carlsson has a vast knowledge in the area of mobility and connectivity and how that can bring business value to the industrial sector. This after having spent over two decades working in these areas in different positions within Toyota Material Handling Europe, with a main focus within the area of field service. Patrik will in his presentation, together with Mr Joakim Plate, describe how TMHE is working with the transformation from reactive to proactive service and towards the ultimate target of “zero breakdowns”.

1. Introduction to Toyota Industries and TMHE
 - Material handling in TICO
 - Service market in TMHE
2. Evolution of service in the material handling industry
 - Market & Customers
 - Product & Services
3. TMHE strategy and Service Market focus
4. Questions

Toyota
Group

17

Corporations



Toyota Industries Corporation

- Total turnover **€15.4 Billion**
- Total employees **61,200**
- **4** business sectors

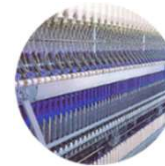
* Figures for FY2018 and 1 Eur = 130JPY



Automotive **30%**



Materials Handling **64 %**



Textile machinery **3%**



Others **3%**

Toyota Material Handling Group



Toyota Material
Handling North
America

Toyota Material
Handling Europe

Toyota Material
Handling China

Toyota Material
Handling
International

Toyota Material
Handling Japan

Who we are

Our presence
In Europe

102,000

factory shipment in FY18

€ 2.3 billion

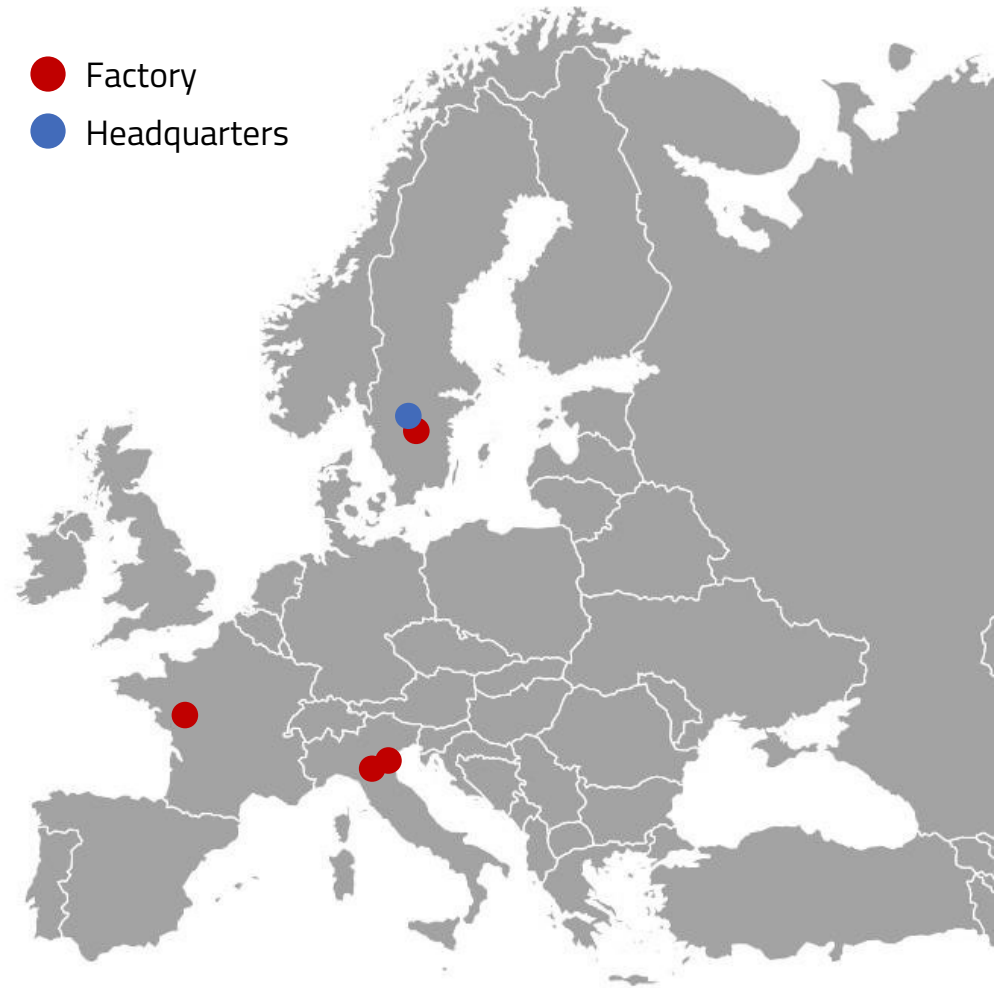
total net sales in FY18

10,800

employees across Europe

Active in over **30** countries in Europe

- Factory
- Headquarters



Overview

TMHE Service Market (by Feb FY19)

615M€

Invoiced Sales MSCOs

5000

Service technicians (3000 in MSCOs)

4million

Customer visits

52

NPS- Customer satisfaction

400kU

Trucks on Service agreement

77%

Contract coverage

96%

First fix



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Evolution of Service in the Material handling industry

