

# « Construction Equipment in an Agile World »

Plenary Session, 16th October 2014, Crowne Plaza -Antwerp



CECE Congress 2014 - 15, 16, 17 October - Antwerp, Belgium



# Win in Western Europe for Manufacturers in the Construction Equipment Sector

*Mark Sweeney, Vice-President of Caterpillar Inc.*



CECE CONGRESS 2014  
Antwerp, Belgium



# Agenda

## Caterpillar – a Leader in Europe

### The World is Changing

- Slow Recovery
- Global Competition

### Win in Europe

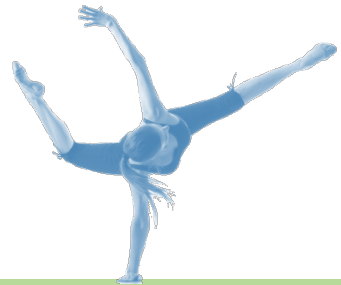
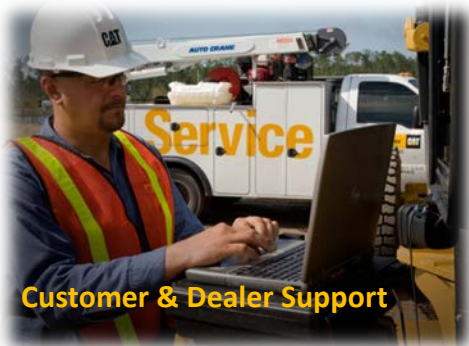
- Competitive & Flexible Environment
- Customer Service Excellence
- Global Supply Network
- End to End Lean Culture
- Skilled & Engaged Workforce

### Conclusion



# Caterpillar Overview

World Leader  
3M+ units of Cat products at work around the world



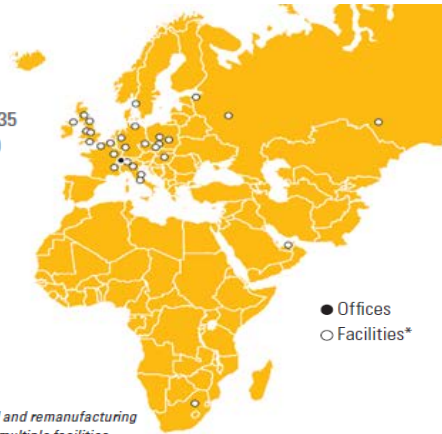
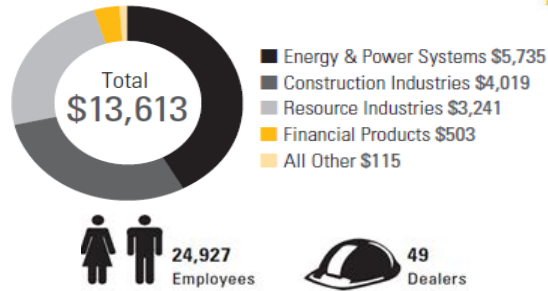


# Caterpillar - a leader in Europe

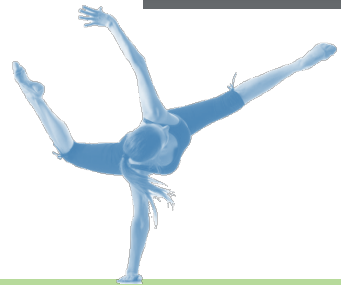
Strong historical performance and strong presence in Europe



2013 Sales and Revenues by Segment  
(\$ in millions)



\*Facilities include principal locations where manufacturing, parts distribution, rail and remanufacturing work takes place. In certain geographic areas, the facility symbol may represent multiple facilities.



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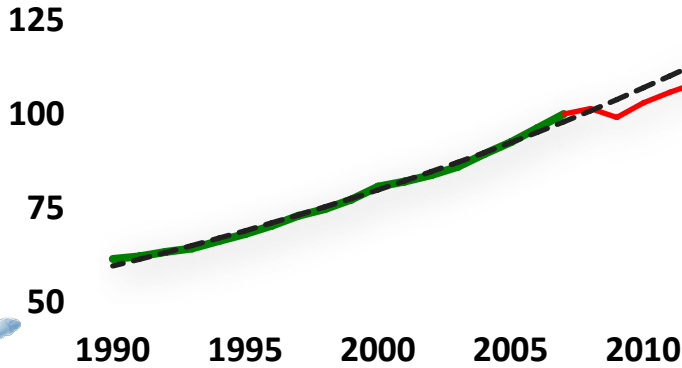
### Conclusion



