Service in the Middle East

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Alfa Laval in the Middle East

∗ Est. 1991

- 18 countries
- 3 time zones
- 564 million people
- Nominal GDP: 2 800 billion USD
- GDP Growth 2-3%
The beginning

Turning the desert into green pastures

Milk is one of the finest foods that there is. But in Saudi Arabia--as in all desert areas--cow's milk scarcely exists. For without grass, there can be no cows.

Three years ago, Alfa Laval took on the challenge of creating out of the desert the world's largest self-supporting farm.

Drilling for water began in the summer of 1979. By Christmas, the first cows were sown. Three months later, the first harvest was cut. It was then time to fly in the birds. From searching for water to fresh, chilled milk from the farm's own ultra-modern dairy took just 18 months. Today, the farm supports 8,000 animals and provides ten harvests a year from the circular green fields which blossom under an around-the-clock irrigation system. And work is now underway to extend the farm to 3,000 hectares and 25,000 animals to make it the world's largest integrated farm.

With dormant water deposits to be found in many underdeveloped countries, Alfa Laval will be turning more deserts into pastures and the future.

This massive project is just one example of our innovative approach to business. We don't expect the world to come to us. Instead, we go out to the world with new and often daring applications for our well-proven product lines. That way we can open up new markets that other companies only dream about.

And we do.

The Greening World of Alfa Laval

Alfa Laval employs 3,000 people in 41 countries and serves industries like food, dairy, pharmaceuticals, and chemical engineering.

Creating new markets from great ideas.
Alfa Laval Middle East – 2015

2010 – 2015
CAGR: 5.7%
CAGR SERVICE: 9.3%

WY 2015
992 MSEK
(at fixed rates)
Expanding service presence

2016

- Service centre
- Field service station
- Authorized service partner
Service offering

- Speed – response time
- Presence – close to the point of delivery
- Local competence & expertise
- Customized service solutions
Service to build customer loyalty

- Marine, power generation and oil & gas
  - Uptime is crucial
  - Direct sales (not channels) ➔ knowledge about IB

- End customers value high quality local service while specifying manufacturers of key equipment to foreign EPC Contractors

- Close & regular contact with these demanding customers
  - builds trust & loyalty
  - opens up opportunities for new sales
Customer case; Oil and Gas major in Qatar

- Large installation of critical process and utility equipment
- Decision made to start a service facility in Doha, Qatar
- Change in process conditions urged the need for service
- Speed up the start up to meet customer needs
- Result; Satisfied customer. Long-term Service agreement
The paradigm shift in service

Customers going…

...from self-maintaining to outsourcing

...from preventive to predictive maintenance

...from looking at equipment investment to life cycle costs

...from maintenance to reliability
Future growth drivers

- Improved living standards
- Water scarcity & water pollution
- Energy & energy efficiency
- Diversification of industries
Summary

- IB built up during > 30 years within different industries
- Competitive strength; Strong local service presence – closer to the users
- Customer loyalty creates opportunities for capital sales