Market & Customers

Products & Services

1950

2000

2020

TMHE focus areas

The business transformation

Evolution of Service in the Material handling industry

Market & Customers

Product & Services

Increasing asset value for customer

Increasing insight about object to be serviced

1950



Small single customers

Globalization
Infrastructure
Key accounts



2000

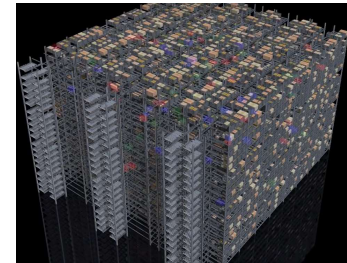


Central warehouse

IoT
eCommerce



2020



Parcels

EU pallet



Connectivity
Fleet information
Online techs



Automation
Warehouse solutions
New types of vehicles



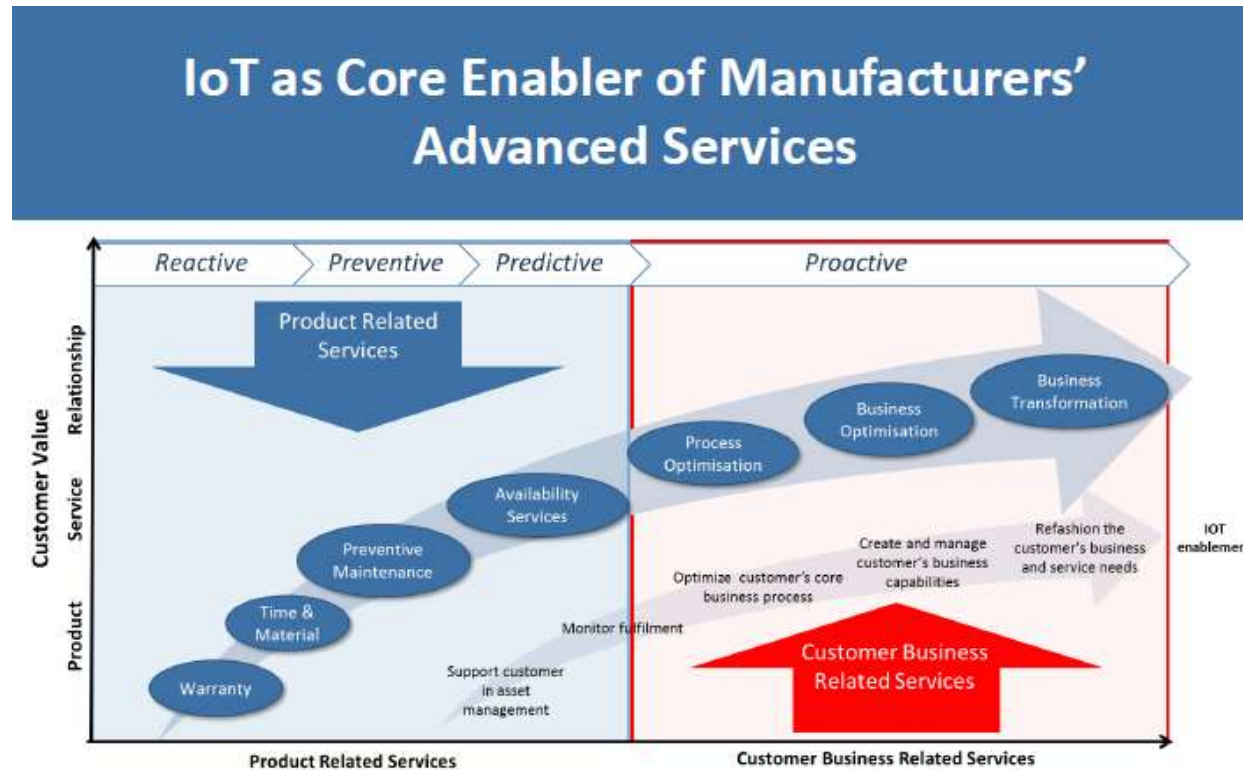
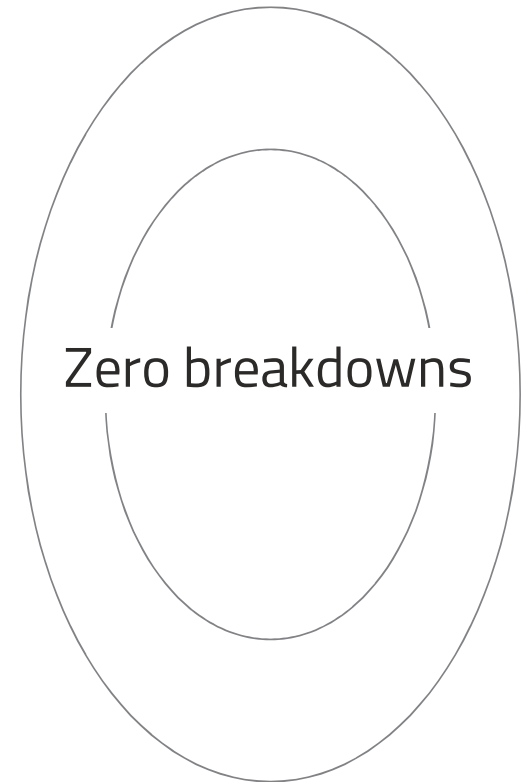


Figure 2: The Service Evolution Model covering all development stages from a Reactive to a Proactive Service Business⁷



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The business transformation

Quality in everything we do



Our focus

Zero muda for:

Customers

- Zero breakdowns – no unplanned stops
- Full real time information on fleet and utilization
- Customer adapted business models

Technicians

- Predictive service and higher degree of remote work
- All information and parts available when needed
- Full real time information on fleet status, and planning

Sustainability

- Remote diagnostics and repair
- 50% less travelling and fuel consumption
- Less stress and fatigue



The business transformation

TMHE Service Market strategy



The business transformation Challenges

- From products to solutions
 - Service integrated
 - Risk mitigation plans
 - 24*7 support
- New business models
 - Uptime, pay per use, co-creation
- Technician role will change
- Manage technology development
 - In big data solutions
 - In prediction models
 - The cross-functional dimension



The business transformation

TMHE Service Market strategic focus areas

Strategic focus areas

Customer
First

Quality & Productivity

People

Coverage

Technology & Connectivity

Automation

Cooperative parts supply

ZERO MUDA



Thank you!

Questions?