Volvo Group magazine 3.2015

Time together
Creating engaging experiences to build and maintain strong customer relationships

A SAFE BET
HOW THE FOCUS ON SAFETY IS PAYING OFF

SERVICE PIONEERS
WHY CUSTOMER SERVICE IS – AND ALWAYS HAS BEEN – CRUCIAL

STOPPING COPYCATS
NEW STRATEGY TO PROTECT IP RIGHTS
We are all working for our customers

As I write, we have just presented the result for the first half of 2015. It is very pleasing to note that we are well on the way to matching our ambitious targets for the year. A great deal of work still remains and some of the effects will not be seen until next year. It is extremely important that we continue to focus on our customers, in spite of the efficiency programmes we are implementing. They, too, are ultimately designed to give the customer a better offer.

It makes no difference what role you perform at work. If you are employed within the Volvo Group you work – in exactly the same way as I do – for our customers.

Our customers come in every conceivable shape and form for a global Group with a large number of brands. They include the haulage company that carefully evaluates the total cost and earning capacity of its trucks or the excavator operator who chooses the machine that is going to generate the whole of his income in an owner-operator business. Then there is the boatyard that selects an engine supplier, the city that purchases buses or the contractor who has secured a new waste-management contract. What is more, our customers can be found on every continent. They have many different factors to consider when they select their suppliers – costs, financing, performance, specifications and other soft and hard values.

All our customers have one thing in common, however, regardless of continent or the product or brand they choose. They have decided to trust us.

This means that each and every one of us can contribute to sales by making sure that the things we do at work every day generate confidence in the company, our representatives and our brands.

The service we offer our customers is also one of the focal points in this issue of Volvo Group Magazine.
Pioneers for customers
Avoiding downtime is key to the customer’s business. This is why the Volvo Group has to keep up with changing customer needs.

Safety does not happen by accident
Safety Director Peter Kronberg talks about how the core value of safety has shaped the Volvo Group and how technological advances are now making it one of the hottest topics in the industry.

Lessons from RnD30
Since its start in 2010, the RnD30 programme has identified key areas for cutting lead times for new products. As the project draws to a close, here is a look at what has been learned and what will be carried into the future.

More than a meet and greet
From family events in Korea to test drives in the US: customer experiences play a key role in building customer relationships. Take a global tour of a few such events.

Trucks to the rescue
Trucks play a major role in transporting goods during humanitarian crises. The International Cooperation Division makes sure the Volvo Group supplies vehicles tailored for the tough conditions.

A family affair
For the Thornsberrys, some colleagues not only feel like family – they are! Four generations of the family have chosen to work at the New River Valley Plant in Virginia.
Are you keeping an eye on the compass?

I have a colleague who spends his free time devoted to renovating an old wooden boat. “With boats it’s so simple,” he says. “You mend a hole and it either leaks or it doesn’t.” It is black or white. This is in direct contrast to his workday where he is devoted to solving problems that seldom have easy answers.

This is the way things are for many of us. There are processes to follow and earlier experiences to fall back on but often we also need to face entirely new situations.

We need to dare to make decisions. That is why it’s important to understand where we are going – as a team, as an organisation and as a company.

Even if road signs are missing and the map is difficult to interpret you can at least take a look at the compass and start out in roughly the right direction. Later, it is often possible to adjust to the exact course along the way.

And here is why it is vital to talk about direction and goals with colleagues across functional and organisational barriers. This type of discussion creates understanding and engagement. Volvo Group Magazine is a complement to this dialogue, by showing both where we are going and how our colleagues contribute to getting there, every day and in many different ways.

MARKUS LINDBERG
SVP Internal Communication and Editor responsible under Swedish press law of Volvo Group Magazine

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ONE MAGAZINE - THIRTEEN LANGUAGES, THREE EDITIONS

- Volvo Group Magazine is published in 13 languages and in three different editions: Sales, Operations and Technology.
- The cover page of each edition differs – at the top of the cover it specifies which edition of the magazine you are reading.
- While most of the magazine is the same for all readers, about one-fourth of the material is edition-specific.
- This specialised content aims to give each target group more of an in-depth understanding of their respective area.
- All editions of the magazine can be read on Violin.

VGAS now open

The 2015 Volvo Group Attitude Survey (VGAS) is being conducted between 1-25 September and managers will get the results at the end of October. There are no changes in this year’s survey.

“We believe it is very important to keep the consistency and be able to track trends from previous years,” says Ulrika Jacobsson, Director VGAS Strategy and Development, Corporate HR.

A four per cent decline in the Employee Engagement Index was noted last year, which led to a number of actions.

“Our employees are the most important asset in this company and their voices are extremely important in order for us to constantly develop.”
Three cyclists from the Volvo Group took part in a 1,200 km bike ride from Lund, Sweden, to Paris in July to support the Swedish Childhood Cancer Foundation.

Helene Leht, IT Services, Niclas Karlsson, GTT, and Sussi Nyman, Group Business Areas, are part of a team of 30 cyclists and 10 service team members in Team Rynkeby Göteborg 2015 that took part in the bike ride between Sweden and France. For the past year, they have been part of Team Rynkeby, an annual Nordic project which raises money to fight childhood cancer.

“We have a really strong team in the saddle with big warm hearts and we have worked hard in an effort to collect donations for the Swedish Childhood Cancer Foundation,” said the Team Captain Sussi Nyman before setting out on the journey.

After a week’s ride to reach Paris, Team Rynkeby Göteborg 2015 and its team members from Volvo Group joined 1,450 other Team Rynkeby cyclists from various destinations across Nordic countries to cross the finishing line in Paris together.

In 2014, the Gothenburg team completed the ride despite tough conditions, including rain, strong wind and cold weather, and also managed to be part of a record-setting sum of 11.1 million SEK, together with the six Swedish teams. In total, the project raised over 44 million SEK in 2014.

On 13 September, Team Rynkeby will present this year’s cheque to the Swedish Childhood Cancer Foundation. “Our hope is that we will have a new record by then,” says Sussi Nyman.

Cycling to fight cancer

Transportation co-operation with China

Electrification, advanced safety and modular system were demonstrated when Mr Yang Chuantang, Minister at the Chinese Ministry of Transportation (MOT), visited the Volvo Group in Gothenburg in May. The visit resulted in a Memorandum of Understanding (MoU) between China and Sweden in the field of transportation, as well as an extension of the China Sweden Research Centre for Traffic safety, where Volvo Group is a partner.

“Both electrification and traffic safety are high on the agenda in China and Volvo Group has a strong reputation, not least through our joint ventures with Sunwin and Dongfeng,” says Mats Boll, Director Transport Policy, Public Affairs.
PUMP UP THE VOLUME
– Less fuel, more water

Volvo Penta and Dutch-based manufacturer BBA Pumps have partnered together on a special fuel-efficient, high-flow pump unit, used to support the widening and partial rerouting of the A1 motorway in the Netherlands.

The BBA unit pumps excess water to a reservoir three kilometres away and the pump is equipped with a 13-litre Stage IV Volvo Penta TAD1374VE engine (375 kW). BBA Pumps has used the complete range of Volvo Penta engines for around a decade, in pumps whose applications range from firefighting to sewer bypass and flood control.

“We work with Volvo Penta because they have excellent brand recognition, of course, as well as being easy to do business with,” says Henno Schothorst, BBA Pumps’ product manager.

The operators have been impressed by the unit’s performance, including the ability of the pump to work at half throttle to do the job – at 1,250 rpm, the engine provides as much capacity as the previous engine did at 2,000 rpm. Because of the success, BBA Pumps decided to include the unit in its standard product range.

SDLG excavator wins prize for energy efficiency

The SDLG LG6460E excavator was named one of the best construction products in China during an event in Beijing in April. The TOP50 award, founded by the China National Construction Machinery Association in 2006, focuses on recognising advances in equipment design that improve efficiency and promote progression in the construction industry.

The LG6460E was awarded for its energy efficiency, high power, wide variety of heavy-duty applications and ergonomic cab features. “We are very privileged to receive another TOP50 award, especially given the increased competition in the listing and its growing reputation,” said Guo Shaohua, SDLG’s Brand Communication Director.

With more than 50 national patents in China, Shandong Lingong Construction Machinery Co., Ltd. (known as Lingong), which manufactures the

Donation to earthquake victims

The worst earthquake in 80 years hit Nepal on 25 April. It measured an estimated 7.8 on the Richter scale and was felt as far as India, Bangladesh and Tibet. A second earthquake struck eastern Nepal, near Mount Everest, two weeks later. The Volvo Group donated 500,000 SEK to Oxfam for their work on water and sanitation and 500,000 SEK to the World Food Programme for food distribution to the victims of the earthquake.

“By distributing the gift in this way we will be able to support with water, sanitation and food supplies,” says Malin Ripa, SVP CSR Management, Volvo Group.
ENCOURAGING FUTURE ENGINEERS

The Volvo Group wants to show young people how interesting science and technology can be. In Sweden, this is being done through the School Step, a programme through which Volvo Group engineers visit secondary schools.

