

# GLOBAL CUSTOMER SEGMENT MANAGEMENT

**COMMERCIAL TRANSPORTATION**  
**Webinar 2020-10-06**

Eberhard Michael  
Fronius International GmbH  
Froniusplatz 1, 4600 Wels

/ Perfect Welding / Solar Energy / Perfect Charging



# GLOBAL CUSTOMER SEGMENTS



**AUTOMOTIVE & TIER 1**



**YELLOW GOODS**



**COMMERCIAL  
TRANSPORTATION**



# COMMERCIAL TRANSPORTATION

## 4 INDUSTRIES ARE INCLUDED

... **production, repair and maintenance** of devices and vehicles and able to transport:

- / more than 9 persons (> 9 Pers.) and
- / goods above 3,5t payload (> 3,5t) on public networks

... **repair and maintenance** of roads and railway-tracks.

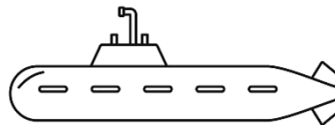
**160 Railway**



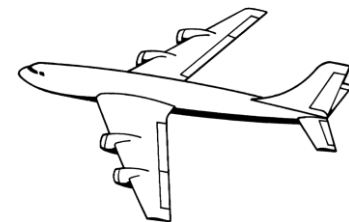
**170 Commercial Vehicles**



**220 Special Machinery**

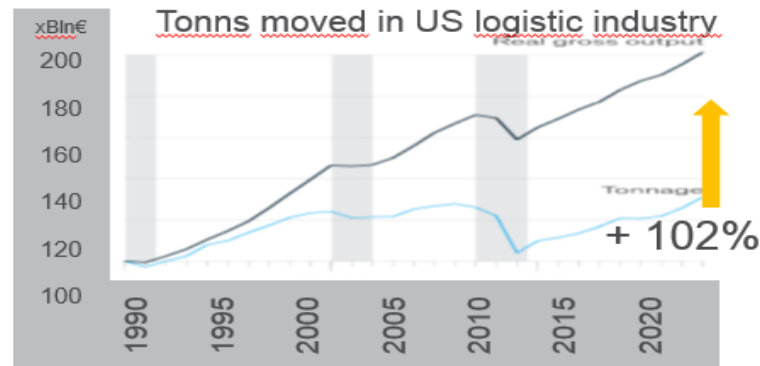
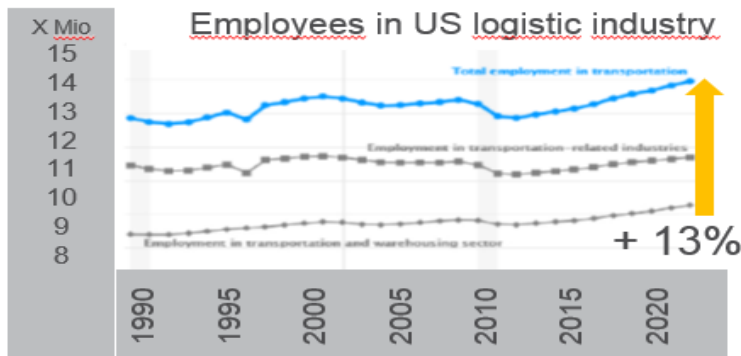


**270 Aerospace**



# GENERAL FIGURES AND OUTLOOK **USA**

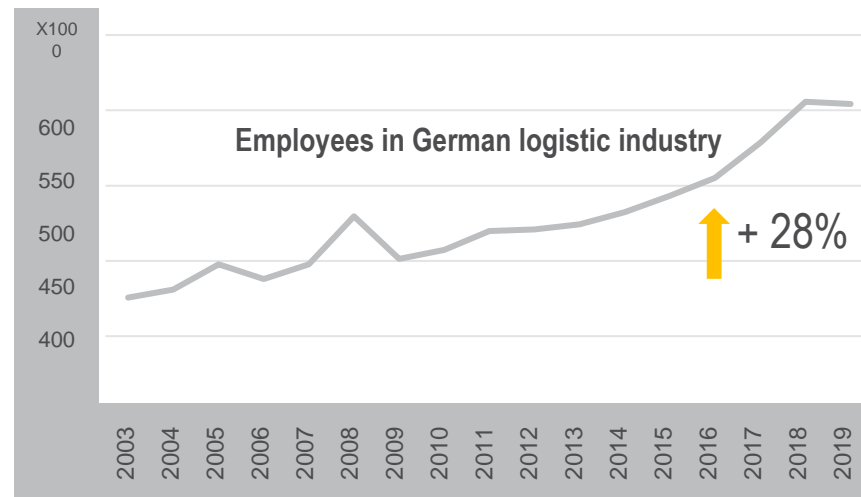
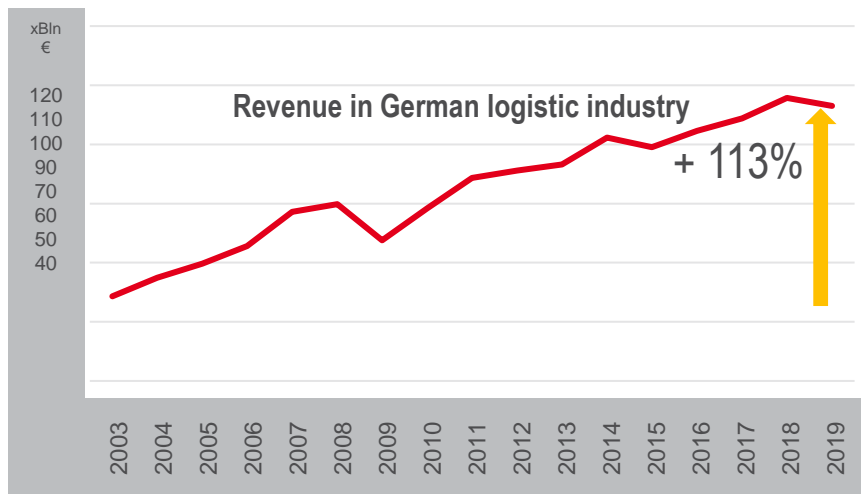
The passenger and goods transportation industry grew in the last centuries dramatically



/ Logistic industry and passenger transport shows huge growth rates in last years

/ stable growth rates at ~5-7% p.a. in coming years expected!

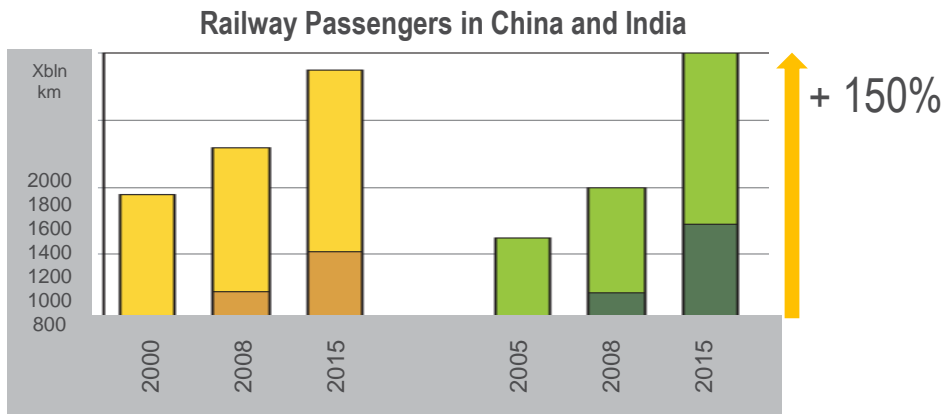
# GENERAL FIGURES AND OUTLOOK **EUROPE**



/ Logistic industry shows huge growth rates in last years.

/ stable growth rates at ~5-7% p.a. in coming years expected!

# GENERAL FIGURES AND OUTLOOK **APA**



/ Logistic industry and passenger transport shows huge growth rates in last years

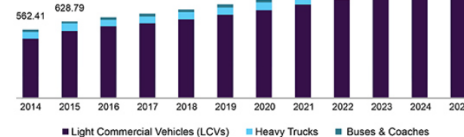
/ stable growth rates at ~5-7% p.a. in coming years expected!



Forecast:  
5,63% - 7,1% annual growth



The global commercial vehicles market size was valued at USD 1.32 trillion in 2017 and is estimated to expand at a CAGR of 7.1% from 2018 to 2025. Although the market has been witnessing stagnant growth over the last few years, it is anticipated to recover with improved sales performance, particularly in emerging economies. Digitization along with increasing infrastructural spending is expected to elevate demand for commercial vehicles over the forecast period.