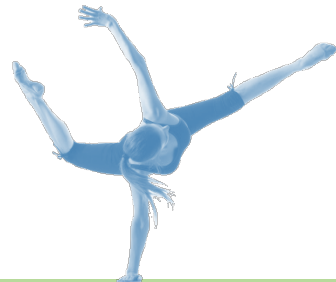
# Slow Recovery

It is even more challenging in Europe

## WORLD GDP 2007 = 100



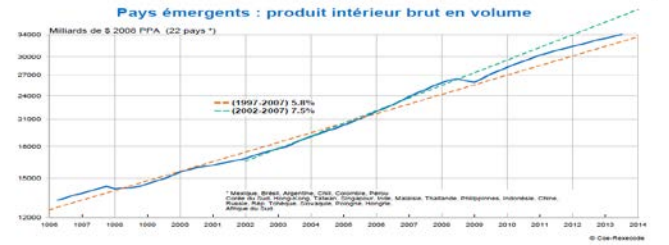
(Data through 2013)  
Source: Haver Analytics/Caterpillar Business Economics



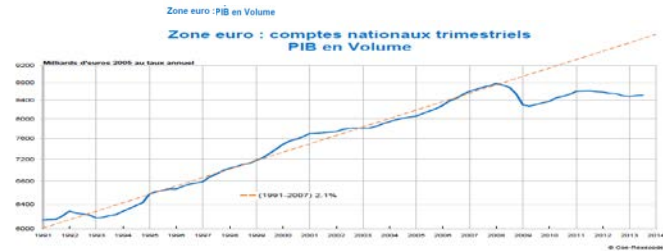
## Developed countries GDP



## Developing countries GDP



## Euro Zone GDP



# Global Competition

Bauma 2013: >3,400 exhibitors





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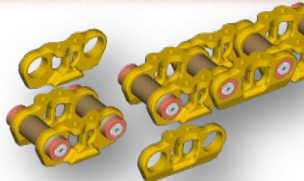
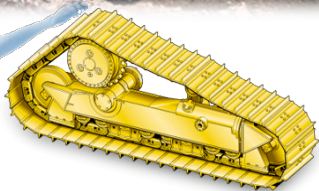
# Win in Europe

Talented people driving customer value by delivering best quality, highest velocity, lowest costs in region



