



Committed to serve

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MTU is well-known as a supplier of drive systems for land, marine and rail applications, and plants for electric power generation and has a reputation throughout the world for reliability, pioneering technology and comprehensive service.

The company's range of products include high-performance diesel engines, gas turbines, and industrial and combined propulsion plants consisting of diesel engines and gas turbines. MTU also offers state-of-the-art electronic monitoring and control systems to complement its range of products.

In line with its globally renowned reputation for innovation, MTU is constantly working on the development of new technologies. In addition, MTU spares no effort to meet its customers' needs. Its new customer service centre is an example of this dedication to serving its customers.

"We have always sought to increase our customer support and putting the customer at the forefront of our activities and we thought we should do something practical about it," said MTU Asia president and CEO Peter Knepp. This philosophy has resulted in the setting up of the new centre which will provide comprehensive after sales service for MTU's customers and improve its retail market base.

The company has spared no effort to make it as comfortable and relaxed a place as possible for its customers to make enquiries and do business. Customers can come in for a chat over anything from engines to parts and purchase queries in a totally service-oriented environment and MTU has even employed branding consultants and interior designers to help put together what it considers a landmark project.

"We have moved to a much more retail environment which is rather unique in our industry," Mr Knepp reveals.

He shares that his initial instructions to his staff were to make the customer experience of dealers, distributors and various other customers walking into the centre no different from that of someone walking into a car showroom.

In an increasingly competitive world, being a technology leader is not enough. That's why, far from resting on its laurels, MTU is constructing a building on its brand name to carve a reputation as both a technology and service leader. This is part of its macro Global After Sales Strategy.

By promoting the MTU brand of merchandising through its customer service centre, the company hopes to strengthen its position as an industry innovator and ultimately hopes to boost bottom-line revenue and service levels.

The centre also will serve as a multi-function platform which MTU

can use for various kinds of networking events for its clients – from the military attaches which form an important part of its business to dealer and distributor seminars. The biggest difference with the new centre is that it can host these events in a much more homely and convivial atmosphere as if it is on its home ground.

Results have been good, Mr Knepp said. After the centre's soft launch at the end of last year, there has been a steadily increasing stream of walk-in traffic, he notes and according to its guestbook, comments have been very positive.

Singapore was chosen to debut the concept because of its well-set-up infrastructure and because MTU Asia has had its operations base here for many years. "We have chosen Singapore to begin the concept because it is our operational hub and it will serve as the role model for other facilities like this in the entire region," said Mr Knepp. The results have been so encouraging, Mr Knepp adds, that MTU plans to expand the concept to other parts of the region like China and India and wherever else it makes sense.

At MTU, service not only comes with fantastic service, excellent product knowledge and a smile, but also facilities that are well-equipped with the latest range of tools and equipment to support the full range of engine overhaul and repair activities.

At any one time, it is capable of accommodating major overhauls of more than 10 units of engines. All overhaul, repair and maintenance works, including field services, are professionally undertaken by the company's experienced, well-qualified and well-trained technicians and engineers.

The service centre's key facilities include a quality control facility in a temperature and humidity controlled room, injection pump/governor (mechanical) calibration and test equipment, full test bench facility capable of testing engines up to 6000kW, electrical network stations and a paint booth. "Singapore is always an important location for us in Asia and it will continue to be our operational hub,"

said Mr Knepp. MTU operates its huge warehouse from Singapore and distributes parts and services and engines to the rest of Asia from here and this set-up will continue and will grow in line with the growth in the rest of the region, he said. MTU Asia has 60 million euros worth of inventory parts serving 30,000 engines in Asia.

While Singapore has long been established and acknowledged as MTU Asia's prime operational hub for the past 30 odd years there is also an increasing realisation of the importance of the burgeoning markets in China and India and the

need to be present in those markets to take part in the growth there.

As such the company has set up a regional headquarters in Shanghai which Mr Knepp will move to and which will focus on the strategic development of MTU Asia for expansion in new markets. He will meanwhile also maintain an office here in Singapore in this way to combine the best of both worlds, that is the fantastic infrastructure here where we can import and export goods easily as well as have a good base for our financial operations, while making use of the growing markets and opportunities in China and India," Mr Knepp said. He believes this will be more effective than splitting the organisation up into separate business units within the countries where they would lose synergies and where duplications may arise.

MTU Asia plans to consolidate all its subsidiaries in Singapore where all the income from its Asian units will return to the country. This way, Singapore will grow regardless because when the regional units grow, Singapore will grow along with them. Likewise in India MTU Asia is also building a new integrated facility in Pune. This will be one of four regional centres that it will build there.

With this strategy, Mr Knepp expects that MTU Asia will double its revenue over the next four to five years and he expects to see double-digit growth in both China and India.

While MTU Asia is thriving on the rapid growth in the region, it is also mindful of the future. As part of the larger Tognum Group it now combines technical excellence in various industries apart from the marine industry it was focused on earlier. It is now growing sustainably in the power generation and mining sector, Mr Knepp highlights. This has helped to even out the revenue composition and will balance out any shocks should any particular sector decline in future.

Also with an eye to the future, the group is putting much effort into developing products for the new age of stricter emission controls. Mr Knepp pointed out the fact that 70 per cent of the research and development budget is now spent on these types of technologies. This will hold the group in good stead for the future when these higher standards will inevitably kick in. China in particular, he believes will make a quantum leap in adopting these technologies and standards.

"We are very committed to Asia and the region plays a very central role in Tognum's strategic growth initiatives," Mr Knepp said. In fact, he makes up one of our key indicators, the others being low emission power generation and on-site engineering systems, after sales service and a growing product portfolio.



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— Peter Knepp,
MTU Asia president and CEO



Committed to quality: MTU spares no effort to meet its customers' needs. Its new customer service centre is an example of this dedication to serving its customers.



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