# COMMERCIAL TRANSPORTATION

## 4 INDUSTRIES ARE INCLUDED

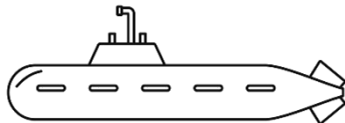
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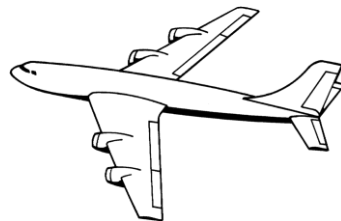
**170 Commercial Vehicles**



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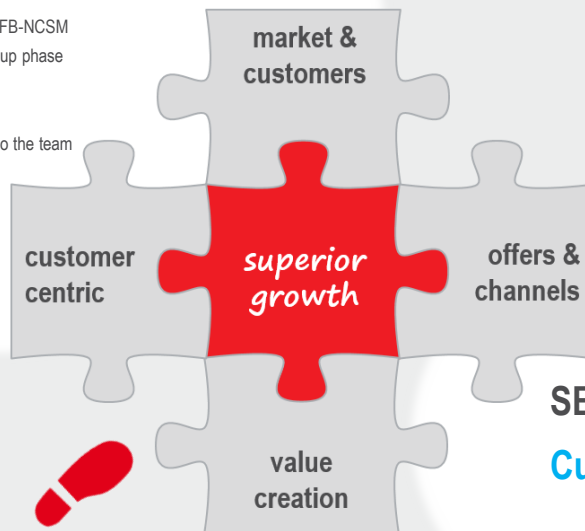




## USE OF NATIONAL SEGMENT MANAGERS „Level 2“

### for key customers

- / Focus on strategic goals
- / Agreement on the tasks of FB-NCSM
- / Contact person in the start-up phase
- / Support for local teams
- / User report (multiplication)
- / Handover of the customer to the team



## SENSITISATION OF SALES „Level 1“

### Customer access via existing teams

- / Knowledge transfer
- / Visualisation of the potentials
- / Reference collection - mediation
- / Motivation
- / Demand vs. portfolio
- / Distribution via webinar

# NEXT STRATEGIC STEPS

# UNDERSTAND THE SEGMENT BEHAVIOUR

Traditionally, a large number of welds are made manually due to the size and variety of the components. On the other hand, there is a high, mechanised proportion of longitudinal seams!

10-15% mechanised welding equipment

85-90% manual welding equipment

< 50% manual weld seam length

> 50% mechanised weld seam length



**trailer**  
**13,5m**



**wagon**  
**26-28m**



# PRIORITISATION & FOCUS ON ...

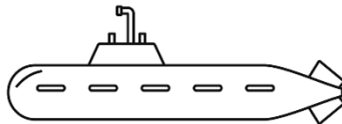
**160 Railway**



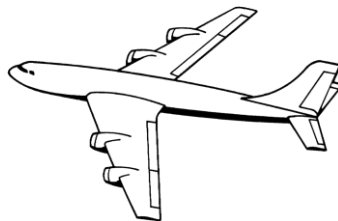
**170 Trucks & Trailers**



**220 Special Machinery**



**270 Aerospace**





# FIRST TARGET

## 170 COMMERCIAL VEHICLES

Customer structure in this industry  
Trucks & Trailers



**less**

large companies  
> 1000 employees



**many**

medium companies  
< 1000 employees



**huge number**

of small sized companies  
< 100 employees

160 Railway



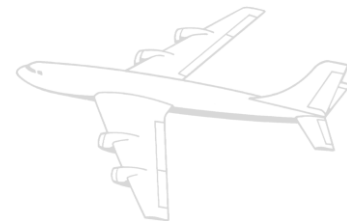
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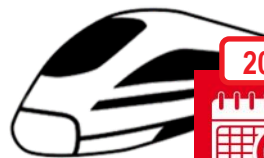
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**160 Railway**



**2020-12**



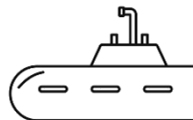
**170 Commercial Vehicles**



**2020-07**



**220 Special Machinery**



**2021-12**

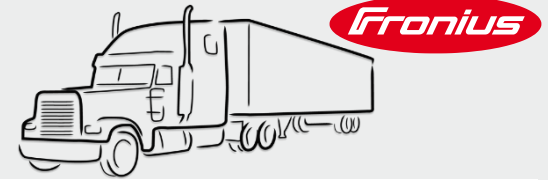


**270 Aerospace**



**2021-07**





## WHY ...

General figures of industry commercial vehicles shows very promising future forecast

Coverage of customers requests via VSP team in terms of sales, service, application support possible  
Customer intimacy

Existing product portfolio fits to customer demand / Extensive certification processes required  
( from Tst Pulse up to Robotics solution – full range of arc welding equipment existing )

Dynamic – fast buying decisions of customers and target customers expected  
Fast sales successes expected

# WHAT DO YOU THINK?

How big in EUR / USD is the global market for Commercial vehicles?

**A**

~ 80 Mio. €

~ 94 Mio. \$

**B**

~ 150 Mio. €

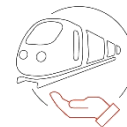
~ 175 Mio. \$

**C**

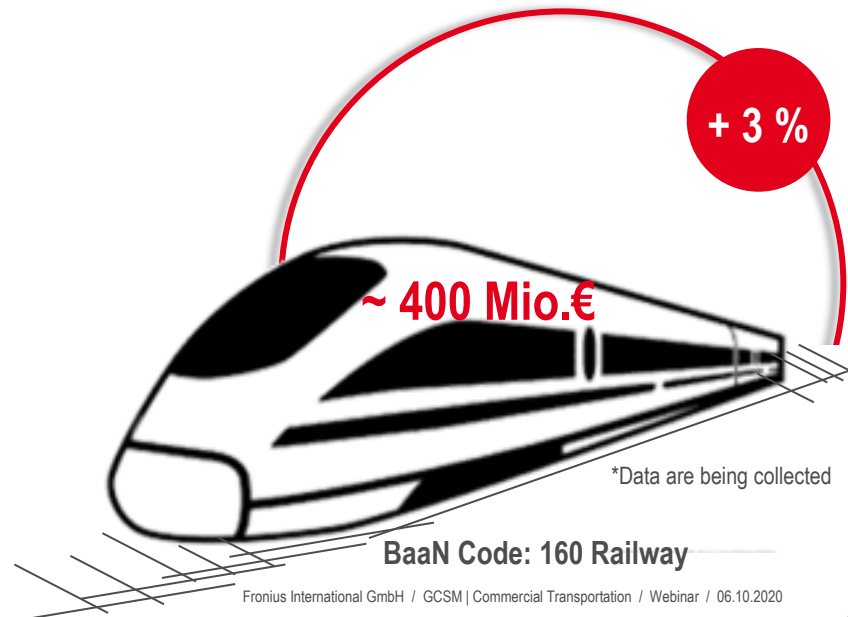
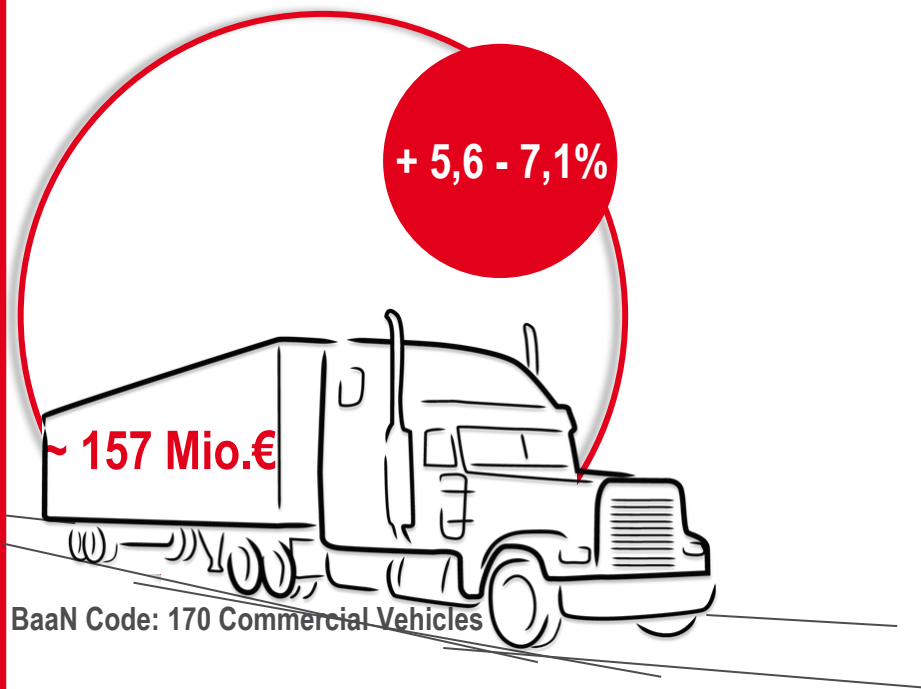
~ 300 Mio. €

~ 352 Mio. \$





# ESTIMATED WORLD MARKET 2021





# TRUCKS AND TRAILERS

## ARC WELDING MARKET POTENTIAL

trailer producers

**61,5 Million €**



/ truck tractor  
/ all suppliers  
/ conventional trucks  
/ busses  
/ special vehicles (fireworks,...)

