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MODIG MACHINE TOOL MARVELLOUS MACHINES





WE LEARN HOW A SWEDISH MACHINING COMPANY IS PUNCHING ABOVE ITS WEIGHT.

MARVELLOUS MACHINES

PROJECT MANAGED BY: DAVID GARNER

In the locality of Virserum, Sweden, in 1947, a family founded a business whose mission was to build the best in class machines for manufacturing. That company's lathes, universal drills and machining centres soon built up a global reputation, and by the 1980s they were starting to develop high-speed machining centres. Since then, that company, Modig Machine Tool, has continuously redefined the world's machining standards.

nd through all of that Modig has remained not only one of the world's leading manufacturing premium performance machining companies, but also a proudly family-owned firm.

"The Modig company was founded in 1947. It is a family-owned company. I'm the third generation and took over ten years ago," says David Modig, current President of the firm. "We're focused on high-quality machines for the aerospace and automotive industries. We see ourselves as the Ferrari of machines, not the normal commodity machines suppliers. We're very focused on customer relationships.

We're not just selling machines from a catalogue; we're helping customers receive they want."

INNOVATION & COLLABORATION

Modig has sold over 11,000 machines around the globe, and the Modig brand is widely recognised as a trusted partner for businesses.

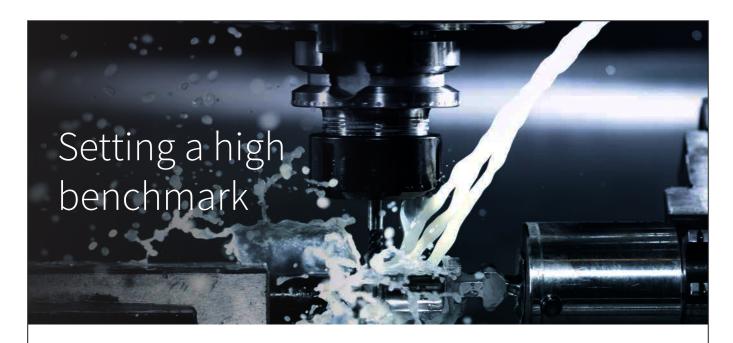
"I would say we have a couple of unique qualities," Modig reflects. "Firstly there is what we're selling. The reason we're selling these products is that we've been able to develop products that give the customer a price per part that is 95% of the time much less than our competitors can offer."

Despite being a relatively small company, Modig is able to offer this value thanks to a relentless cycle of development and improvement.

"We do a lot of development and that's really what's good about being a smaller business like ours. When we develop a new machine, it will not take us very long compared to a big organisation with a lot of >>

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We have tracked down the best suppliers on the market and use only the very best quality Swedish castings. All manufacture is performed in-house at our facilities in Virserum, Småland. This gives us control over both the manufacturing process and the end product.



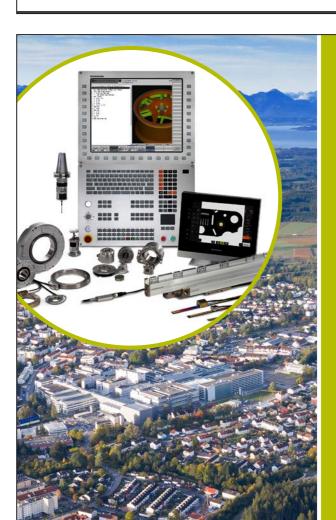
Our Products: Vices | Milling tables | Drill Sharpeners | Accessories



Demanders Verktygsfabrik Sweden AB

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- Length Gauges
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- Digital readouts and numerical controls
- Touch Probes

We provide documentation and software as well as technical service for our products, including replacement units and spare parts, repairs & service on site.

"Modig and Heidenhain has a longstanding relationship, where we share the same DNA regarding strive for perfection, latest technology and highest precision in research & development."

Per Wincent, Managing Director

HEIDENHAIN Scandinavia AB

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Since the start at 1933 Demanders has been producing machine accessories such as machine vices and milling tables, developed in-house .We also carry out subcontract work involving a number of different materials.

With a vice from Demanders, you get a first-rate production tool. We have developed the design by drawing on our extensive experience and broad knowledge of the manufacturing industry.

Milling tables from Demanders can be used for milling, drilling and grinding. These tables are an excellent complement to many machine tools and broaden the fields of application for tools such as vertical drilling machines.

Today the main production is for sub contract work. Demanders produce high precision components and also assembling assignment. Our subcontract work is efficient and focused on quality. Subcontracting from Demanders covers all stages and can be adapted to enable work with a number of different materials. We are able to machine aluminium, stainless steel, steel, castings, plastic, titanium, hardened steel, brass, and copper.