# Win in Europe

Manufacture the right products using the right processes

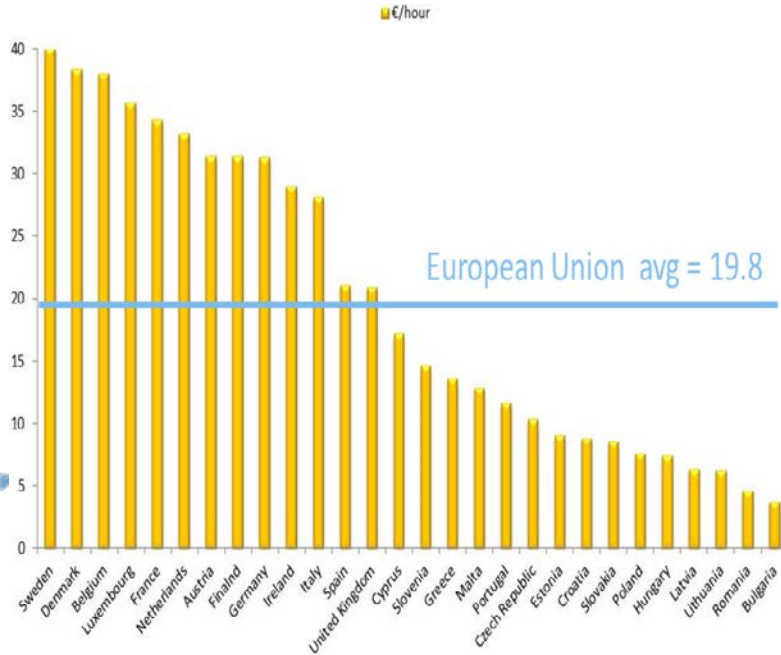


# Competitive & Flexible Environment



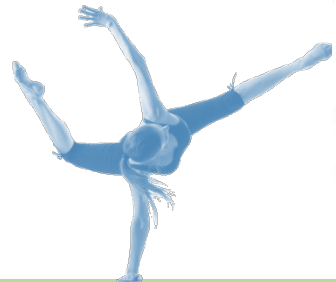
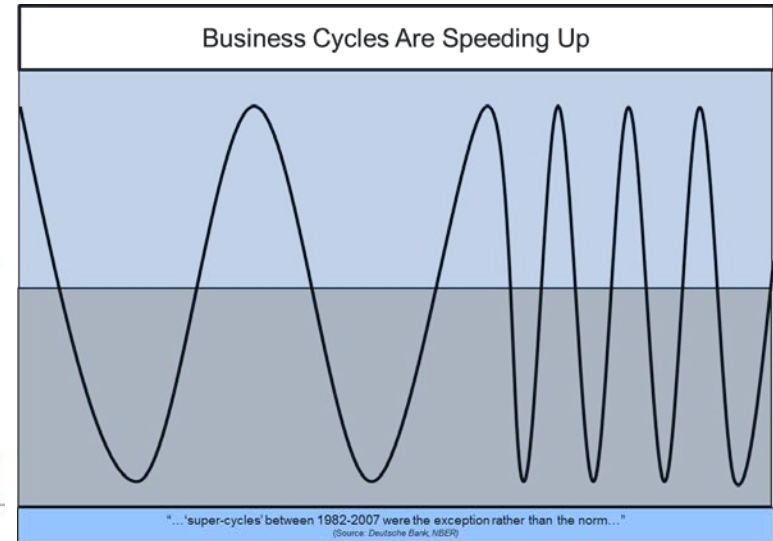
Manufacture in the right location

### Competitive Labour Costs Required



European Labour Costs - Euro/hr

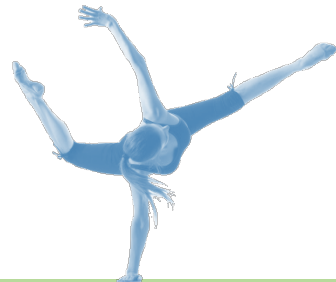
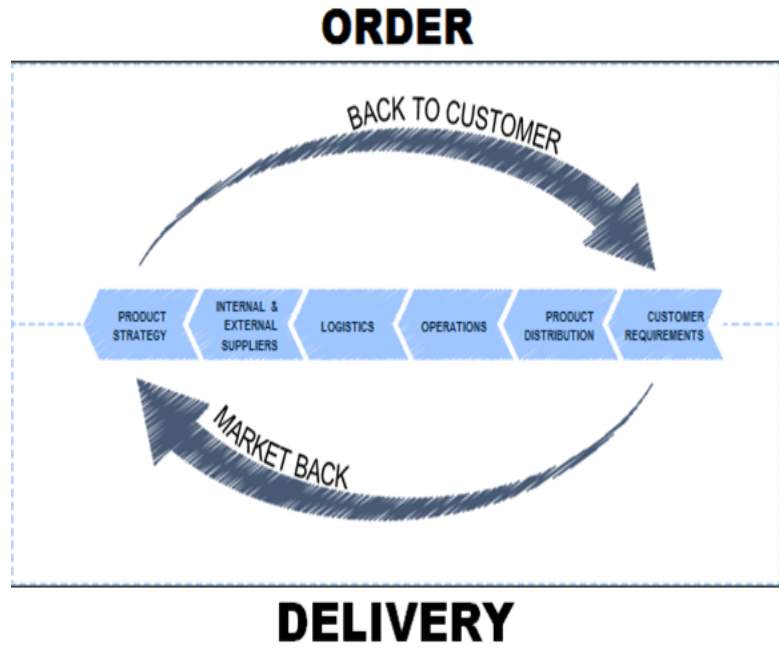
### Flexible Labour Environment Required



# Customer Service Excellence



Integrate the end to end value chain - meet customers expectations in value, quality and delivery