**+ 82,5 Million €**

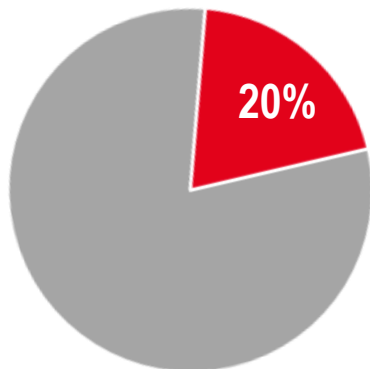


Global market size of industry  
Commercial Vehicles

**144 Million € by 2019**  
**+ annual growth 2020 + 3%**  
**+ annual growth 2021 + 6%**  
**157 Million € in 2021**



# TARGET OF FRONIUS IN COMMERCIAL TRANSPORTATION



**At least 20% industry share in a realistic time frame.**

Industry-shares below 20% have to less influence on:

- / **Internal:** industry related know-how, identification, development direction
- / **External:** market reputation, brand awareness, identification as „the solution provider“

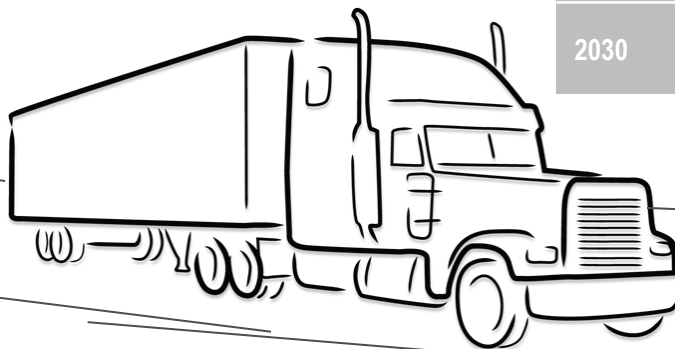
# ACTUAL SITUATION ... FUTURE PICTURE

2019

Revenue  
Industry 170  
Commercial vehicles  
~ € 5,3 Mio.€

Global  
market share:  
~4%

Global  
market size:  
144 Mio.€



Expected market size and market share topics

Jahr	jährl. Steigerung	Marktgröße	Fronius Marktanteil - Ziel	Umsatz
2021	0%	157 Mio €	7,4%	11,3 Mio €
2023	6%	172 Mio €	11%	18,9 Mio €
2025	6%	192 Mio €	14%	28,9 Mio €
2030	6%	256 Mio €	20%	51,2 Mio €

# WHAT DO YOU THINK?

Which area/country has the largest production figures in Commercial vehicles industry?

**A**

Europe

**B**

China

**C**

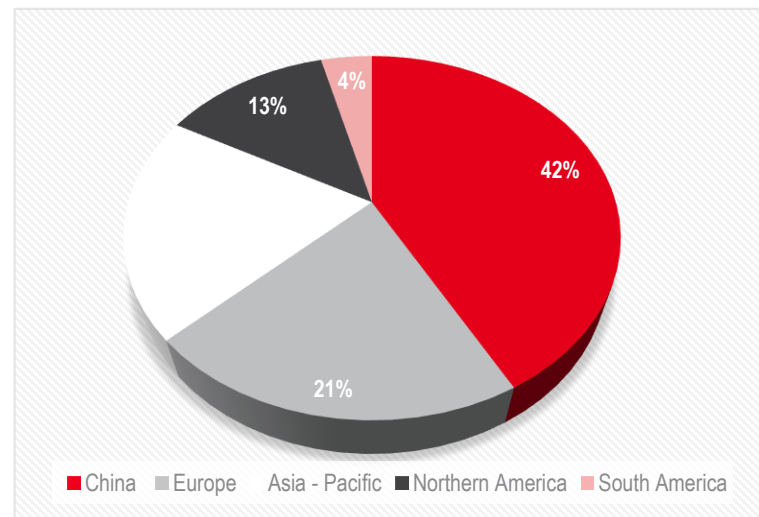
Northern America

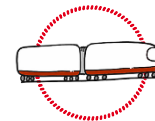


# TRUCKS | GLOBAL PRODUCTION FIGURES

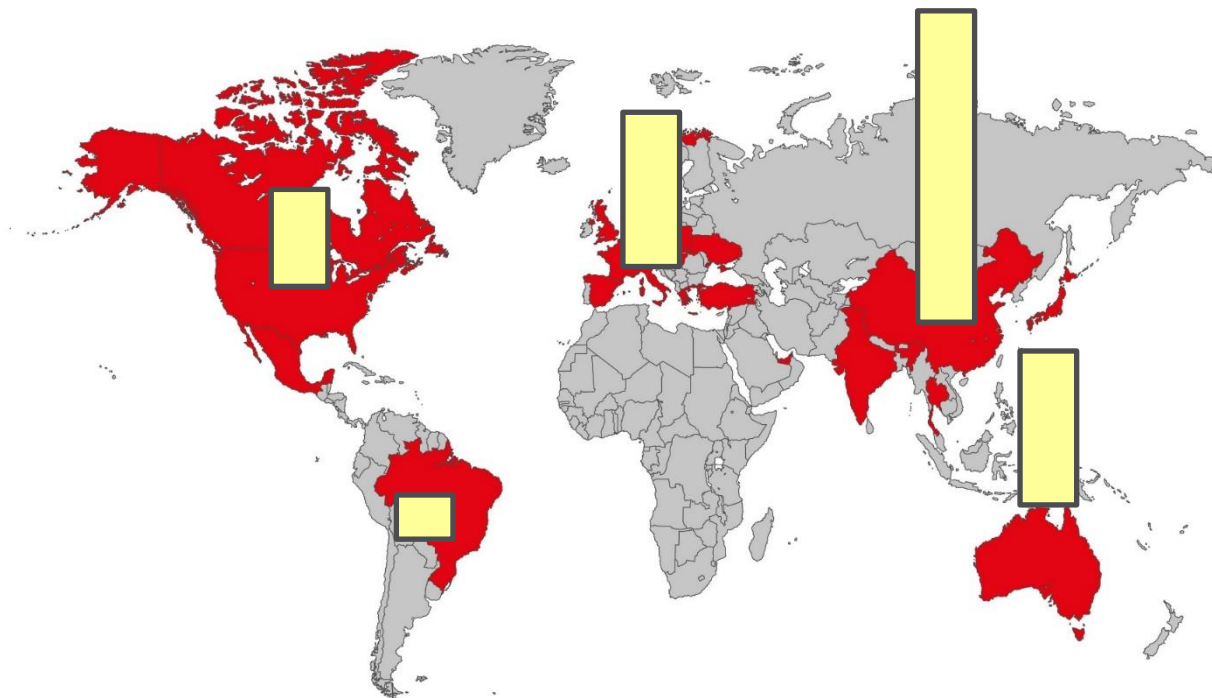
**ANNUAL TRUCK PRODUCTION 2019: 2.669.000 units**

/ China:	1,12 Mio. units
/ Europe:	0,56 Mio. units
/ Asia/Pacific:	0,53 Mio. units
/ Northern America:	0,35 Mio. units
/ Southern America:	0,11 Mio. units