Modig Machine Tool AB is one of our biggest and most valuable customers since many years. Demanders is proud of being able to meet the tolerance level of the machine parts we manufacture for their CNC-machines.

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HEIDENHAIN

MEASUREMENT AND CONTROL TECHNOLOGY FOR DEMANDING POSITIONING TASKS

DR. JOHANNES HEIDENHAIN GmbH develops and manufactures linear and angle encoders, rotary encoders, digital readouts, and numerical controls for demanding positioning tasks. HEIDENHAIN products are used primarily in high-precision machine tools as well as in plants for the production and processing of electronic components. With our extensive experience and know-how in the development and manufacture of measuring devices and numerical controls, we create the groundwork for the automation of tomorrow's plants and production machines.

HEIDENHAIN PRODUCTS AND THEIR APPLICATIONS

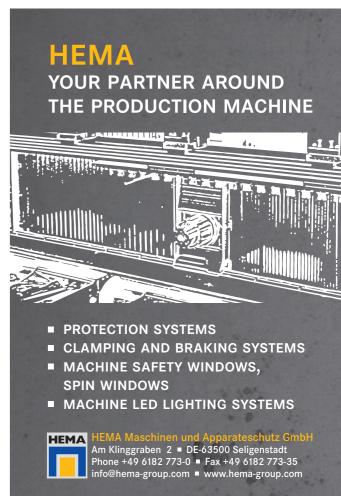
This comprehensive product program offers solutions for all applications in which the highest possible accuracy, reliable reproducibility and repeatability, safe process management, high machine dynamics, simple operation and of course maximum efficiency are required.

Our products are therefore used primarily in high-precision machine tools, in plants for the production and processing of electronic components as well as in automated systems and machines. In addition, we supply our products to manufacturers of elevators, medical technology and others.

TECHNICAL TRAINING

Technical qualification and continuing training are indispensable for achieving technological improvement and securing the future of a company and its employees. HEIDENHAIN offers demand-oriented training courses in which the required technical knowledge is imparted practically, efficiently and in conformity with the customers' demands. Technical training courses are not only held in Traunreut. Many HEIDENHAIN regional agencies train you in your national language. You can also take TNC programming courses from authorized HEIDENHAIN training partners in Germany and in several European countries.

www.heidenhain.com



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decision-makers," Modig points out. "For us, it's completely different. I design the machines and can say what direction to take. We're always ahead four or five years ahead of our competitors in terms of technology and that drives price."

Beyond sheer innovation, however, Modig Machine Tool's value also comes from the strong collaborative relationships it builds with its customers. "We work closely, together

with our customers. We

don't sell machines from a

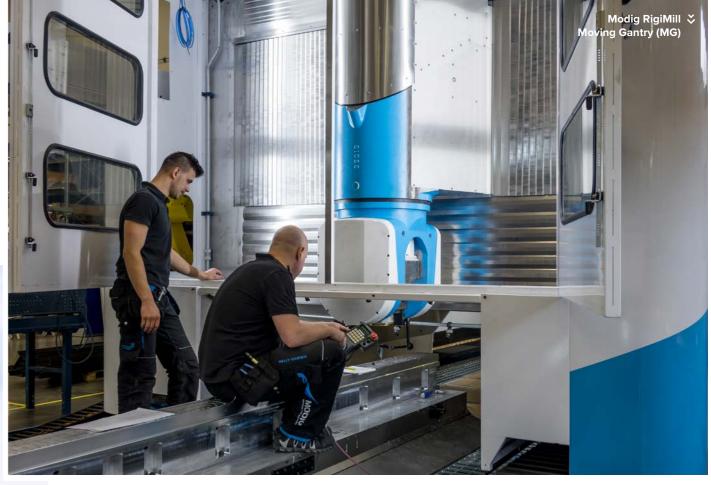
catalogue," Modig says. "Our competitors say this is what we have and this is what you get. We say if you want to tweak it or do something with it it's okay for us. That relationship is very important to us."

SPREADING THE WORD

While Modig is a favourite partner of the businesses that know it, the company isn't a large one, and what resources it has are usually channelled towards further developing products and providing value to

"WE WANT TO **BE STRONGER OURSELVES.** THAT'S THE BIGGEST ISSUE RIGHT NOW,"





with in & out feeder units Horizontal machining center

Modig HHV3 ❖

"WE DO A LOT OF TRAVELLING,

HHV

customers. This can mean that in marketing terms it's a challenge to compete with larger, more corporate competitors.

"We want to be stronger in marketing ourselves. That's the biggest issue right now," Modig admits. "Our competitors are big machine companies with thousands of employees and the muscles to market themselves, >>

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Lifetime product support.That's FANUC Service First **■**

FANUC

Service First - a lifetime promise

Service First is not just a slogan. It's a commitment to our valued customers that FANUC will provide lifetime maintenance on our products for as long as they are used, at more than 264 locations supporting 108 countries throughout the world. As long as your machine is still in service we will, whenever possible, provide you with original spare parts for it - and for a minimum of 25 years. That's FANUC.