# Global Supply Network



Develop strong supplier partnerships

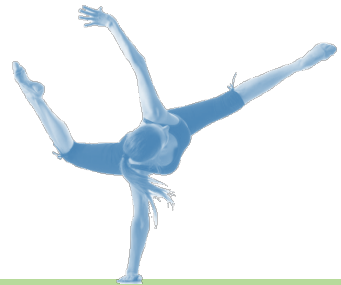
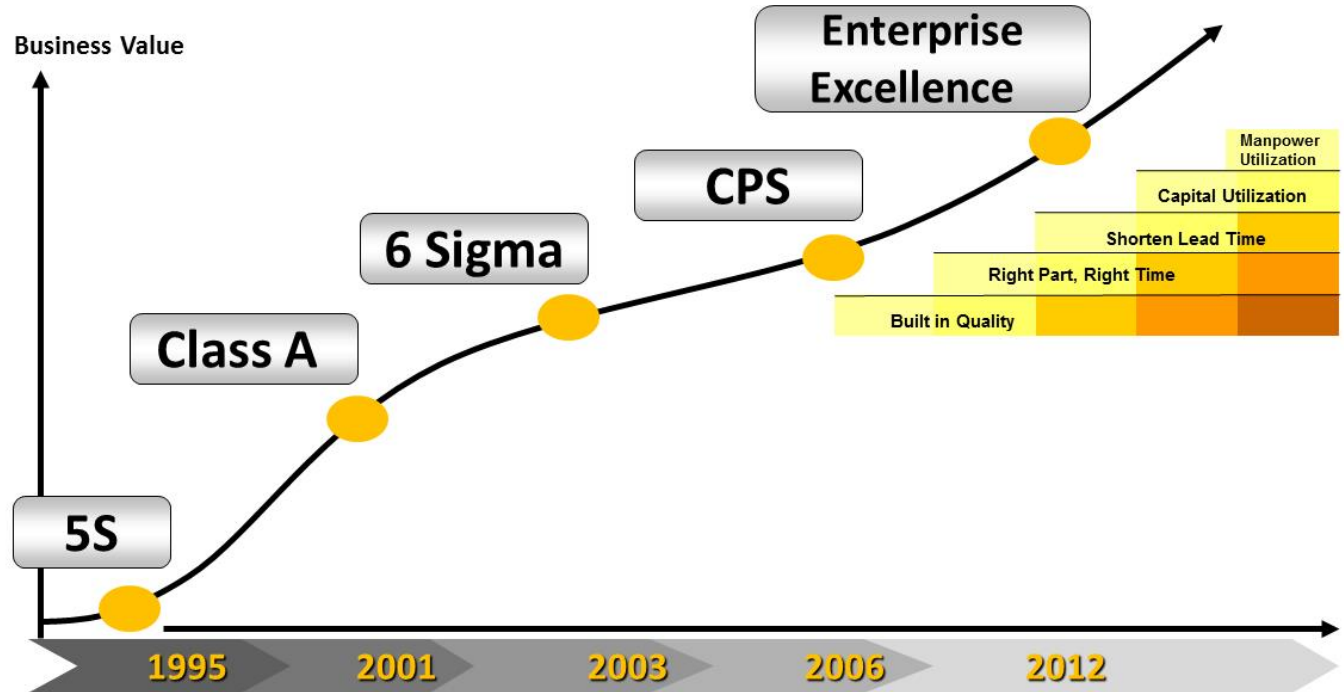
Build a competitive global supply chain



# End to End Lean Culture



Embed a Lean culture throughout the organisation



# Skilled & Engaged Workforce



Enhance people skills through training & development

Anticipate future competency needs



# Skilled & Engaged Workforce



Strong Leadership leads to strong Engagement



## Vision

- Be Strategic: Brings Strategy to Life
- Focus on the Enterprise
- Global Leadership

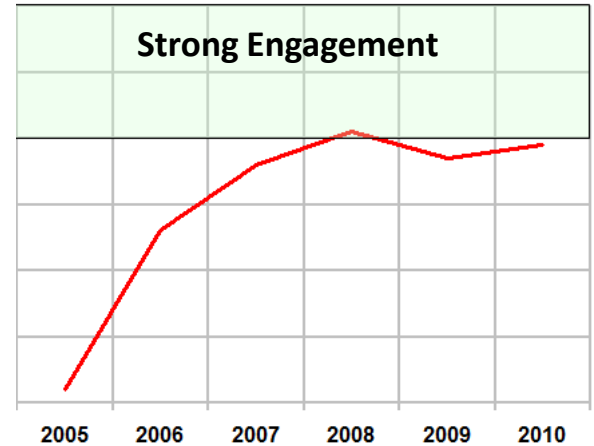
## Execute

- Lead Change
- Hold Self and Others Accountable
- Know Your Customer

## Legacy

- Build Engagement
- Coach for Development

Engagement + 37 %pts.



# Conclusion – We can Win in Europe

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- Europe is challenged
  - Business and Government alignment and urgent action are critical
  - The ingredients for success - business excellence, competitive environment and growth
  - The Winners: those that embrace today's adversity as tomorrow's opportunity
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