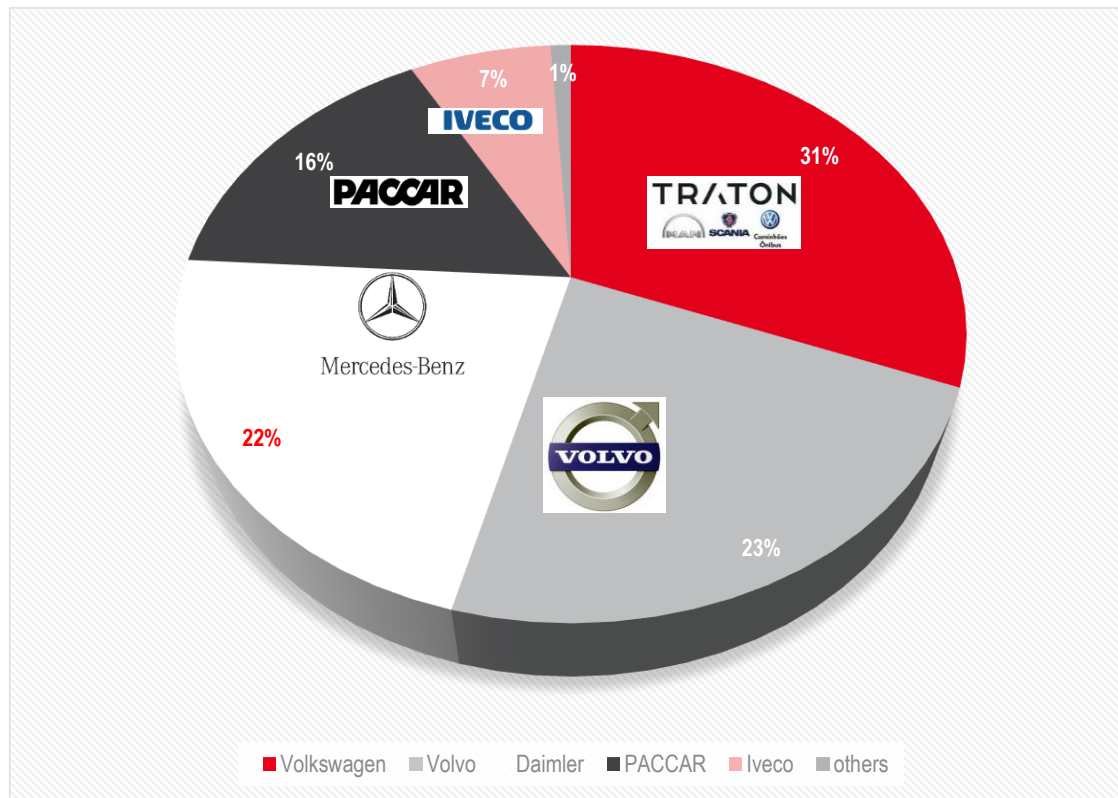




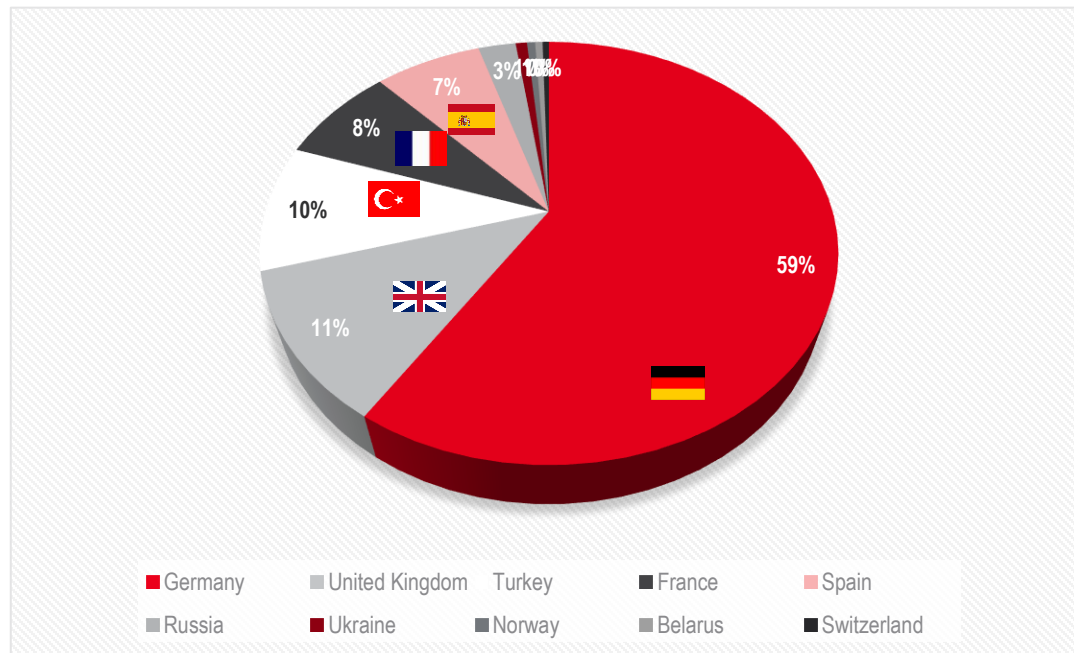
# TRUCKS | GLOBAL PRODUCTION VIEW



# TRUCK TRACTOR | EUROPE MARKET SHARE

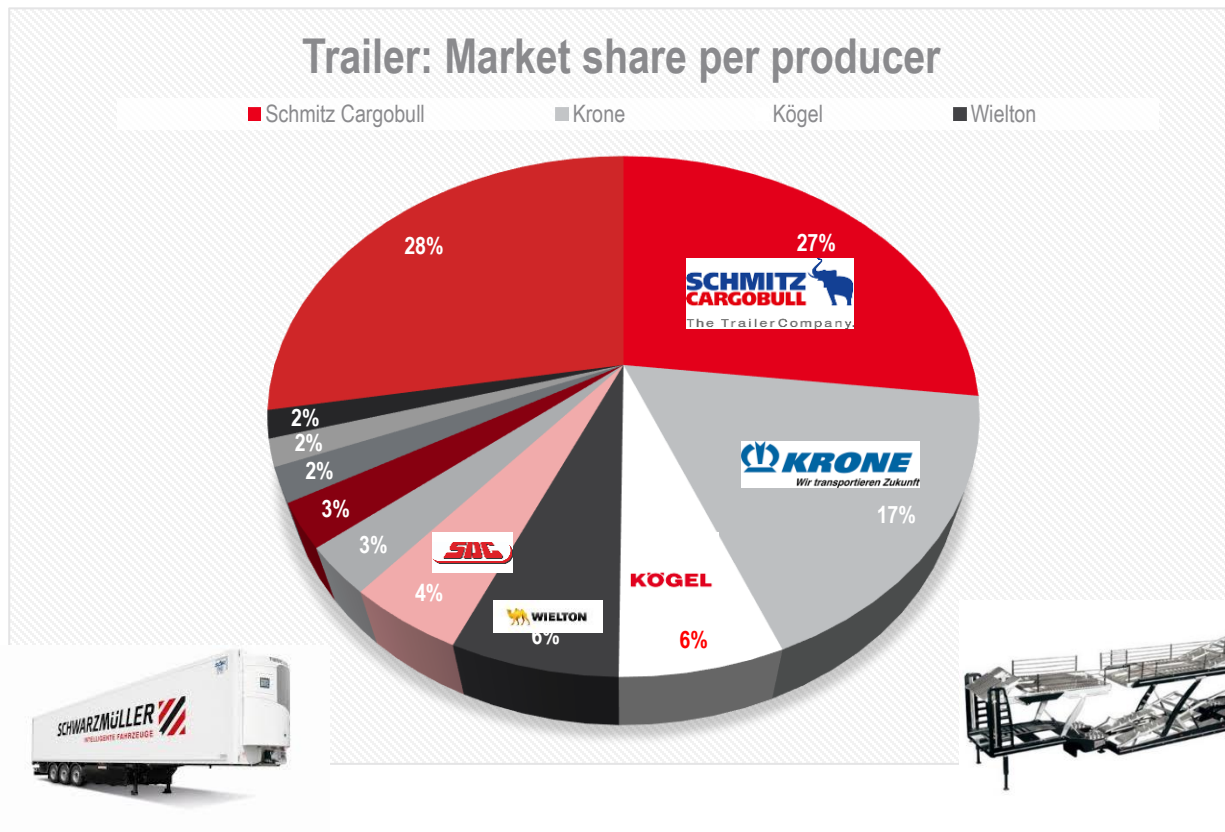


## TRAILER | EUROPE PER COUNTRY OF ORIGIN

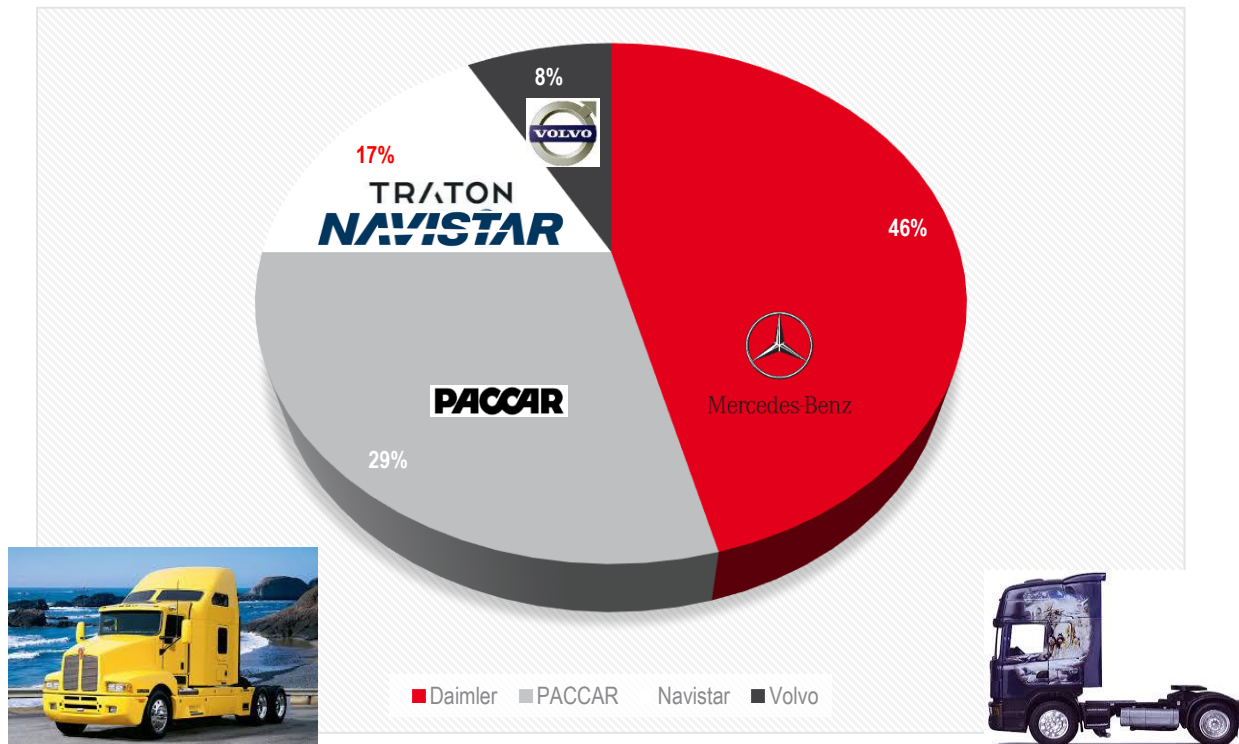




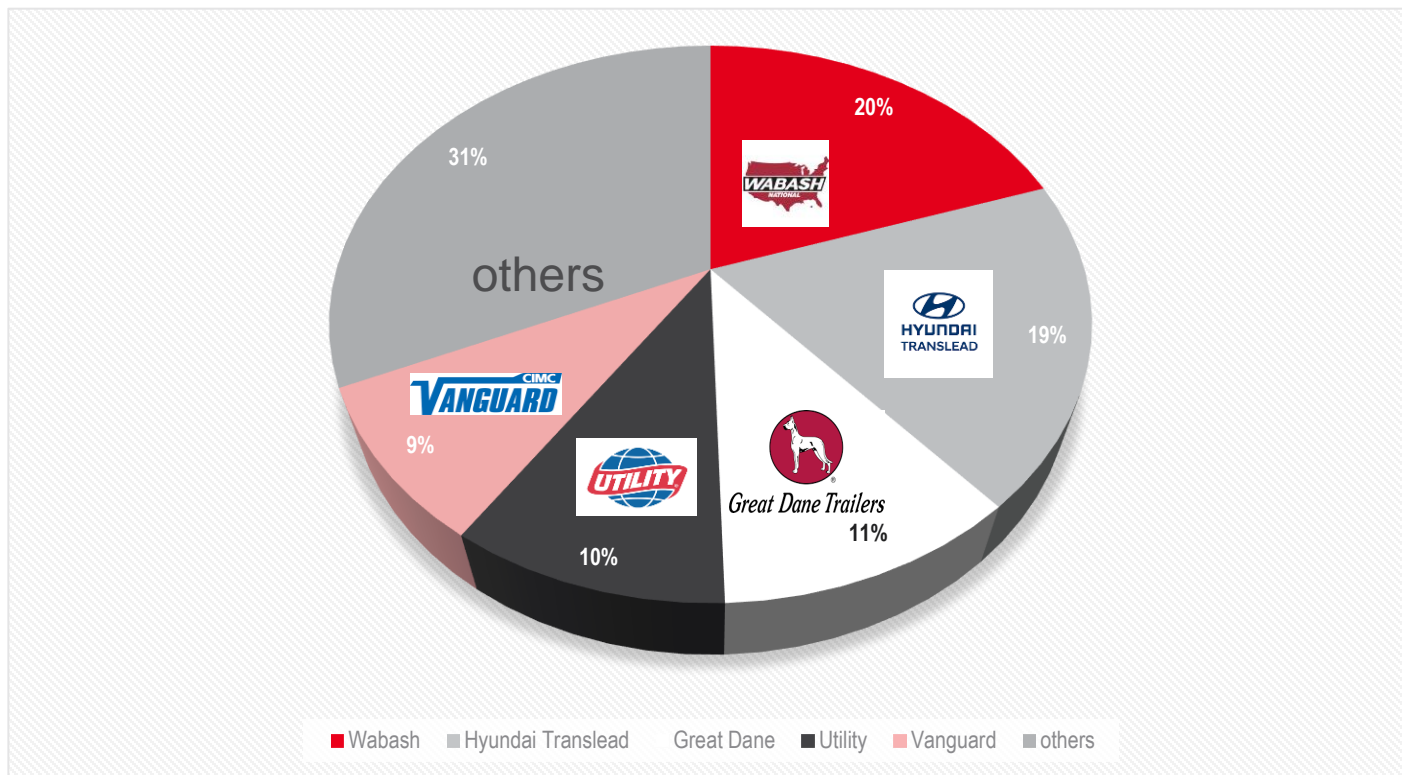
## TRAILER | **EUROPE** MARKET SHARES PER PRODUCER



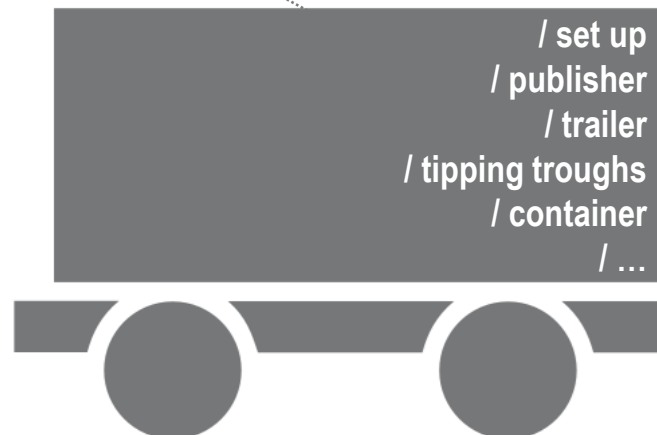
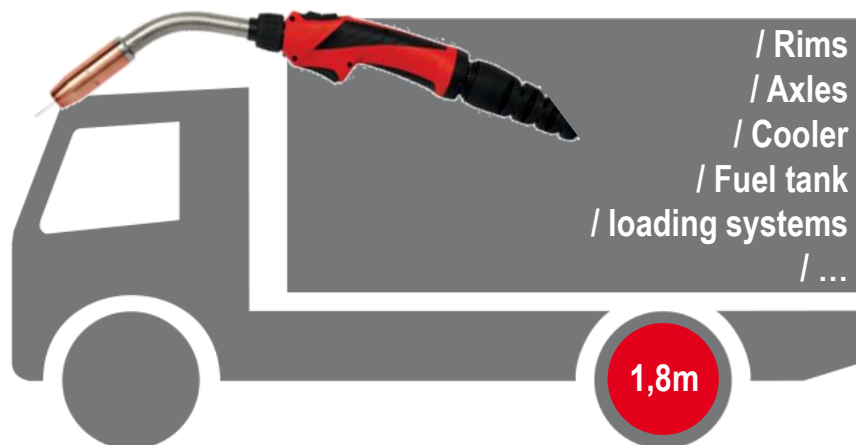
## TRAILER TRACTOR: MARKET SHARES USA



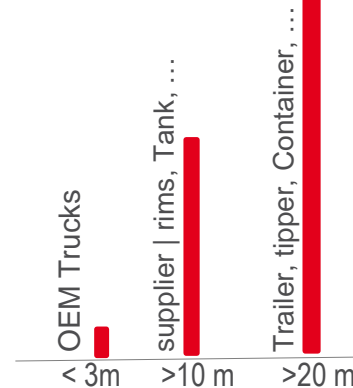
## TRAILER | **USA** MARKET SHARES PER PRODUCER



# WE ARE FOCUSING ON ...



## Comparison of weld seam length



# TARGET INDUSTRY | 170 COMMERCIAL VEHICLES

## SAMPLES

Trucks & Busses



Trailers



Container



Special Vehicles



Supplier & Accessories



# DEFINITION TRUCK VS. TRUCK-TRACTOR

## Classical Truck



### Components:

truck frame

cabin

wheels

powertrain

motor

exhaust system

**truck expansion – attached to frame**

## Truck-Tractor



### Components:

truck frame

cabin

wheels

powertrain

motor

exhaust system

**fifth wheel**

# EXPANSION SAMPLES ON TRUCK



Flatbed – flat loading area – goods stored and tight



Flatbed with sidewall and loading crane



Tipper – Transport of Sand, stone, etc. moveable dump



Hookloader – transport of containers for waste, bulk, etc.