“We will need skilled engineers in the future, but unfortunately there is a widespread idea that it’s difficult to work with engineering. Through the School Step, we want to show that it’s not hard and actually quite fun,” says Karl Petterson.

He works as a team leader for a support team at Powertrain Engineering in Gothenburg, Sweden. He is also one of fourteen engineers who are visiting five secondary schools in Gothenburg in order to hold lectures on what it is like to work with engineering. Here, he is visiting Lindholmen Technical School, together with his colleague Fredrik Svensson. The whole class is present and is sitting quietly as today’s assignment is presented: program a robot together.

Eighty minutes later, the robot has performed volts, driven off the designated course and completed laps. The students’ silence is due to concentration, says Karl Petterson who is satisfied with the lesson overall – even the volts. “A big part of the work of an engineer is to identify problems, create solutions and simplify. It’s good that the students get to experience that.”

Olivia Linnerhag is in her second year in the technical programme at the school and she is happy with today’s class. “I haven’t studied programming, so it was interesting to learn about that. It’s good with lectures that give us an insight into what it looks like on the job market,” she says.

The Volvo Group’s School Step initiative demonstrates that engineering can be fun.

Cashing in on precious first prize

One lucky Mack Trucks fan walked away from the Mid-America Trucking Show earlier this year with an extra special souvenir: a handcrafted Johnny Cash commemorative Martin & Co. D-35 guitar. Ashley Stroud, a heavy-duty truck mechanic from Wilmington, North Carolina, was named the winner.

“My girlfriend got the call that we had won, but we both thought they were kidding,” Stroud said. “We ran over to the Mack booth and, sure enough, we won. The next thing you know, I was being handed that beautiful guitar.”

“The Mack Trucks Guitar Giveaway was the perfect blend of three American icons: Johnny Cash, Martin Guitars and Mack Trucks,” said John Walsh, Mack Vice President of Marketing. “We couldn’t be more excited to have someone like Ashley, a true Mack enthusiast, win the grand prize.”

100 years ago the name Volvo was first registered. An application was handed in to the Swedish Patent and Registration Office on 11 May, 1915.
Mack Trucks launched the new Mack LR model low-entry cabover refuse truck on 2 June at WasteExpo 2015 in Las Vegas. Following the customer event, Mack conducted launches for employees in Greensboro and Allentown. Mack product experts and managers used the opportunity to explain the product planning and commercialisation efforts leading up to the LR’s market entry and its importance to the Mack brand.

The LR series was designed and engineered using customer feedback to highlight key characteristics important to customers who transport refuse – outstanding driver comfort, efficient operation and exceptional visibility and safety.

The LR will initially be available in three-axle 6x4 configurations powered by diesel or natural gas.
Every day, more than 3,400 people are killed in traffic accidents around the world: this is well over 1.2 million fatalities per year. The World Health Organisation estimates that, without drastic action, the number of road traffic fatalities will increase by 45 per cent by 2030.

Since the cause of the majority of road accidents involves human behaviour, the Volvo Group has decided to work on raising children’s awareness of how to behave safely in traffic through its Stop, Look, Wave campaign. This campaign is based on activities developed by Volvo Trucks and executed since 2001 in several countries. For example, in Denmark alone, 80,000 schoolchildren have been trained in traffic safety with the help of Volvo Trucks.

"Volvo Group employees – based all around the world – are encouraged to get involved in promoting safety awareness sessions, to help children in their immediate environment understand how best to behave around trucks, buses and cars to stay safe,” says Peter Kronberg, Volvo Group Safety Director.

Turn to the last page to find out more about Stop, Look, Wave.
The Volvo Group has always been at the forefront of customer care. Twenty-five years ago, Volvo Action Service was introduced – and changed the way of helping customers. Now increasingly sophisticated solutions can even prevent breakdowns. And there is more to come.
CUSTOMER CARE HAS long been a central pillar for the Volvo Group, but ways of working within the service field are constantly evolving.

Technological breakthroughs, trends in society and new business models influence both what customers want and the level of support that can be provided.

As Senior Vice President Volvo Group Strategy, it is part of Hans Ristner’s job to identify game-changers and make sure the Volvo Group really delivers the support that customers need. We talked to him about how this is done and what to expect from the future.

What are the major trends in customer service?

“In the last twenty years, we have seen a major advancement in technology. In 1993, around 10 per cent of a car was software enabled, now it is 60 per cent. The same goes for trucks.

This has led to two major changes. Firstly, by using Remote Diagnostics we can see if trucks are about to break down and can catch them in advance. This has enabled us to be proactive instead of reactive, thus increasing uptime. Secondly, this is leveraging a lot of data, which is also helping us to develop our service offerings and increasing our customers’ productivity.”

Why is it important to know the customer?

“We now know our customers much better, we
More than two million trucks, manufactured by the Volvo Group in the past ten years, operate on roads worldwide. Efficiency behind the scenes at Volvo Group Trucks will ensure product availability for the customers. The ambitious target is set at 99 per cent.

Why is product availability so important to focus on?

"The customer buys the truck to have it on the road, not at the workshop or at the wayside due to an unscheduled stop. To have the truck running increases customer satisfaction and of course also the customer’s earning capacity. A lot of effort has been put into increasing product availability over the last couple years. It can be a real differentiator, improving our customers’ total cost of ownership and also warranty costs,” says Fredrik Högberg, SVP Aftermarket at Group Trucks Sales, GTS.

There are three key success factors to reach the objective and by that strengthen customer business relationships; avoid unplanned stops, make sure repairs are done quickly and strive to prevent maintenance through improved design and effective planning of services. Availability to spare parts is also essential to avoid delays. All of these factors require collaboration among GTO, GTT and GTS, including learning from each other.

"Global sharing of regional best practices, and all of the resulting benefits, offers further assurance that our customers have a positive service experience,” says Rich Ferguson, SVP Aftermarket and soft products, GTS in North America. “In the future, we’ll continue to see further sharing of processes and services. For example, in North America, we’ve recently incorporated the Volvo Production System and 5S, concepts we saw work in the United Kingdom and France.

We believe this integration will result in increased throughput capacity, allowing dealers to be more efficient, offering a direct benefit to our customers.”

New product ranges are a challenge to introduce in several aspects, not least when it comes to detecting and solving quality issues that may impact the high requirements on uptime. Quality Action Group, QAG, a team with specially selected representatives from GTO, GTT and GTS, is working to secure speed and precision from detecting the issue in the field up until there is a solution in place. There is also a lot of focus on proactively safeguarding the availability of spare parts.

“In the event of a back order we spare no expense at tracking down spare parts, and we fly out spare parts to any place in the world if it’s really necessary,” says Göran Eriksson, Vice President Materials Management at Logistics Services, GTO.

ANN-MARI ROBINSON

3 success factors ...

- to reach 99 per cent product availability:
  - Avoid unplanned stops
  - Ensure quick repairs
  - Optimise preventative maintenance

Is there a big difference between mature and developing markets as regards the service sector?

"Yes, in a way you can say that there is. Most importantly, in developing markets you often don’t know how they use our products, the distances they travel, the cargo they carry etc. This not only makes it possible for us to prevent breakdowns and facilitate planned workshop visits, but it has also enabled us to advice the customer on the proper configuration of the vehicle. This enables the customer to increase productivity and in many cases can help to reduce the number of variants, in turn reducing the cost of operations. And we can use this knowledge when we develop products and services.”

Hans Ristner believes that using information obtained via new technology will be key to successful customer service in future years. This already allows the Volvo Group to be more proactive in customer relationships.

PHOTO: SÖREN HÅKANLIND

Hans Ristner believes that using information obtained via new technology will be key to successful customer service in future years. This already allows the Volvo Group to be more proactive in customer relationships.

The target is 99 %
product availability

Hans Ristner believes that using information obtained via new technology will be key to successful customer service in future years. This already allows the Volvo Group to be more proactive in customer relationships.
“All of us, whatever we do, need to think of what is important for the customer. How will this product be used? Not just now, but in ten to fifteen years.”

HANS RISTNER, SVP VOLVO GROUP STRATEGY

All of us, whatever we do, need to think of what is important for the customer. How will this product be used? Not just now, but in ten to fifteen years. We must have a lifecycle focus. When one encounters a quality problem, it requires a cross-functional effort to solve it. Quality and customer care are everyone’s responsibilities.

How do the Volvo Group further strengthen its customer service?

“All of us, whatever we do, need to think of what is important for the customer. How will this product be used? Not just now, but in ten to fifteen years. We must have a lifecycle focus. When one encounters a quality problem, it requires a cross-functional effort to solve it. Quality and customer care are everyone’s responsibilities.”

Which future trends do you believe will be most important?

“The leveraging of information via new technology and the proactive nature of dealing with customers will still be in focus. This also makes it possible for us to pinpoint problems and act accordingly. For example, we are able to see if there is an engine problem in trucks that drive at a certain speed and altitude. Before, we would have had to look at all the engines.

