

The Power to Move Ahead

By Peter Sontheimer, Vice President R&D and Marketing, Vincotech

With the current financial climate, it's a challenging time for all companies in our industry. Demand suffered greatly in markets that contracted, instead of showing further growth-rates as experienced between 2005 and 2008. The first three quarters in 2008 were overheated to a certain extent and the lower demand situation led to significant capacity reductions in staffing and plant in all sectors of the electronics industry.

But sometimes it takes an industry a financial crisis to forge a new and improved mode of operation. This is exactly what Vincotech accomplished in 2009.

There are now indications that markets are coming back. Vincotech observes a remarkably better situation in order books coming from all strategic markets.

Focus change

In 2009, Vincotech challenged the meaningfulness of its key processes and removed significant administrative backlogs. The manufacturing strategy was scrutinized and the company changed from its former conservative thinking to leaner production principles that lead to a "fewer pieces more often" way of thinking, increasing its flexibility tremendously. As a consequence, the company is now able to react to customer needs in a much faster and more flexible way, which in turn helps customers to get to market faster.

Market focus and customer profile

In particular, the motion control markets suffered from an all-embracing decline in demand due to cost-saving initiatives in end customers as well as from investment policy changes. In parallel, engineering programs of market



players started to ramp-up as customers changed their strategies and began new innovation programs, resulting in strategies to gain market share by differentiation.

The slogan "make the difference" is shouted out loud. Firms which have an absolute need to be flexible and be able to customize their end products to differentiate themselves from the 'one size fits all' offerings from the well known industry giants, fit perfectly in Vincotech's customer profile.

There is a great deal of hype and misinformation around in the buzzwords "energy efficiency" at the moment. Vincotech prefers not to enter into this rhetoric. The buzzwords and hype are to be seen all around us – to the extent where the term itself becomes diluted to the point of meaninglessness.

Vincotech concentrates on the task of sustainable loss reduction, which is a much clearer and tangible definition

of what the company achieves with its product developments. The solar power market appreciates this approach and has opened its doors for power modules that help significantly in reducing power losses during operation.

Products and market access

Vincotech continuously improves its value proposition to customers. The result is an outstanding product offering for all manufacturing preferences with complete, fully integrated modules, rectifiers and intelligent power modules which are a perfect fit for the motion control market. Medium and high voltage modules are available up to power levels of 200kW. Additionally, high efficiency topologies have been developed for the solar power and allied markets such as UPS or welding equipment. Loss-reduction is the focus.

Conclusion

Crisis periods offer opportunities. Many people have unfortunately been affected by cost-saving initiatives. However, the situation can be reversed for those who are able to leverage the potentials that are born out of the crisis. Vincotech is now stronger than ever before, both financially and strategically, and has reached a higher level of operation. The focus is aligned to markets that offer a perfect fit for a quick, flexible and independent power electronics vendor. The company's target is two-fold: To help the customer to sustainably reduce power losses; and to create added value to the customer application.

Out of the crisis we have the power to move ahead.

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