Liquid tank – transport of food liquid, oil, petrol, water, etc.

# SPECIAL TRUCK EXTENSIONS



Firefighting truck – fire watercraft



Lifting platform / stairs vehicles – with stairs, lifting platforms



Waste truck – all attached lifting devices and containers



Street cleaning / maintenance device – cleaning and maintaining of roads, etc.



Container trailer – transport and production of container



# TRAILER SAMPLES



DryVan – Door(s) at back – requires time to load / unload



Courtainsider – Loading from left and right possible



Refrigator – Cooling unit attached – transport of food



Liquid / silo – liquids, like: oil, petrol, water, granulate, etc.



Vehicle carrier – transport of cars, any vehicle, etc.

/ Perfect Welding / Solar Energy / Perfect Charging



Mercedes-Benz

FREIGHTLINER



WESTERN STAR

SETRA

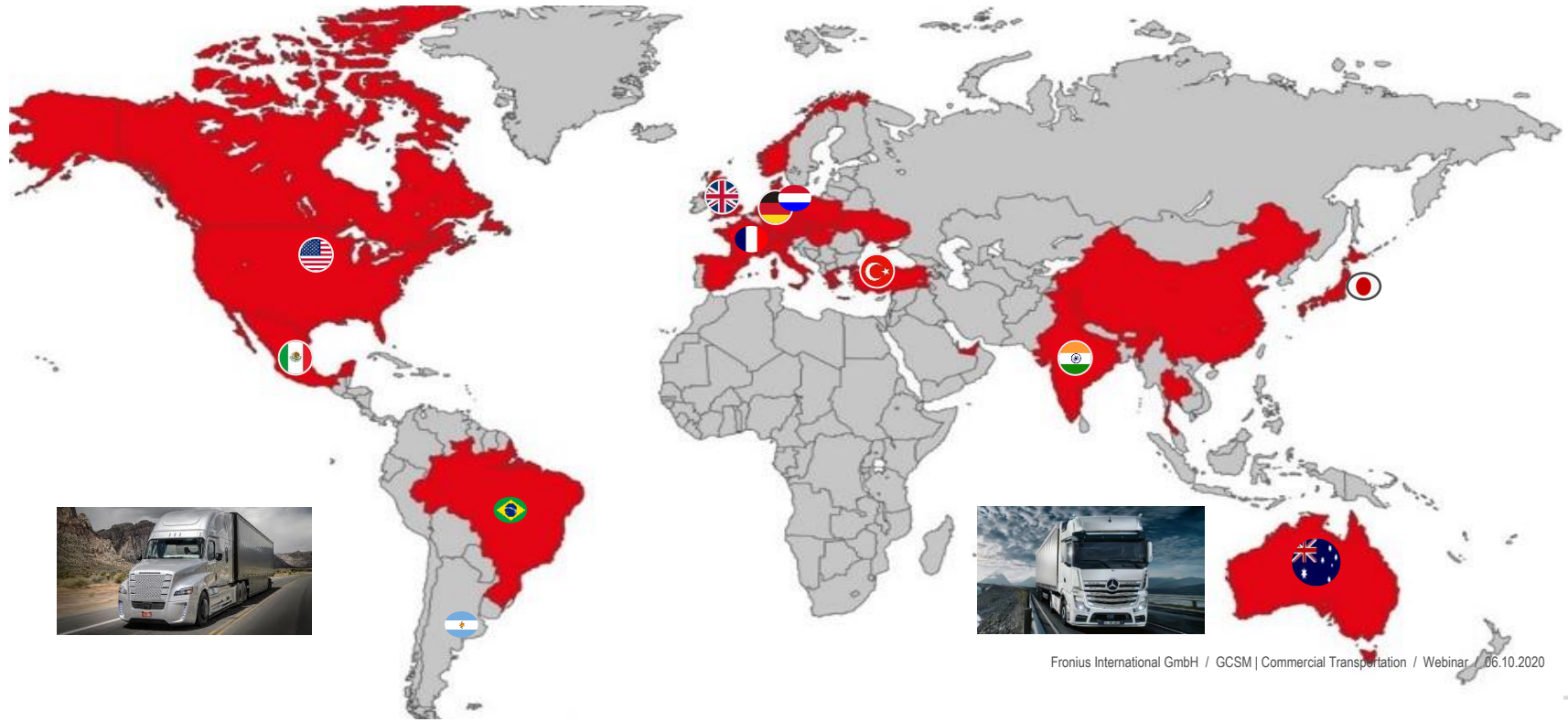


FUSO

Fronius

# DAIMLER TRUCK AG

2019: 520.600 vehicles globally ( ~488.500 Trucks / 32.600 Busses )

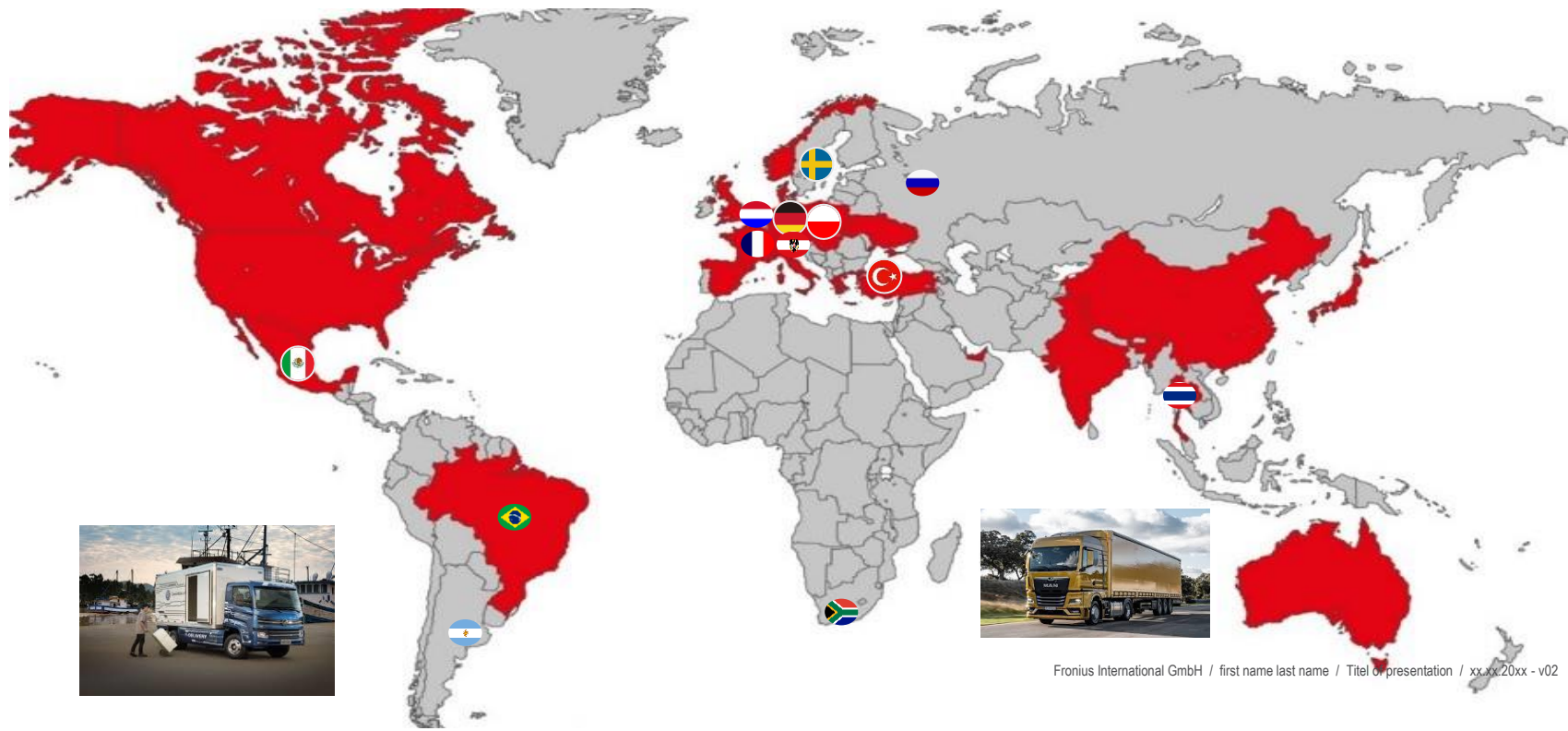


/ Perfect Welding / Solar Energy / Perfect Charging

# TRATON AG



2019: 242.000 vehicles globally ( ~216.000 Trucks / 26.000 Busses )