Automation will be increasingly important in the future. Often we can learn from other businesses, since many go through the same technology shifts. IT is also increasingly important for customers. They expect to be connected wherever they are, they expect us to understand this development and have the right partners to solve their problems. The customers expect that the vehicles should be easy to integrate into their system environment. As an important player, Volvo Action Service will no doubt be dealing with such issues in the coming years.”

ALASTAIR MACDUFF

5 TRENDS SHAPING CUSTOMER SERVICE

- Telematics enables maintenance to go from reactive to preventive.
- Data makes it possible to offer industry specific services in collaboration with partners.
- Autonomous vehicles and semi-autonomous services will put new demands on customer service.
- As the transport systems increase load factors and become more integrated and sensitive to disruptions, customers will look for support to ensure uptime and productivity leveraging information across their value chain.
- Customers want to operate their own devices and will demand that they work flawlessly with our vehicles. The Volvo Groups will need to ensure interoperability and support.
“When your trucks don’t drive, you’re losing money”

Lauser Transporte has been transporting goods in Germany’s Baden-Württemberg region for 35 years. Philipp Lauser took over the company from his father, and while much has changed between the two generations, uptime remains absolutely vital.

How would you describe your business?
“I think what makes us unique is that we offer that little bit extra. We don’t just drive from A to B like all the others – we also equip our trucks with extra features to help with the unloading as well. To deliver beverages, we have trailers with collapsible side doors for easier access. We also have trucks with forklifts, which enable us to unload anywhere without any additional equipment.”

How does uptime affect your business?
“In my opinion, uptime is the most important factor when it comes to profit, because if the truck doesn’t drive, you lose money and you will lose your customers. Our customers also have to satisfy their customers, so obviously uptime affects their service. Ultimately the biggest consequence is lost income, because you’re not earning money, you’re spending money on repairs, and it’s much harder to satisfy customers with fewer trucks.”

Did you know?
1 day downtime = € 1,000 loss of revenue for the customer

What is the advantage of having a service agreement?
“Because of all the electronics in a truck, when you have downtime, you often can’t say what’s wrong. It takes time to check all the electronic parts and the result is that you can’t calculate the cost of a repair. But a contract is something we can calculate. In addition, there is less stress for us because everything is managed at the workshop.”

LAUSER TRANSPORTE
Location: Wiernsheim (near Stuttgart), Germany
History: Jürgen Lauser started the company in 1980 and originally delivered milk in the Baden-Württemberg region. Today he runs the company in conjunction with his son, Philipp.
Fleet: of approx. 50 trucks, roughly half of which are Volvo trucks
Assignments: transporting beverages and building supplies throughout Baden-Württemberg and beyond.
When Greg Williams joined the Volvo Group back in 1988, he was given a daunting challenge: establish a new purpose-built call centre for Volvo Trucks and Volvo Buses in the UK. At the time, a domestic breakdown service was outsourced, while, internationally, a number of dedicated individuals were managing an informal arrangement with other markets using one of the company’s first ever mobile phones. “It was very ad hoc and we needed something more professional,” recalls Greg, who today is CAS Product Sales & Marketing Manager, GTS. “But running a call centre was not part of our expertise at the time. We had no experience, no infrastructure, no personnel – everything had to be created from scratch.”

In 1990, a small team in Warwick, UK, set up the Volvo Group’s first purpose-built breakdown call centre. It proved to be the beginning of Uptime Solutions, which today provides 24-hour multilingual support worldwide.
Over the next couple of years, Greg put together a team and began assembling all the necessary components and resources, while simultaneously educating himself on call centre management. Their tasks included sourcing equipment such as phones, computers and desks; designing new IT systems; establishing work processes; recruiting new staff and establishing a new working environment complete with staff facilities. “It was a fascinating challenge to take on,” says Greg. “It’s a rare privilege to be given an opportunity to create something new from virtually a blank sheet of paper.”

The new call centre was based in a converted office in Warwick and was equipped with what were then state-of-the-art phones and videodisc touchscreen mapping systems, as well as voice recording onto VHS video cassettes and a purpose-built computer system based on System 38 IBM mainframes. “I recall spending quite a lot of time locked away with a computer programmer, he writing the programme, me describing what I wanted. Between us, we finally got what I thought would be a workable solution.”

On 1 July 1990, Action Service Europe (ASE) – as it was originally called – was ready to start taking calls and the switch-over was scheduled for midnight. It was an anxious wait for the first call, which came in at 1am and was taken by Peter Bryant, who continues to work at the call centre today. From that point onwards, everything went smoothly. Pretty soon, the new call centre was fielding thousands of calls and customers were noticing a marked improvement in service.

“Volvo Trucks was the first to bring its breakdown service in house, and it gave us a real competitive edge in the UK,” recalls Carl McQuistan, who originally joined the team in Warwick in 1989 in the role of call centre supervisor and later succeeded Greg Williams as manager. “Immediately, we started getting positive feedback from customers, who really appreciated getting support from people directly involved in the company rather than from an external supplier.”

The success of ASE attracted attention from Volvo Trucks’ head office in Sweden and other European markets. Based on the Warwick template, a new call centre was opened in Ghent, Belgium, in 1993. Originally housed in a small building near the Volvo Parts central warehouse, it quickly grew into a 24-hour multilingual call centre and training facility and remains central to Uptime Solutions’ operations to this day. Now the Volvo Group Uptime Solutions

“Whilst many things have changed over the years, we’ve retained a consistent focus on taking care of customer needs in the best possible way.”

Jeanette Moore, Manager, Uptime Solutions
“Even though our main job role never changes, no day is the same and that’s what I like most about being at Uptime Solutions.”

ELOISE ELLARD, UPTIME COORDINATOR

To the rescue around the globe

Volvo Action Service got its present name in 1998. Previously it was called Action Service Europe.

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NUMBER OF LANGUAGES SPOKEN AT THE UPTIME SOLUTIONS CALL CENTRE IN GHENT, BELGIUM.

Xhosa and Zulu are two of the languages spoken at the Uptime Solutions call centre in Johannesburg, which serves customers in all eleven national languages of South Africa (English, Afrikaans, Ndebele, Sotho, Northern Sotho, Swazi, Tswana, Tsonga, Venda, Xhosa, Zulu).
provides support to Volvo Trucks, Volvo Buses, Volvo Penta, Renault Trucks and UD Trucks, while additional call centres have since been opened in France and South Africa. Meanwhile, the Warwick call centre has relocated to Rugby and now takes calls for Renault Trucks’ customers as well as breakdown calls from Australia.

“The Uptime Coordinators make a fantastic team, with a wealth of experience from varied backgrounds,” says Jeanette Moore, Manager, Uptime Solutions, who is based in Rugby. “Everyone has the same mission: offer the best solution in the quickest time. Whilst many things have changed over the years, we’ve retained this consistent focus on taking care of customer needs in the best possible way.”

NATURALLY, A GREAT DEAL HAS CHANGED in 25 years, not least the technology. The original ASE team in Warwick relied on pagers and faxes and in some cases even physical maps when it came to locating dealerships outside of the UK. In contrast, Uptime Solutions now uses telematics, GPS mapping and satellite tracking.

Killy Sandhu started as a breakdown co-ordinator for ASE in 1992 and stayed for 13 years. During that time, he believes industry demands and expectations increased, but so too did Customer Solutions’ services. “When I started, our customers faced challenges like limited working hours for French truck drivers on Sundays and siestas in the middle of the day in Spain,” recalls Killy, who is now a Claims Operations Supervisor in Warwick. “But gradually each market started to understand that truck drivers and bus operators required a 24/7 round-the-clock service, which was something that was offered within the UK & Ireland. Over my 13 years, we saw a huge increase in call volume and the level of service has increased with it.”

However, while much has changed, Warwick’s legacy remains strong. “There have been some major improvements over the years, but, at its heart, Uptime Solutions still has all the hallmarks of what we created 25 years ago,” says Greg Williams. “Developing a robust process for managing calls was very important when we started, since, in a call centre, you have constant shift changes. We developed a process revolving around status points for each of the various stages a breakdown had to go through before completion, which you can still see in use today.”

CARL MCQUISTAN, WHO IS NOW based in Japan and is currently involved in establishing a new call centre for GTS, can still draw on his experiences in Warwick. “Many of the discussions we are having right now are the same as we had 25 years ago. It shows that our concept has stood the test of time. The technology has changed rapidly, the operation has gone global in scope, but at the end of the day the basic principle remains the same: supporting customers with good service, 24 hours a day.”

1988

GREG WILLIAMS JOINS VOLVO TRUCKS UK AND IS TASKED WITH ESTABLISHING THE VOLVO GROUP'S FIRST PURPOSE-BUILT CALL CENTRE.

19
first-class service

The personal face-to-face contact with a customer is one of the most critical interactions for the whole Volvo Group. Two people who excel in the art of customer service share their tips and experiences.

TEXT
Michele Latorre & Nic Townsend

PHOTOS
Miguel Bolaños & Talos Buccellati
“A dissatisfied customer represents an opportunity for improvement.”

