



SCANIA

Going the Extra Mile

In transport and logistics, better trucks and coaches manned by better drivers equate to better business. Striving for constant improvement for both his company and its customers is ANDERS GUSTAFSSON's chief concern.

In January of 2015, Scania moved into its new office at the Hong Kong Science Park, a sprawling space with a view of majestic Tolo Harbour. The unique business district housing companies heavily vested in progressive technologies is most apt for the commercial vehicle manufacturer, known for introducing key developments in fuel and driver efficiency as well as reducing harmful emissions.

The company's ranks have nearly doubled since 2010 with 170 personnel, including many highly qualified graduates from the region's universities. Anders Gustafsson surveys its continued development, as Managing Director for the last three of its 33 years in Hong Kong.

Latest Editions

"As it has been since the end of last year, three to four years from now will be very good in terms of total market, for both truck and coach," says Gustafsson, in reference to the government's ongoing scrapping scheme aimed at replacing 83,000 7 to 15 year old heavy vehicles, launched in 2013.

"Competition is very tough, especially from the Japanese, partly because of the development of the yen. The currency has made it possible for them to decrease prices."

By all accounts, things have been running well. Acceptance of the Euro VI standard is on the rise, and Scania is the first brand in Hong Kong to distribute Euro VI vehicles and components exclusively. Already at its third generation, countless improvements have been made to the technology; the crux is satisfying customer demands for the best products before the competition does. While Hong Kong has yet to mandate its use as with



Anders Gustafsson, Scania Hong Kong Managing Director.

other countries (some speculate enactment by 2017), the government actively incentivizes the switch to cleaner transport, boosting Scania's volumes.

Autumn of 2015 will see the launch of new products and services. In conjunction, Scania's modular program uses these components in millions of combinations to best suit customers' needs.

"Scania is a premium product with premium service. The good product performance gives high uptime, together with very good service support, recognized by some customers as the best in Hong Kong."

Driven by Data

Driver training and coaching remains a priority agenda. All Scania vehicles are equipped with electronic boxes – Scania Communicators – which collect and store information used for evaluating vehicle and driver performance. Since implemented, long-term customers have seen large improvements in fuel consumption on their vehicles. Scania monitors and assesses all vehicle and fleet activities from its headquarters and interprets data for customers.

Another company program to promote driver training is its biannual virtual driver competition, which grades various criteria according to information derived from the electronic boxes. It had 1,054

participants in 2015, a huge leap from a previous 350. An actual driver competition is held every other year, the last of which saw 700 participants in 2014.

"We have a lot of opportunities in the service area. We try to work more as a consultant for our customers, using data to help them improve their profitability."

Constant Improvement

Anders Gustafsson champions involving people to evolve. Company philosophy is to constantly improve, individually and thus collectively, realize opportunities internally and capitalize on momentum. Scania presents noteworthy employees with its Kaizen award, based on the Japanese precept of unified betterment, rewarding and thereby increasing productivity.

Exciting innovations are on the rise. An electric/hybrid coach is already in development in Europe, and may be tested in Hong Kong as early as 2016. Scania has long been working on various alternative fuels to further reduce harmful emissions. The customer remains utterly pragmatic however, with business concerns prevailing, hence the importance of dynamic and responsive support.

"The way we work is from outside going in. If we understand the way business in Hong Kong works, that drags back to the factory, not the other way around. We have to be market adaptable. There is good dialogue on what we should and should not do." ■

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