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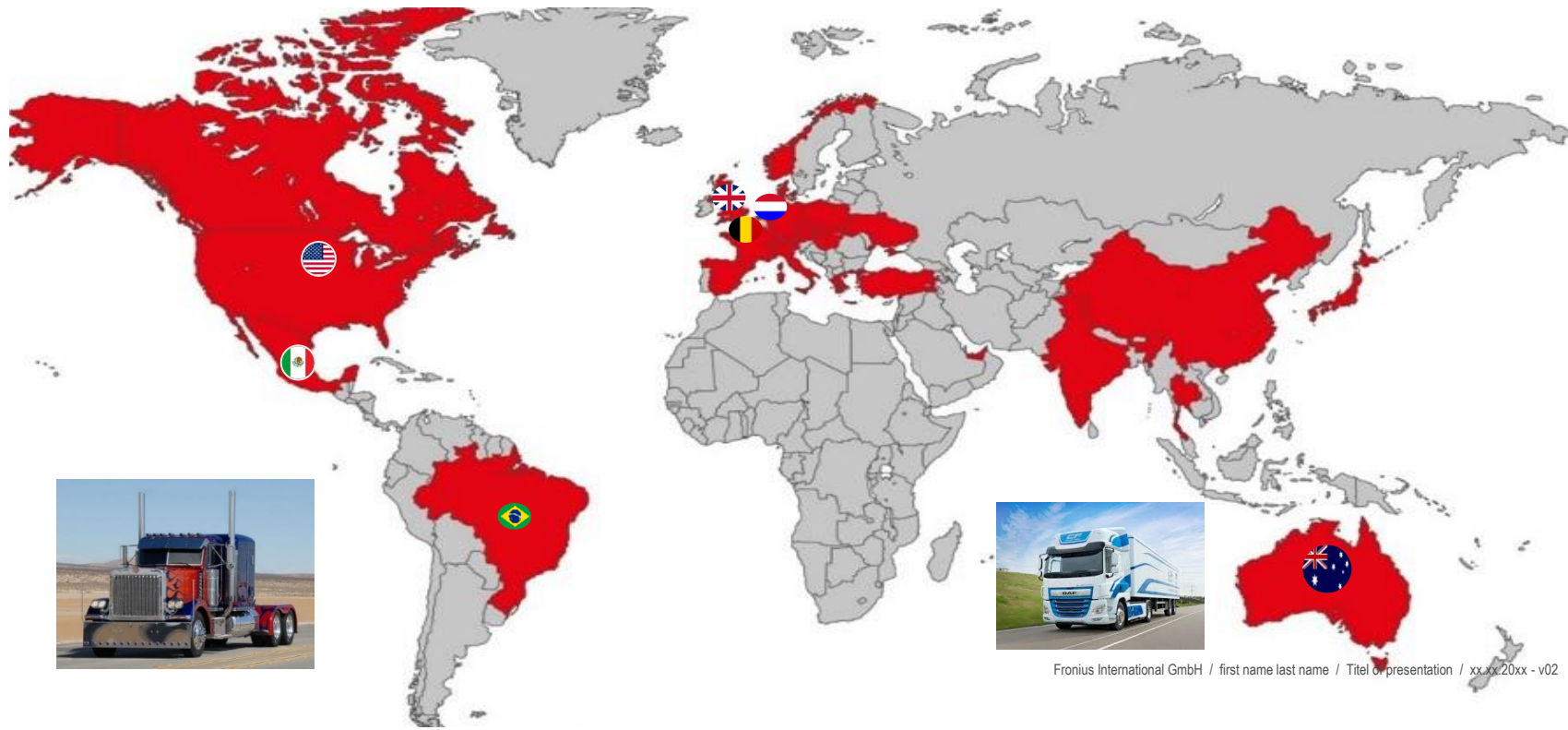


/ Perfect Welding / Solar Energy / Perfect Charging



# PACCAR TRUCKS

2019: 520.600 vehicles globally ( ~488.500 Trucks / 32.600 Busses )