Enrique Martinez is the owner and manager of four Volvo Trucks dealerships in south-eastern Spain, having inherited his father’s business. The current economic downturn combined with stiff competition in the region means providing good customer service is absolutely essential for survival.

“My father began selling Volvo trucks in 1974. I used to observe how he was always working in building long-term relationships with his customers. Now it is my turn. Building good customer relations requires a lot of perseverance and patience,” says Enrique Martinez.

Why are customer relationships so important in this industry?

“The relationship with our customers means everything. We can make big investments in other areas, but, if we don’t maintain good relationships with our customers, it is useless. The differentiator when it comes to choosing a product or service is always determined by how we feel we are treated.”

What are the most important aspects of customer service?

“Everything is important. Sometimes the smallest thing can turn a good relationship into a difficult conversation and make our customer upset. In this business, we all have to take care, up to the last detail, and above all be able to listen to our customers.”

How do you deal with dissatisfied customers?

“No two people are alike, so we cannot generalise when it comes to dissatisfied customers. It is fundamental to listen, do our best to understand, keep calm and focus on the long-term relationship. In my opinion, a dissatisfied customer represents an opportunity for improvement.”

Which support from the Volvo Group do you need to be successful?

“Teamwork is key and it’s clear to me that Volvo Trucks’ success in our country is based on its good relationship with its dealer network – a fact that is clearly perceived by our customers. “Recently Volvo Trucks has provided good support through the ‘Customer Company’ project, which has helped us to identify, analyse and improve our interactions with customers.”

How do you think the Volvo Group supports you in launching new products?

“First of all, we need reliability. The product has to demonstrate and prove it is from a premium brand. Customers who decide to buy a Volvo truck expect a premium vehicle and premium service – and we can’t disappoint them. As dealers, we also need Volvo Trucks to listen to our daily concerns – the same way we also have to listen carefully to our customers.”
“By the time we speak to the customer, he already knows us and greets us as a welcome guest”

Armando Gilardi is the founder and owner of VAI in Brivio and operates in the area between Lecco, Como, Sondrio and Bergamo, one of the busiest production and transport areas in Italy. Gilardi was one of the first Renault Trucks distributors in the country and in 2016 his company will celebrate forty years of association with the brand. "I love this work, which allows you to meet new people all the time," he says. One of the strengths of VAI is its relationship with hauliers, which has been firmly established over the years through constant care and numerous initiatives.

Why are customer relationships so important in this industry?

“Customer relationships are most important. I remain in contact with every customer and often visit them.

“After the truck is delivered, I call the customer a couple of times to check that everything is going well. I often organise business events and entertainment, where I even invite business owners who don’t buy Renault Trucks but operate in my area. For the past several years, I have organised a New Year’s Eve gala dinner and, when the new range was launched, I invited the leading hauliers in my area to visit a major wine cellar in Franciacorta.

“The most recent initiative was a weekend in a quarry, where I invited families as well and created a little lake in the quarry with a beach equipped with games and entertainment. This encourages the customer to come because a business event for him will be a party for his family.

“I have always been convinced of the importance of these actions, even during financial downturns. These initiatives cost money, but I believe they’re a good investment. You build a completely different relationship to the one you establish by simply talking about quotations. We do that as well, but, by the time we speak to the customer, he already knows us and greets us as a welcome guest, not a salesman.”

What are the most important aspects of customer service?

“The first is a willingness to provide a service. I always have my phone switched on, 24 hours a day, for customer emergencies. In times of need, customers need to have someone close to them. The second aspect is to stay in touch with the authorised service centres in my area. I want to know about any problems with the vehicles and I call Renault Trucks if unusual problems crop up.”

How do you deal with dissatisfied customers?

“The biggest complaint I’ve received was from a customer who complained that I delivered the truck without a full tank of fuel and failed to give him free mats. But I think he was joking.

If a customer calls with a problem I sort it out immediately, with the help of the workshops if necessary. Teamwork is important in this case.”

Which support from the Volvo Group do you need to be successful?

“I am very happy with the marketing and aftersales activities, since it supports the events I organise. The aftersales services are well organised and staffed by capable people who are always willing to work alongside the workshop if a technical problem arises.”

How does the Volvo Group support you in launching new products?

“Through teamwork with the sales and servicing network. Any action geared to developing proximity with customers is important. In this respect, I want to say that the achievements made by VAI over the past forty years are also due to Renault Trucks, which has believed in our abilities and given us the opportunity to work with its brand.”
“We have a unique opportunity to contribute”

Safety is not only one of the Volvo Group’s core values. It is also a cornerstone of the company’s product development and global social engagement. What does the future look like? Peter Kronberg, Safety Director, talks about the Volvo Group’s opportunities – and obligations.
You are responsible for the core value of safety. What does this actually involve?

“The Volvo Group’s core values represent a natural focus on the issues that characterise everything we do. Developing the world’s safest products is one way of living up to our core value of safety – others include our involvement in social issues, our active sharing of know-how and expertise and our responsibility for the safety of our co-workers. The Volvo Group’s joint core values are also what

the Volvo brand represents. It is primarily through Volvo-branded products that we make our greatest investment in advanced safety technology. But, we also have a responsibility to ourselves and to society as a whole to work on traffic safety in every part of the Volvo Group.”

The word “safety” can have many different meanings. What does it mean in your world?

“You get different answers to this question depending on who you ask. A customer buying a vehicle will probably think about the safety of the driver or other road users. But a plant or an office within the Volvo Group has to work to live up to the expectations we have set for ourselves. If we are scrutinised by others - and this happens all the time - we need to be able to stand tall and be confident we perform well in all parts of our operations. So, our core values need to characterise everything we do.”

Why is it so important for safety programmes to be run on several fronts?

“If we fail to deliver world-leading solutions, it will be difficult for us to claim that we stand for safety. At the same time, we influence the communities in which we operate. We have the knowledge – and the duty – to help to increase safety. Our involvement at a societal level opens doors. For a long time now, we have had a high profile at a high political level and this helps us to deal with important issues. We are able to influence the way transport investments are made on an international and national level, the way research funds are allocated and to ensure that future regulations generate clear-cut benefits to society. Not everyone has the chance to do this. When the Volvo Group speaks, people listen. We have credibility because, time and time again, we have demonstrated that we do things that produce proven benefits to society. But credibility doesn’t simply fall from the skies! It’s also fragile. We must never stop working with the facts of an issue or deviate from our systematic approach.”
INTERVIEW

Why are safety programmes a social responsibility for the Volvo Group?

“Our vision is to be a world leader in sustainable transport solutions and we have our core values. If we consider the challenges facing the world – many fatalities in traffic, poor mobility, climate change, it’s obvious that we need to work on these issues. We have a unique opportunity to contribute thanks to our credibility, effective solutions and expertise. Some of our markets are on their knees as a result of problems in the transport network and traffic. More than 1.2 million people die in traffic every year and 50 million are injured for life. In markets where we are looking to expand, these are gigantic problems and they are a real obstacle to social development. We have to help and we are doing this with products that contribute to greater safety and through social involvement. Good examples include our work on driver training in India, our traffic safety programme in Brazil and the current ‘Stop, look, wave’ concept, which teaches children how they should behave in traffic.”

What are the greatest challenges when it comes to working on safety in the future?

“From a commercial angle, maintaining our leading position. The more mature the technology associated with active safety, connected vehicles and automation becomes, the more generally available it will be in the industry. Creating a profile when the standard becomes increasingly similar may prove to be a challenge. From a social perspective, the challenges are enormous, as the number of accidents rises when transport volumes and urbanisation increase. In the most developed countries, traffic safety has improved dramatically during the past 25 years, but there are other countries in which traffic safety is deteriorating every year. We can help to improve things in these countries through our global presence and our knowledge.”

How can the Volvo Group’s employees help when it comes to safety programmes?

“Our co-workers may very well have applied to work for the Volvo Group because they share our values and, in this case, they are probably dedicated to the safety work as individuals. We don’t have a range of processes that govern the way we think and feel about the core value of safety as such. We are building a value platform, a culture, and it’s going to create a powerful driving force to take us in the
“When the Volvo Group speaks, people listen. We have credibility because we have demonstrated that we do things that produce proven benefits to society.”

PETER KRONBERG, SAFETY DIRECTOR, VOLVO GROUP

right direction. At the same time, we can all influence everyday decisions at every level. People can always reflect on the core values and how they impact their work. What could benefit safety, quality and the environment in my area?”

Why is it important for safety to play a prominent role in product development?

“If the Volvo Group is at the barricades shouting ‘We represent safety’ and there are competitors who are better, we won’t keep our credibility for long. We – and the Volvo Group’s products in particular – have to be at the cutting edge. Innovation and technology also generate opportunities to further improve traffic safety.”

More and more competitors are focusing on safety. What is your take on this?