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From individual part design and production to equipment building, Fort Engineering is able to meet our customers' expectations by understanding and adapting to their needs and standards, ensuring the project compliance.

The skills, experience and creative talent of our qualified team enable us to deliver specific custom solutions for almost any project.

We aim to provide high standards and accuracy in the entire process of manufacturing and assembly of the products and equipment delivered.

Our expertise and the geographical region benefits help us provide cost-effective and optimal end results that fulfil our partners business objectives.

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FANUC

FANUC has been helping industrial companies automate their factories for more than 60 years. Originally with NC and servo systems that helped customers achieve the highest possible precision in their production. Over time, FANUC expanded its technologies and offerings to include industrial robots and machine tools. FANUC's products are found in most industries and countries. More than 4.2 million FANUC-branded NC controls, more than 20 million servomotors and over 600,000 industrial robots have been installed in factories around the world.

FANUC is actively driving forward the digitalisation of machines. The company is building on its broad experience of using Internet-of-Things (IoT) and Artificial Intelligence (AI) solutions in its own, highly automated production sites. For example, FANUC has developed an open Industrial IoT platform named FIELD system to allow the connection of all devices and machines from all manufacturers and all generations in a factory. As FIELD system collects and analyses the data locally, sensitive production data stays in the factory without being sent to a Cloud initially.

"Service First" is FANUC's first and foremost principle. Apart from delivering top quality products, FANUC also ensures a regular maintenance and a lifelong service for all products. While FANUC's headquarters are located at the foot of Mount Fuji in Japan, the company has a worldwide service network of 264 locations serving 108 countries. In Europe FANUC maintains a European Development Centre as well as a huge warehouse and a repair factory to ensure that European customer's needs are fulfilled quickly and precisely.

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garnering more recognition. If we could do the marketing in the way we want with demo machines, showrooms and so on, then there's no limit to what we could sell, but that is the limit for us right now."

Getting the word out, and forging those new relationships that will allow the company to continue to grow, is the primary challenge Modig is facing, but will marketing may limit their reach, Modig is quick to point out that the company is more than equipped to take on the large jobs.

"That's the struggle every day.
We do a lot of travelling, talking
to the right people. When you do
that, you are pinpointing people
who know their companies," he

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♠ Percy Modig, David Modig, Kevin Matthies (Senior Vice President Global Fabrication at Spirit AeroSystems), Keith Lopez (President Modig Machine Tool US) Ribbon cutting ceremony at the new facility in Kalmar, May 2019.

says. "Our biggest customer is a large corporation and they know us; we've been with them for 20 years and it's not an issue for them. We sell them so many machines. We find connections, and the bigger the company gets the more there is to spend on marketing. But while we don't have that big a marketing budget, we can build that trust and those relationships that create word of mouth."

GROWING TALENT

That growth is continuing, with Modig recently moving to a new location and constructing a brand new, state-of-the-art machining plant. But with that growth comes the need for more people and with more people comes the need to ensure those people have the necessary skills and knowledge.

"The type of work we're doing is very technical so when we hire an unexperienced person they get trained by an experienced person, and these days there's a lot of instruction," Modig explains. "I am very to

open to staff development. It's not about the grades you have, it's about the interest in what you're doing. If you're interested in doing something you can accomplish anything. So, when I see this in someone, we bring the people further up through the company, having regular meetings with them. There's a lot of things going on."

Fundamentally, for Modig, the main way the company attracts talent is through the



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PROBLEM-SOLVING ENVIRONMENT
AND THAT'S WHAT THEY LIKE."

breadth of challenges and experiences they can offer.

"Most of the people who work here never have two days the same," he says. "It's not a job where you can just press a button for eight hours. It's a problem-solving environment and that's what they like."

It's an environment that still excites Modig today, and broaden our market and try to do some diversification away from the aerospace sector. We had too many eggs in one basket. We're now trying to focus on the automotive sector, especially electric vehicles. 2019 was a good time for us and we got many orders from the automotive sector so that's exciting for the future." •

he's looking forward to what they're going to do next. "The future is actually looking really good. We have a new machine portfolio. The last machine in this portfolio was announced in 2019, our three-year plan was put into place in January, just after we completed our last threeyear plan," he says. "We're going to increase sales and broaden our market and try to do some diversification away from the aerospace sector. We had too many eggs in one basket. We're now trying to focus on the automotive sector, especially electric vehicles. 2019 was a good time for us and we got many orders from the automotive sector so



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