IVECO

IVECO  
MAGIRUS

HEULIEZBUS

IVECO  
BUS

IVECO  
ASTRA

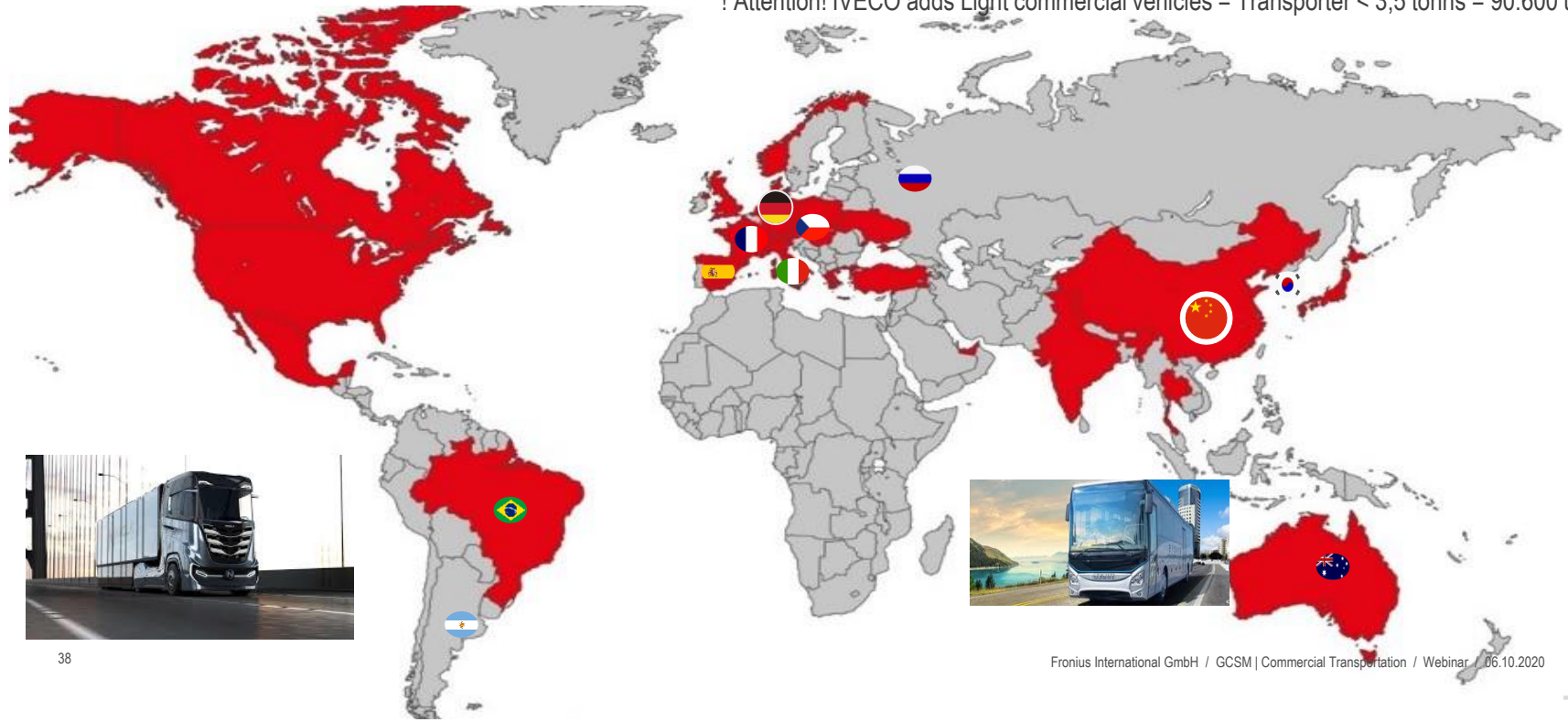
IVECO  
DEFENCE VEHICLES

Fronius

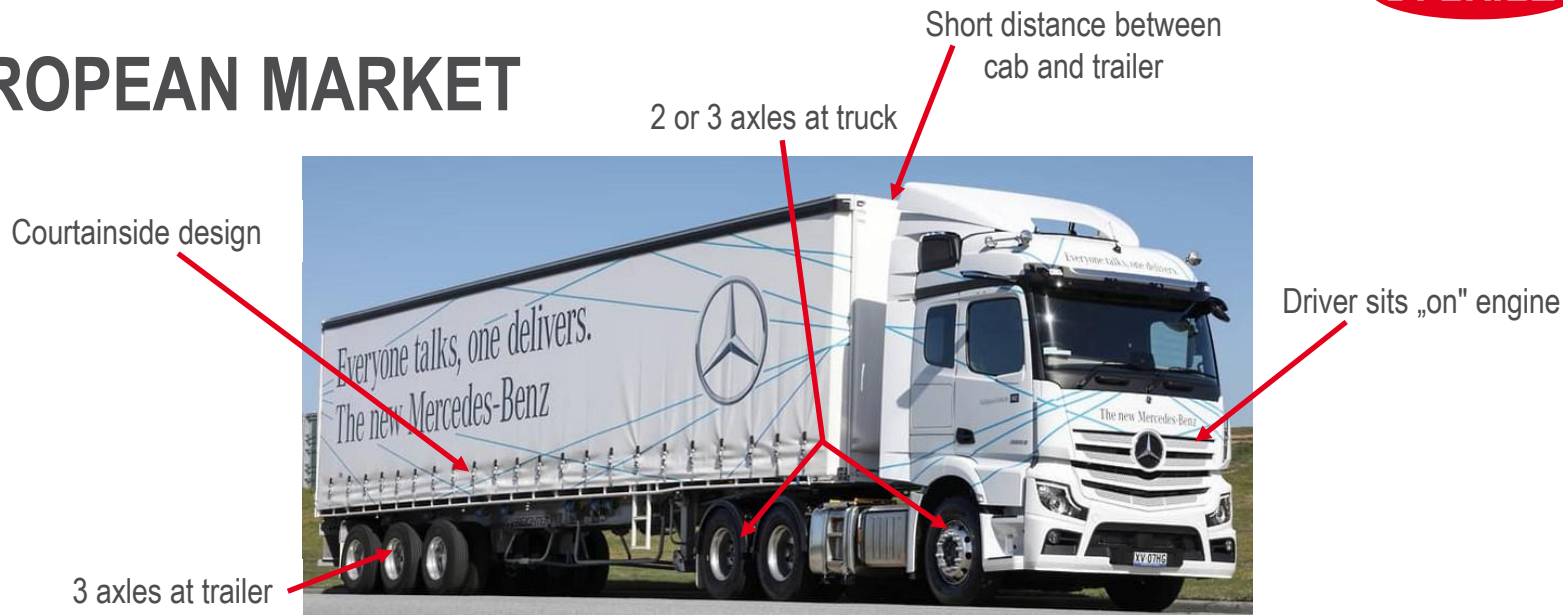
# IVECO TRUCKS

2019: 163.500 vehicles globally ( 153.800 Trucks / 9.700 Busses )

! Attention! IVECO adds Light commercial vehicles = Transporter < 3,5 tonns = 90.600 units



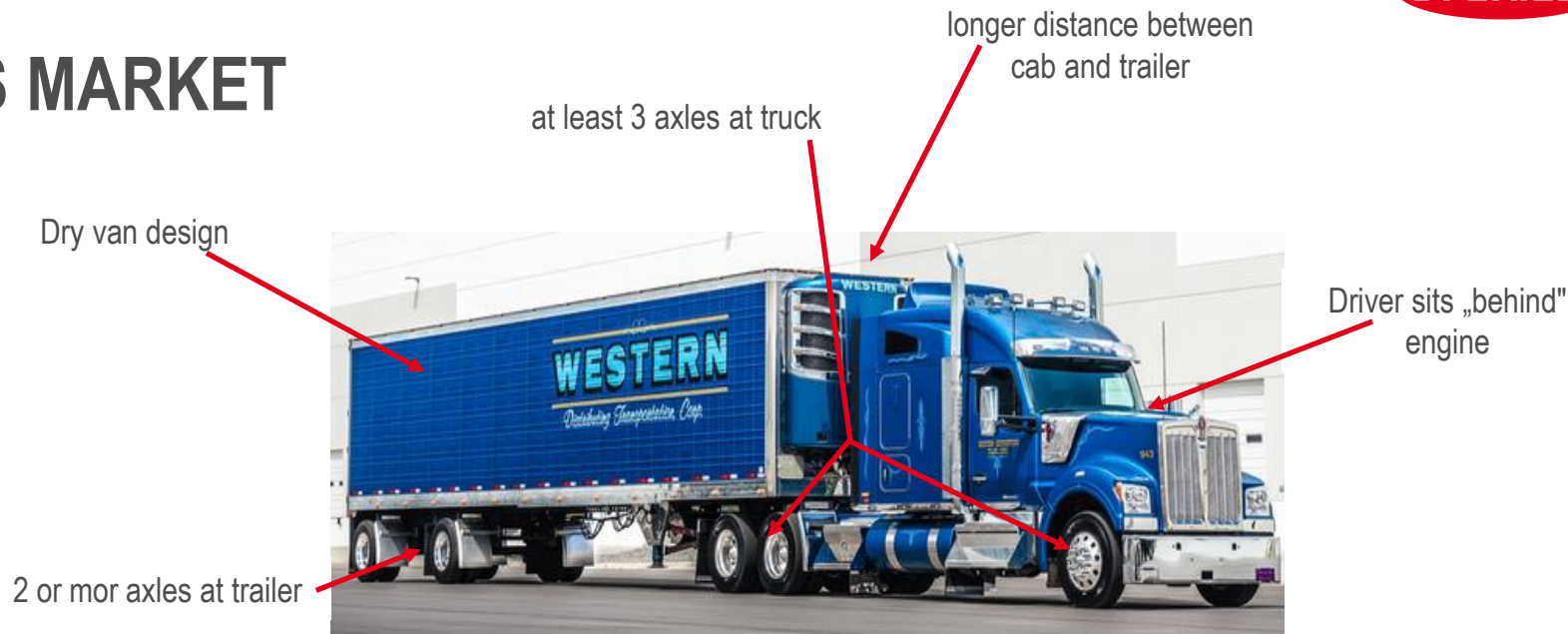
# EUROPEAN MARKET



## LOCAL HABITS – TRADITIONS

- / Truck design: usually cab-over engine design – caused by regulations on length of vehicle according to European standards
- / Distance between cab and trailer is short → avoid air-turbulences
- / Ratio between trucks-tractors and trailers: **truck tractor 1 – trailer 1,1** ( reasons: general longer lifetime of trailers / dry van vs. curtainsider )

# US MARKET



## LOCAL HABITS – TRADITIONS

- / Truck design: usually extended cab – motor in front of driver – caused by standards – longer truck + trailer length allowed compared to Europe
- / Trailer design: mostly dry vans or refrigerated vans (non-moveable sidewall)
- / Ratio between trucks-tractors and trailers: **truck tractor 1 – trailer 1,8** ( reasons: general longer lifetime of trailers / dry van vs. courtainsider )



# ACTION PLAN COMMERCIAL TRANSPORTATION

**in 2020**

**Commercial Transportation Webinars: 3-4x**

responsible: Eberhard Michael

remark: further in 2021

**Application - Database**

responsible: Lumpf Philipp

remark: ongoing planing

**Determine 4 focus countries**

responsible: Eberhard Michael

**Communication 4 focus countries**

responsible: Eberhard Michael

remark: CCS channel

**Market size global confirmed**

responsible: Eberhard Michael

# ACTION PLAN COMMERCIAL TRANSPORTATION

**end Q1/2021**

**Focus countries – Strategy**

responsible: Eberhard Michael

**01.01.2021**

**Kick off 160 - Railway**

responsible: Eberhard Michael + NCSM

**Q1/2021**

**Branchen-/Salespaper 170 Commercial Transport**

responsible: Eberhard Michael

**end Q2/2021**

**Global Strategy Commercial Transportation 160/170**

responsible: Eberhard Michael

**Q3/2021**

**Branchen-/Salespaper 160 Railway**

responsible: Eberhard Michael

**end 2021**

**Global Strategy Commercial Transportation general**

responsible: Eberhard Michael

# Latest News



## Brüggen (part of Krone Trailer)

6 Sets TPS/i on robot  
frame components for trailer

## Kempf Trailer in Poland

10 Sets TSt 5000 Pulse  
Application story, pictures and  
videos are shown at RSSM

## Alstom in Spain

25 Sets TPS500i  
manual application

## Kolowag in Bulgaria

2 Sets TPS/i Twin  
6 Sets TPS500i manual



## ongoing projects

### Negotiations

with **CRRC ZELC** and **CRRC Zhuzhou** locally  
on **75 Sets TPS500i**

### Negotiations

at **Stadler Rail** in Winterthur and Rheintal  
**6 Sets TransSteel Pulse**  
**3 Sets TPS/i**



# COMMERCIAL TRANSPORTATION

## SUMMARY

...(Fronius CRM Users) **Please clean up your CRM system in regards to shown industry – code**

...(Representatives) **Recommend to use similar industry codes in your local CRM system**

... **Recommend to use customer fact sheet to understand potencial and product fit**

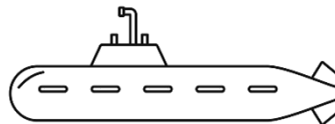
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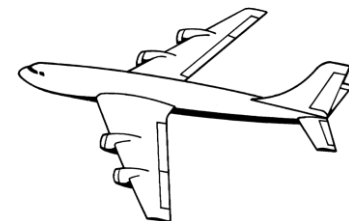
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Ask your questions

# Questions

A large, thick red circular line that is open at the top and bottom, framing the central text.

Let's **get**  
**connected.**  
PERFECT WELDING