“It’s only natural for them to invest in safety. Everyone wants to take the lead. We can see a tendency for our competitors to make explicit claims that they are best at safety. This is a fairly recent development and probably has something to do with the fact that, nowadays, traffic safety is more closely associated with advanced technology. However, compared to our competitors, the Volvo Group has so far taken a lead on the societal side of the issue as well. Here we have created a clearly defined niche for the Volvo Group. It’s difficult to measure exactly where we stand when it comes to safety, but we can get an indirect indication by the response from our customers and other people we meet. We are able to measure the way our brands are ranked through the Brand Tracking Survey and it shows us that the Volvo branded products are in a powerful position and that all our brands are ranked quite well in general terms when it comes to safety. But we can also see that the competition is fierce.”

How does the Volvo Group gauge its customers’ views when it comes to safety?

“Through close customer relationships of course. But we also have a method for capturing safety-related aspects. It’s a unique heritage in the form of the Accident Research Team (ART), which was set up in 1969 and investigates accidents in order to understand them in detail. This is a promise to our customers. We will learn everything there is to know about the risks our customers are exposed to. We identify the problems we need to prioritise, implement solutions, and take one step closer to realise our vision of ‘Zero Accidents with Volvo Group products’.”

PETER KRONBERG HAS SELECTED THREE IMPORTANT EVENTS IN THE VOLVO GROUP’S SAFETY HISTORY

1. THE STATEMENT THAT SHOWED THE WAY

“When our founders, Assar Gabrielsson and Gustaf Larson, said that safety is important to Volvo, they defined our company’s direction. Without it, we would never have focused on safety in this way for such a long time.”

2. A PIONEERING INNOVATION

“The safety belt is probably still the most important safety product we have in traffic. Wearing a three-point belt significantly increases people’s chance of surviving a collision compared with not wearing one. Of the truck drivers who die in traffic accidents today, the majority are not wearing safety belts.”

3. A SYMBOL FOR THE FUTURE

“There, I’d like to highlight the Accident Research Team, our safety cab from 1977 and airbags in trucks… the list is incredibly long. But as a symbol for the future, I would choose the Volvo Safety Concept Truck. It pointed the way to an imminent paradigm shift in traffic safety development – advanced technology and connected, automated vehicles.”

PETER KRONBERG
Title: Safety Director Volvo Group
Age: 36
Family: married
Background: graduate engineer with a degree in mechatronics and intelligent machines. He has a background in research and development and has worked on safety-related issues in different roles within the Volvo Group.
Leisure interests: sport – especially ball sports. I enjoy playing golf when I get the chance. Also, I have several different small hobbies. They frequently involve building things. I make furniture and I am shortly going to start work on building a cottage.
GATHERING THE R&D STRENGTH

In 2010, RnD30 was initiated in the Volvo Group. It aims to cut costs and improve efficiency within product development by reducing lead times and creating a more balanced product portfolio.

TEXT INGRID JOHANSSON
ILLUSTRATION PETTER LÖNEGÅRD
PHOTOS STEFAN EDETOFT
“We are in a competitive market – always aiming at a moving target.”

Anders Ydergård, SVP Process & IT, GTT

Given the ever-increasing competition in the automotive sector, a flexible, adaptable structure for research and development is the key to the effective product development needed to meet complex demands from different markets.

Historically, the car industry has been at the cutting edge when it comes to technology development, but the call for faster development and new products is also being stepped up in the truck industry.

“The constant competition can sometimes feel really challenging, but, when the results are seen in sales figures and income, it is simultaneously very stimulating,” says Anders Ydergård, SVP Process & IT at GTT and process manager for Product Development at the Volvo Group.

In 2010, the Volvo Group therefore introduced the RnD30 programme to cut costs and improve efficiency within product development, by reducing lead times and creating a more balanced product portfolio.

“THERE ARE A NUMBER OF ACTIVITIES that are critical in a product development project, so, by making them more effective, we can cut the total project time. This is the idea behind RnD30,” explains Anders Ydergård.

The programme has identified a number of key areas for cutting lead times.

“To launch new products in time with the right quality, the right cost and the right features, you...
This is RnD30

Started in 2010, after a pre-study in 2009. The aim was to cut costs and improve efficiency in research and development.

- The target is to reduce costs in product development projects by 30 per cent. (Lead times are going to be cut by 20 per cent, while the product portfolio will be optimised by 10 per cent.)
- All the Group’s product development divisions have been involved in the project (Group Trucks, Volvo Buses, Volvo Penta and Volvo CE).
- Important components include managing knowledge, the product portfolio and concepts, lean innovation, verification and tests in different phases.
- The RnD30 was completed in June 2015 when it was brought to the line in Group Trucks.

So what drives the technology development?

"Right now, technology development is really fast, driven largely by electronics and software. We are following developments by collaborating with our suppliers, for example. It’s important to continue developing and acquiring know-how, as well as managing, capturing and re-using the knowledge we acquire," says Anders Ydergård.

As the Volvo Group sees it, it is a question of optimising its product offer, while ensuring that the projects that are run are the most profitable.

“There’s constant interaction between the market and society’s needs, between the driving force that propels us and ensuring that products can actually be produced. We are making increasing use of simulation rather than testing physical vehicles, thereby reducing lead times and cutting costs.”

THE FINAL PROJECT IN THE RND30 programme has now been completed and transferred to the line. Work on improving efficiency and cutting lead times will continue in the different companies and in joint forums like DCP Governance (Develop Product and Aftermarket Product Portfolio), with common tools and working methods. “I sense a growing understanding of the fact that we are operating in a competitive market and that our work must be driven through continuous improvement. We don’t necessarily need to work harder, but we must be smarter in the way we work and think differently. We can’t simply sit back. We are always chasing a moving target,” says Anders Ydergård.

need stable products that have been thoroughly tested. The starting point is a verified concept based on mature technology. All the knowledge in the project has to be fed back so that it can be re-used. The product portfolio must be linked to the product strategy and the strategic objectives,” says Anders Ydergård.

Anders Ydergård emphasises the importance of RnD30 for the Volvo Group to offer its customers a more extensive product range, developed faster and at a lower cost.

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Anders Ydergård emphasises the importance of RnD30 for the Volvo Group to offer its customers a more extensive product range, developed faster and at a lower cost.
“I see many good examples where we have been able to learn from each other”

**PELLE BOKEDAL**  
**VP Core Values, Processes and Systems, Volvo CE**

Pelle Bokedal has led the RnD30 programme at Volvo Buses, but he is now working with Volvo CE, which he describes as something of a benchmark within the Volvo Group. Several of the Volvo Group organisations have applied Volvo CE’s methods internally. Volvo CE has had a very stable implementation of projects. Between 2012 and 2015 the QDCF metric, which measures quality, delivery, cost and features, rose from 54 to 89 per cent.

“Product quality has also improved, which means in concrete terms that uptime for our customers has improved. We use the **DMAIC** improvement model both in the field and in production, which means that we can solve problems faster. Naturally, quality is a core value which we should never stop focusing on.”

Volvo CE Technology is also working with continuous improvements according to the Operational Development (OD) concept, which has saved over 80 million SEK per cycle over the past two six-month cycles.

“Most importantly: through RnD30 I see many good examples where we have been able to learn from each other within the Volvo Group,” says Pelle Bokedal.

* DMAIC is a model for improvement projects that are grounded on the 5 phases D (Define), M (Measure), A (Analyze), I (Improve) and C (Control).

“Cross-functionality is a must for success”

**ELIZABETH HARRINGTON**  
**Senior Project Manager, GTT**

“For Group Trucks, the RnD30 programme has resulted in a change of mind-set when it comes to cross-functionality. The engineers, purchasers and the manufacturing side have been working together in the early stages of a project in order to reach stable C releases – the point in the project when it is possible to invest at suppliers and when the plants prepare for industrialisation. “Communication, expectations and objectives – it’s crucial for everybody involved to communicate and synchronise expectations and objectives,” says Elizabeth Harrington.

To achieve this “the stable C-release checklist” has been used. It describes what each person needs to do to make the C-release stable, helping the team to focus on one common objective.

“Mindset change is never easy. For us in North America, it took a major mindset shift to drive a huge process change. We evolve every day to find the best way to drive cross-functional work without causing meeting overload and to ensure all functions are involved at all levels,” says Elizabeth Harrington.

“It is important to obtain as much knowledge as possible early in a project”

**PETER FRANZÉN**  
**Chief Project Manager Electric Hybrid, GTT**

“Communication, customer focus and the early involvement of suppliers have been the formula for success for Volvo Buses’ electric hybrid project. The project has run in parallel with RnD30 and, along the way, some of the programme’s working methods have been adopted.

“Through this parallel approach in the initial stage, we become more confident that what we are developing can really work on a larger scale and we can fix any teething problems. The customers in this case are operators, but they also include politicians, city planners and electricity companies,” says Peter Franzén.

The focus has been to achieve what in RnD30 is called a verified concept. This also applies to suppliers, such as Siemens, who supply and install charging stations.

“It is important to obtain as much knowledge as possible early in a project, so we want to involve suppliers who are in possession of a lot of knowledge that we don’t have,” says Peter Franzén.

Communication within the project has taken place through regular so-called pulse meetings with various stakeholders present. This means following another important RnD30 principle, namely making problems visible by visualising the work flow.
All over the world, the Volvo Group designs engaging experiences for its customers. These face-to-face meetings open up for inspiration, build trust and strengthen relationships.

NRV CUSTOMER EXPERIENCE TRACK

Mike Tate, Transportation Manager for K-VA-T Food Stores, is a frequent visitor to the Volvo Group Trucks Operations New River Valley plant. His company operates the 40th largest supermarket chain in the US, along with drug stores and fuel stations, and has a fleet of 82 trucks made up exclusively of Volvo day cabs.

“I love bringing people to the plant so they can see how the trucks are built,” Mike Tate says. “We’ve
been buying Volvo trucks for more than 25 years and I have friends here. It’s been a great partnership.”

On his most recent visit, Tate brought along one of K-VA-T’s drivers, Art Lowe, to check out NRV’s new test track. Officially named the Customer Experience Track, it is actually two separate tracks: a 1.1-mile paved road course where drivers can reach highway speeds and a smaller off-highway course with more rugged terrain, built inside the longer track.

Since it was completed last year, the Customer Experience Track has been used for pre-delivery inspections – reducing traffic on the local interstate highway – and for customer events. Because it is a closed track, drivers do not need a commercial driver’s licence to take a test drive.

Marcus Thompson, NRV Inspiration/Communications Manager, says more people are visiting the plant today than at any time in its history – close to 700 in one month earlier this year. For the North American trucking industry, NRV tours have become a selling point for the brand – a key part of the “full Volvo Trucks experience”.

“A DRIVER FOR 30 YEARS, 22 of them with K-VA-T, Art Lowe does not need to be sold on Volvo trucks. “They handle well, and work great in snow,” he says. “They amaze me the way they go. And of course you can’t beat a Volvo for safety.” Now, with the test track, Lowe says, more people can get behind the wheel and see for themselves what a Volvo truck can do.

“I love bringing people to the plant so they can see how the trucks are built. We’ve been buying Volvo trucks for more than 25 years and I have friends here.”

MIKE TATE, TRANSPORTATION MANAGER AT K-VA-T
THE NEW VOLVO TRUCK RANGE

CUSTOMER EXPERIENCES

VOLVO DEMO CENTER

VDC in Gothenburg, Sweden, is one of the epicentres of the Volvo Customer Experience. A large complex at the heart of Volvo Group headquarters offers visitors guided tours showing the history of the Volvo brand, as well as the technology behind the trucks. Customers also get the chance to drive the latest truck models on the private test circuit, which is exclusive to invited guests.

A delegation from the Russian retail giant Magnit recently enjoyed the Demo Center experience, as part of a visit to various key Volvo Group locations in Sweden. Magnit is the largest retailer in the Russian Federation and owns a fleet of over 6,000 trucks. Oleg Sidnin is their Head of Transport and greatly appreciated the visit. “We have learned so much by being here. The customer experience allows us to see what Volvo stands for, its philosophy. Everything is so well-organised. It was a new experience for me to drive the trucks. It took a bit of getting used to but felt very safe. It is our first time in Sweden and we are very happy we came.”

ALASTAIR MACDUFF

VOLVO WORLD GOLF CHALLENGE

This is a popular golf tournament for Volvo Group’s customers. In 2014, Volvo dealers in over 40 countries hosted around 500 events, with close to 70,000 participants.

The national winners qualified to compete in the World Final, which took place this year in Shanghai in April.

One of the participants was Raymond Hassarati from Sydney, a Volvo Trucks and Volvo CE customer for many years. “Our Volvo contacts have always treated us like family and that is even more the case here at the World Final. That relationship really is fantastic. To be here playing in this amazing event makes me feel very special – it is just the greatest experience.”
VOLVO IN GOLF

In 2014, the Volvo Group announced its altered golf sponsorship strategy, with the focus shifting from organising and sponsoring professional tournaments to greater interaction with its many golfing clients. The event consists of various activities such as a drawing contest, quiz and talent competition.

CORPORATE EVENTS

Volvo World Golf Challenge is one of the most inclusive global golf series in the world, with around 70,000 clients from almost 40 countries taking part each year.

Volvo Pro Golf Invitational – a new series of golf days for selected key markets, targeting Volvo Group’s most valued customers that play golf – combined with an extensive business programme.

PROFESSIONAL EVENT

Volvo China Open
The Open Golf Championship of China

South African Marius Noppe, a Volvo Trucks customer for 11 years, adds:

“Playing golf, you become friends, which benefits both parties – and that’s what business is about today, knowing each other. Volvo has good products and always helps us – a great partnership.”

Market representatives were also on site.

“The Volvo World Golf Challenge is a great opportunity to create new ambassadors. This is a once in a lifetime experience that our customers share afterwards and they really appreciate it,” says Pablo Hurtado, Director Commercial Trucks, Argentina.

After two days of competition, Zhong Pengchi from China was crowned World Champion.

On 17 May 2015, Volvo Trucks Family Day was held in nine locations across Korea. In total, around 1,400 customers and their families participated in this relationship-building event.

Participants enjoyed an exciting programme that included sports and various other recreational activities such as a quiz and a talent show. Children were also invited to draw a Volvo truck as part of a competition that took place at every event site. The prize for the best drawing was a bicycle, symbolising the core value of environmental care.

“It’s the third time I participated in the event and this year I spent another wonderful day together with my wife and two children. We have great memories thanks to Volvo Trucks. My children are so proud that their father drives a Volvo truck after joining this event,” said Taewook Ha, who took part in Family Day in the Gimhae area in the south.
A STRATEGY AGAINST COPYCATS

Piracy is a continuous threat to the Volvo Group, but a new strategy is designed to better protect Intellectual Property (IP).
If left unchecked, piracy can cause irreversible harm to the whole Volvo Group. Counterfeit parts and infringements can quickly damage a brand’s reputation and lead to lost customers. They undermine aftermarket businesses and negatively impact the Volvo Group’s profitability. Significant resources are invested in product development and marketing, to ensure each brand represents a high level of quality and performance, and Intellectual Property (IP) rights are vital to protecting this investment.

In the battle to protect the integrity of the Volvo Group’s brands, Volvo Group Intellectual Property (VGIP) is equipped with an extensive portfolio of IP rights including patents, designs and trademarks. However, the battle is global in scope and is being fought on multiple fronts.

“At a recent trade show in Istanbul, we found 71 different exhibitors, each with at least one infringement,” says Niels Lagerkvist Lehmann, Trademark & Design Counsel, VGIP.

“Since there are so many, we have to prioritise and choose which to act upon,” adds Susann Vahlenbreder Hecht, Senior Legal Counsel IP and Head of VGIP Trademarks, Designs & IP Enforcement. “We have to decide which are the most serious cases.”

So what makes one case more serious than another? Are some IP rights more important to protect than others? It is questions like these and a number of other aspects that have led to the development of a new IP strategy, for the Volvo Group. “Previously, we had no common methodology when it comes to IP strategy,” says Anna Bjerkelund, SVP Legal & Group IP, GTT. “With this new strategy, we have now aligned IP protections and other IP work with our overall business plans. In the current Group IP strategy the new methodology has been applied in certain pilot areas, but over time the IP strategy will cover all our products and main technology areas.”

“Taking action is not optional. We invest a lot in developing new technology, so we need to enforce our IP rights.”

Niels Lagerkvist Lehmann, Trademark & Design Counsel

By syncing IP strategy with commercial strategies, the Volvo Group will be able to ensure that IP activities are concentrated in the right areas and the protection is focused on what is commercially most valuable. “We shouldn’t measure the number of IP protections,” adds Anna Bjerkelund. “We need to focus on quality and not quantity when it comes to registering and protecting IP rights.”

Plan, Create, Extract – this is how Henrik Olsson, Global IP Director and Head of VGIP – Patents & IP Strategy, summarises an enhanced way of working based on the new strategy. “The first step is to plan and acquire a strategic view, so that our IP strategy is
dependent on our other strategies, such as the Volvo Group Technology Plan, market plans and business plans,” says Henrik Olsson. “The second step is to then put the resources in place to create the IP rights we need and, finally, we have to ensure we are using those rights to extract value.”

**ONE IMPORTANT WAY** to extract value is by enforcing IP rights. This includes forcing a violator to cease and desist from further commercial exploitation, seizing infringing goods or claiming damages — all done in collaboration with local authorities and through litigation in court. Every year, the team at VGIP – Trademarks, Designs & IP Enforcement – receives countless reports of infringements from across the globe and it is up to the team to support the investigation and subsequent actions. In addition, they also visit the industry’s main trade shows and exhibitions and actively seek out offenders.

“When we get a report, we have to assess whether or not we should act upon it, and which action to take,” says Susann Vahlenbreder Hecht. “This will be easier with the IP strategy, since it is intended to help us identify which IP rights are important for creating value for the Volvo Group.”

The Volvo Group’s brands are distinguished in their respective industries and each represents a unique and strong asset, so each has different priorities when it comes to IP rights. “VGIP treats all brands equally and, together with Brand Management, we ensure that the various brand distinction strategies are reflected in the various brand IP portfolios,” says Niels Lagerkvist Lehmann. “For example, Mack Trucks has certain highlighted parts that are brand distinctive from a visual perspective, while Volvo

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**SUSANN VAHLENBREDER HECHT, SENIOR LEGAL COUNSEL IP**

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"The new IP strategy will help us identify which IP rights are most valuable and which infringements we should act against."

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**VOLVO GROUP IP PORTFOLIO – THE NUMBERS**

- 10,000 patents
- 2,500 design protections
- 2,000 trademarks

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**CAN YOU SPOT THE FAKES?** Susann Vahlenbreder Hecht and Niels Lagerkvist Lehmann show off a mixture of genuine and counterfeit parts.

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**PATENT INNOVATION**
IP value models

All Intellectual Property (IP) protections need to create value for the Volvo Group and, as part of the new IP strategy, all applications for IP rights need to fit into one of the following IP value models.

- PRODUCT EXCLUSIVITY: IP protection for maintaining brand differentiation and preventing competitors from producing copies.
- AFTERMARKET EXCLUSIVITY: IP protection for parts against counterfeiters in order to secure the spare parts business.
- LEVERAGE: IP protection that secures knowledge and control of technology in relation to third parties, such as suppliers.
- LICENSING: IP protection that enables the Volvo Group to license technology and generate licensing revenue.
- LIBERTY: IP protection that ensures that the Volvo Group is not hindered by competitors’ IP portfolios.

Trucks has other parts. This helps us prioritise when evaluating cases.”

Having an IP strategy is also important for building a long-term view of which IP protections create value. “Many design registrations are unexamined rights, meaning that they can only be validated in a court case,” adds Lagerkvist Lehmann. “The outcome of a possible court case will guide us so that we know for the long term what we should be protecting in the future.”

As long as the Volvo Group continues to boast renowned brands and industry-leading products, it will be targeted by pirates. However, the new IP strategy is an important first step in ensuring that efforts to combat piracy are co-ordinated and optimised for maximum protection. ☛
The Volvo Group plays an important role in international relief efforts, by supplying reliable trucks that can be used in challenging circumstances. Since its foundation in 2012, the International Cooperation Division, part of Governmental Sales, has been working with customers like the United Nations and the International Committee of the Red Cross (ICRC).
For organisations working with humanitarian assistance in poor and perhaps war-torn countries, reliable transportation is crucial. “We answer tenders from these organisations,” explains Franck Dupuy, After Market Manager and Customer Service in International Cooperation. “With our trucks and our local networks, they can continue their work, whether it is promoting peace, bringing food or more generally ensuring the well-being of populations in difficult situations.”

International Cooperation’s customers include governments, but also non-governmental organisations like the International Committee of the Red Cross (ICRC), as well as UN agencies such as the World Food Programme. These organisations often operate in poor countries with a very limited infrastructure. This obviously means that they are highly dependent on the trucks being robust and easy to maintain. “Our customers expect reliable products with a reinforced frame and body, adapted to use in rough environmental conditions,” says Sandrine Ruault, Key Account Manager Governmental Sales.

The International Cooperation team therefore works hard to really establish what the specific needs are in every case. “We ask them the type of goods they’ll be transporting, the volume, the country, if they will be driving on road or off road, the type of climate and so on,” details Sandrine Ruault. “When we discovered that the weather in Afghanistan can be very hot, like 40-50°C, but also very cold, we suggested the appropriate truck.”

THE VOLVO GROUP SERVICE NETWORK is also widely used by International Cooperation customers, because they need to ensure the availability of spare parts, however remote their trucks are: “If the Group doesn’t have a team in the country, we use our network in the neighbouring countries to make sure that the part gets delivered. Our customers...”

**KEY FACTS ABOUT INTERNATIONAL COOPERATION**

- **Team:** Six Key Account Managers, one Sales Director, one Business Controller, one Aftermarket Manager, one Sales Administrator – based in Paris, Milan, Gothenburg, Lyon and Tokyo
- **Main clients:** UN agencies, NGOs, manufacturers of firefighting superstructures, Ministries of Interior and government authorities in countries like Chile, Algeria, Morocco and Vietnam
- **Sales volume:** 303 trucks sold in 2014, which represents a 26% increase on 2013
- **Products:** Renault Trucks Kerax, Renault Trucks D Range, Volvo FMX, Volvo FL, Volvo FE and Volvo FM
- **End destinations:** Chile, Algeria, Morocco, Tunisia, Vietnam, South-Sudan, Benin, Kenya, Chad, Liberia, Congo, Afghanistan, Ivory Coast, Mali and more
really appreciate having the support of our services, whether it is for training, technical assistance, maintenance or the supply of spare parts.

THE SPARE PARTS CAN ARRIVE via two different channels. Either the customer asks the International Cooperation Aftermarket Manager, who can then order them and make sure they arrive speedily. Or the spare parts are directly purchased by the customer in the country, via the dual Volvo-Renault Trucks networks. When asked the best thing about working with International Cooperation, Franck Dupuy replies: “Our customers are very interesting people who have travelled a lot, whether in Lebanon, in New York or in Rome. It is great to be able to share their experience”. “They are humanists,” adds Sandrine Ruault. And Franck concludes with a smile: “And knowing that they have such noble missions makes us even prouder”.

Does the ICRC need its own vehicles? “Our organisation works in war situations, which often means that local infrastructures have been destroyed or are non-existent. In some cases, the use of private transport companies can jeopardise the neutrality and impartiality of our organisation, which is why we need to maintain a fleet with trucks and light vehicles.”

What products have you purchased from the Volvo Group? “The ICRC is using all-wheel drive Kerax and 6x2 Midlum, and we have recently purchased a dozen 4x2 T460 with semi-trailers. Our Renault Trucks fleet is used in South Sudan, Kenya, Sudan, DR Congo, Ivory Coast, Chad, Central African Republic, Niger, Zimbabwe, Georgia, Jordan, Iraq and Israel. The ICRC has been a Renault Trucks’ customer for more than 12 years.”
One of International Cooperation’s customers is the World Food Programme (WFP), which provides access to food in the world’s poorest countries. Its trucks play a key role in reaching people in emergency situations. Many of their trucks are Renault Trucks vehicles, which carry food supplies under the most extreme conditions. To help the WFP carry out its missions, Renault Trucks deployed a mobile training unit in five Central and East African countries from October 2012 to March 2013, in order to train 40 WFP mechanics in the most advanced maintenance techniques. A Renault Trucks Kerax 6x6 that had previously been used in three Dakar Rally campaigns had been converted into a mobile training unit.

”The success comes from long-term relations”

Governmental Sales, with some 1,200 co-workers, is the Volvo Group Business Area specialising in selling military and logistics vehicles to governmental departments, aid organisations and tenders supported by the World Bank, the United Nations’ international financial institution. The current sales turnover is some SEK 5 billion.

“The typical customer for Governmental Sales is a military department at governmental level that operates the vehicles. This means that we need to be professional in our relations and understand the use of our products. We also have a special sales force, International Cooperation, dealing with UN and various aid organisations. Also here the success comes from long-term relations,” says Håkan Karlsson, Executive Vice President Group Business Areas.

The industrial footprint is based in France, which is also the largest market for Governmental Sales. Business is also growing in the USA, Australia, Middle East and Africa. Other Group production facilities and aftermarket networks are utilised to produce and service vehicles for Governmental Sales customers according to specific needs and requirements.

What characterises Governmental Sales?

“There is a large difference in developing this business compared with trucks and construction equipment. There are mostly public tenders, long contracts including hard and soft products and also a significant part of product development. In order to be successful, you need to establish long-term relationships with your customers. As a Group, we need to be skilled in handling the tender process in a cross-functional way to secure competitive offers and we must also be selective in our offers and adhere to the Volvo Group Code of Conduct,” says Håkan Karlsson.

ICRC

- **Full name:** International Committee of the Red Cross (ICRC)
- **Founded:** 1863
- **Headquarters:** Geneva, Switzerland
- **Activities:** The ICRC helps people affected by armed conflicts, including by providing food and medical aid, visiting detainees and tracking down family members who have been separated. The organisation was awarded the Nobel Peace Prize in 1917, 1944 and 1963.
An innovative trainee programme is attracting new talent to Volvo Polska. But mentoring and development opportunities at work are also factors that explain why this is one of Poland’s most popular employers.
MARTA ZBANYSZEK HAS only worked at Volvo Polska for around a week. She has just become the junior HR administration specialist at Americas & Global Deliveries department, which handles personnel matters for the Volvo Group in the United States. Prior to this, she had a two and a half month long internship in the HR department at the Volvo Buses plant in Wrocław. She felt that she wanted to stay within the Volvo Group – and this is exactly what she did.

When describing what makes a good employer, Marta says that all company employees must be met with the same respect, no matter what they work with. There should also be opportunities for development and a good atmosphere in the workplace.

“As an intern, I was the lowest in the hierarchy, but I was treated with the utmost respect from the start. I have worked with some employers before this but this was the first time I had experienced such a thing,” says Marta.

Every year, 60-80 people join the Volvo Group’s trainee programme in the Polish city of Wrocław.

“We are working closely with a number of colleges and universities in the region,” explains HR Manager Bozena Michońska.

“Many people apply for an internship with us, not least because approximately half the 60-80 trainees we take in each year are offered a job afterwards,” says Bozena Michońska.

Being an intern at the Volvo Group is a question of not just developing skills but also understanding what constitutes the Volvo Group’s culture. When she recruits, Bozena Michońska does not simply look at a person’s formal skills.

“A super specialist that is too individualistic and who does not share our values would not have much of a chance of getting a job with us, even if that person had good formal qualifications,” says Bozena.

Volvo Polska is also implementing several programmes helping employees develop in the workplace, which is something Łukasz Wieloch really appreciates. He has worked at Volvo Polska for three years, one and a half of which were spent as head of a department which managed personnel matters in different parts of the Volvo Group in Sweden.

“Under the guidance of an experienced supervisor, you can learn about and become familiar with areas other than those you are currently working in. This offers a broader perspective and perhaps a chance to discover something that you would like to switch to.”
This facilitates flexibility and mobility within the company,” says Łukasz.

He has also participated in the ‘Exploration of Emerging Leaders’ programme, which he really liked. “It was something new, so at first I was a little unsure, but it turned out to be an amazing experience. A group of young people coached each other, got to know each other and shared their knowledge and experience, in preparation for future leadership roles.”

Both Łukasz Wieloch and Marta Zbanyszek emphasise how important it is to develop interpersonal skills. They have many contacts with colleagues in other countries, mainly in Sweden and the USA. “The documents we work with are clearly the same within the whole Volvo Group, but it is important to interpret them correctly. We are dealing with other cultures, laws and time zones, providing fantastic opportunities for the exchange of expertise,” says Marta Zbanyszek.

**THE VOLVO GROUP, INCLUDING** Volvo Polska, is in a transformation period with several structural changes, one of them being the discontinued production of Volvo CE backhoe loaders in Poland, affecting approximately 150 employees. Being a good employer involves trying to support people in finding new jobs.

“When other employers in this region heard the news, we started receiving calls from other companies interested in hiring our staff. This is definitely a recognition of how skilled our employees really are,” says Bozena Michotiska.
Four generations in New River Valley

When Eric Thornsberry Jr. started working at the New River Valley Plant in 2014, he was the fourth generation of his family to do so. “It already feels like home,” says Eric Jr. “It’s still work but most days you have a good time doing it.”

Eric Thornsberry Jr.’s great-grandfather first joined the plant in 1975 when it was the White Motor plant in Dublin, Virginia, starting a family tradition that has lasted 40 years. Today, Eric Jr.’s father, Eric Thornsberry Sr., is a Team Facilitator on the engine line and Eric Sr.’s two brothers also work at the plant. “This has always been a good place to work,” he says. “Your opinion matters here and, as a facilitator, I have input into how the work is done.”

In 2013, Eric Sr.’s wife Ellen Thornsberry joined the NRV Plant as a flat top kitter. She had held several other jobs in the automotive industry before joining the company but she says the Volvo Group stands apart. “Everyone is treated the same, regardless of your age, or gender or the kind of work you do. It’s one of the best things about working here.”

Second-generation New River Valley Plant worker Homer Thornsberry has now retired after 31 years of working at Dublin plant. He himself originally signed on to work at the plant in 1977, through a recommendation from his father-in-law. He is proud that new generations of his family are also part of the Volvo family. “This company gave me the life I’ve had and made me who I am today,” he says.

JANICE KIZZIAH
1. Why is there a Mobile Core Team?
   "Mobile devices, including smartphones, tablets and wearables, are globally taking over from laptops and computers as the preferred way to research, purchase and interact. A wide range of different mobile services are available today and more keep coming, including many from the Volvo Group and its different brands. The Mobile Core Team was created to provide a central hub for co-ordinating mobile activity, which will only continue to grow in the coming years."

2. What opportunities does mobile technology offer?
   "On one side, business opportunities are being created by all the data that is acquired through connectivity, which can be translated into improved knowledge of our products and how they are used. Mobility is already improving our services by enabling customers to optimise total cost of ownership, find dealers and obtain operating instructions on the go, to name just a few examples. On the other side, there are also opportunities to optimise our own internal operations, by enabling colleagues to perform tasks, access real-time information and interact with each other, whenever and wherever. Regarding opportunities, we could go on and on!"

3. Why is co-ordination needed?
   "At the moment, we have quite a scattered approach across the Group. Great mobile initiatives are launched, but we think these can be further leveraged and increased collaboration can optimise usage. For example, there are around 200 mobile apps published for one of our brands. How will customers know which one to download? Each brand, function and process is naturally responsible for setting and executing its own mobile roadmap, but through consistent and cross-functional co-ordination, we can be far more efficient, provide greater user experiences and decrease time to market."

4. What can the Mobile Core Team offer?
   "Our mission is to work proactively as a business partner within the Group in the mobile context. We provide guidance about various topics, from brand experience aspects to publishing standards, as well as mobile intelligence on trends and user behaviour. The team consists of specialists and experts from various business entities and corporate functions and is headed by the IT Services Solutions Delivery Unit."

QUESTIONS TO CAROLINE FRANSSON
Digital Brand Director – Portfolio Brands and member of the Volvo Group’s Mobile Core Team

Mobile Core Team has a clear mission: to align all mobile activity within the Volvo Group. “Mobility is more than a buzzword – it is a global revolution that we simply have to join forces to capture,” says Caroline Fransson.
To find out more, search for mobile core team on Violin.
Dhruvajit draws a crowd

When Dhruvajit Sarma started drawing cartoon strips for the newsletter produced by his Volvo Group department in Bangalore, India, his colleagues quickly got the message and he has now become something of a local phenomenon.

What got you started on using illustrations, cartoons and logos in your working environment?

“The Phantom’ and ‘Mandrake the Magician’ comic strips that used to feature in the local daily newspaper during my childhood days still inspire me to this day. I was a part of a school magazine committee too.

However, the inclination to use cartoons and logos only increased after I completed my Master’s in Business Administration, wherein I studied Brand Management in great detail. The concepts behind logos, cartoons and advertisements are so fascinating. And, ever since, I have never missed an opportunity to work on them.”

Where and how were your cartoons first published?

“The name of the newsletter that publishes them is ‘In Touch In Tune: SAP India Newsletter’. It is published within the India SAP Department. A few months ago, the idea of including a cartoon strip was considered in order to increase readability. It has been the motivation from the Department Manager and Line Managers that has kept the flow of cartoons going.”

What is the philosophy behind your illustrations?

“Most of the time the subject is just an impulsive decision. I try to depict something that is perhaps the focus of much attention at my workplace at that point in time.

Sometimes if my cartoon strip brings some issues and discussions to the fore, or perhaps helps to communicate a message or directive from higher up to other parts of the organisation, then it’s mission accomplished for me!”

What has been the reaction of colleagues/readers to your work in the monthly newsletters?

“So far I haven’t faced any opposition to any of the illustrations and they have received their due credit. There is a little truth behind the sarcasm and a little information behind every humorous line. It feels good when I hear people discuss the comic strips over a cup of coffee.”

ALASTAIR MACDUFF
Jessica Bai

“Strong roots and a diversity of leaves”

I feel that a company culture is the DNA or the soul of the organisation. Personally, I think that the Volvo Group’s culture is very inspiring, attractive and unique. It is a bit like glue – it keeps people working very closely with each other. The glue has various ingredients: trust, respect, passion, seamless co-operation, friendliness, openness, energy, humour, fun, result driven, creativity, diversity, accountability, happiness…

Everyone knows that the Volvo Group is a global matrix organisation. To work towards the goals and objectives quite often requires us to work with people from different countries, different global functions, divisions and business areas. Sometimes we have opportunities to meet with other colleagues in person when we work together and it’s also quite often that we do not have the opportunities. Even though we may have worked together for years through email or Lync, we may not even know what the other person looks like. The person on the other side of the Lync meeting may be of different nationality, ethnicity, age, religion, lifestyle and in a different time zone, but that does not block smooth communication. What enables us to have this smooth communication and seamless co-operation is our common core values.

If I take a tree as a metaphor for a company, the roots of the tree are like the company’s culture; the trunk of the tree is like the company’s strategy, objectives and operations; the branches are like small teams and the leaves are like people. If the roots are very strong, positively positioned and deeply grounded in the earth, the trunk of the tree is normally very strong and has the potential to grow to be very tall. It is very important that the company culture and strategy are fully aligned.

Each leaf is unique, different in colour and shape. The diversity of leaves makes the tree more lively and beautiful.

Personally I feel that the Volvo Group culture is very well aligned with most people’s core values, it unites us to work closely with each other. In the meantime, it also enables diversity and appreciates and respects the unique colour and shape of each leaf.
As a company committed to safety, the Volvo Group has decided to work on raising children’s awareness of how to behave safely in traffic through a global campaign. It is based on three vital ingredients: Stop, Look, Wave.