



ri·view

Welcome to our world of SIMPLICITY • 2/2012 • A magazine from **rimaster**

Be solution oriented!

A special issue on
managing flexibility

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Welcome to Rimaster

Rimaster is a leading supplier of cable harnesses, electrical cabinets, electronics and cabs for special vehicles and industrial systems.

We are a global group with origin and headquarters in Rimforsa, Sweden.

Rimaster have today approximately 600 employees in seven companies all over the world. We have organization for sales, design, development and production in Sweden, Poland, Belgium and China.

Our vision is to be a partner that creates simplicity for our customers and set the standard in the global industry.

Welcome to our world of Simplicity.

Rimaster AB
Industrivägen 14
SE-590 44 RIMFORSA
Sweden
+46 494 795 00
info@rimaster.com
www.rimaster.com

EDITOR-IN-CHEIF

Jan-Olof Andersson, jan@rimaster.com



Editorial

Jan-Olof Andersson
CEO

At the time of writing we are about to enter the fourth quarter of the year and can make the observation that 2012 has also seen some big changes. From a Group perspective, it has been a good year and even though there were no mountain tops to speak of, neither were there any real lows. We have been “chugging along” with an even flow of orders and deliveries. We live in a world where our business acumen is being continuously put to the test by customers, competitors and suppliers alike. Through such trials we have stood our ground and found that our basic business strategy, built upon controlled and consolidated growth, has been effective.

After the summer the whole perspective changed and the uneasiness on the world market soon became apparent.

We have learned from earlier crises, and I have no hesitation in saying that the Rimaster Group holds a considerably stronger and more secure position today than we did four years ago. We have learned from history and therefore have reason to say: We're well prepared!

But, and there is usually a “but”, we cannot rest on our laurels saying, “hurrah, hurrah, how good we are! Now we've hit the finish line”. We will never “hit the finish line”, simply because in our world the finish line is constantly being moved.

Within Rimaster, our understanding is that change is a part of everyday life. We need to quickly perceive what is going on, be able to meet the changes with appropriate courses of action and get the whole organisation mobilised. Our task is to create a culture within the organisation that is solution oriented and has the capacity to move swiftly from analysis to action.

Our desire is to create a solution oriented culture on several levels, from the overall company structure to the meeting with the individual customer. We want to understand what the customer is saying to us, but also what the customer is not saying. By continually improving our skills, our ability to interpret signals also increases, which in turn makes us better prepared to face the future. You are welcome to read more about how this may find its expression on pages 6-7.

In this context, I also take the opportunity to remind you that it is about two years since we started our operations in Belgium. In order to better serve our Middle European customers we are now opening a transitory warehouse outside Brussels. And, we are going to take further steps towards improvement and development. That's the way we work – one step at a time!

In this issue you will find an interview with the racing driver Richard Rydell on the theme: What does it take to stay in the lead?
Enjoy!

Jan-Olof Andersson
CEO and Group Manager

Rickard Rydell is a member of the world-ranking motor racing elite. He has a long and successful career behind him both nationally and internationally. He has challenged many famous profiles in racing who in many cases have had to content themselves with a close-up of the rear screen of his competition chariot.

In his private life, he's a social and jovial person but when it's race time, the "competitive animal" emerges. We meet Richard to hear how he built his career and what it takes to become an international elite athlete.



Pole position

Rickard Rydell tells about his career, knowledge and experience.



Rickard Rydell

a star on the international racing track

Knowledge

For me having the drive to win has always been more important than the talent. If you want to badly enough, you'll always be able to beat the most talented opponent.

Having the drive to win is about always wanting more, being in a state of continuous progress and making yourself a little bit better than you were last time. You never stop looking for those areas that can be improved, learning from your mistakes.

And you can always be better. Self-perception is very important. It's about knowing your strengths and weaknesses,

developing and successively working through action plans. In the racing world, it's extra difficult because it's hard to learn from others. I can get inspiration and power from other people, but I have to develop my own way of working.

There are many facets significant to achieving success, but I believe you can divide them up such that the driver is responsible for 1/3, the car for 1/3 and the team for 1/3. A good team with excellent team spirit

"It's about my interplay with the teams engineers"

and where everyone knows what they have to do and have the desire to constantly improve – they can accomplish great things.

Experience

Competition in the racing world is very tough and all the time you have to be able to read the situation, understand what's about to happen and have the ability to quickly take on board the new requirements and act at lightning speed. Sure, I've very much benefitted from my

HEARD about RICKARD RYDELL ...

Before we met up with Rickard, we contacted a number of people who know him well and this is how they described him:

- he's consistent, always performs at a consistently high level.
- he rarely makes mistakes.
- an extreme "competitive animal", you ought to see him when he plays hockey for Waxholm Veterans.

extensive experience in the racing world. It makes it easier to prepare or to make quick decisions on the fly.

Driving sedan cars means I can enjoy a longer career than with Formula 1 where the need for quicker reactions, experience and routine weighs more heavily.

Preparations

The preparations you make before a race are quintessential. Amongst other things, it's about my interplay with the team's engineers where we together find the balance in the car. Our ability to work together determines whether or not the car is going to perform at its best during the race.

When it's the STCC, we might have a whole day on the track in preparation before the event, but when it's the WTCC it could

be only no more than an hour. To learn a track, I usually run or cycle around it. If it's a track I've never competed on before, I normally play a digital car game laid out in the shape of the track.

For me personally, there's also the need for a meticulous mental preparation before every race. I think one of my strengths is my ability to concentrate on the race when it's time.

I'm also very careful about what I eat and I exercise a lot. Each race lasts approximately 2 x 25 minutes and it can get to over 70° in the car. That's why I have to train so I can perform at my best when it's needed.

Rickard ends the interview and hurries away. Rivview expresses its thanks for the discussion. We never cease to be impressed when we meet a world star.



A good team with excellent team spirit and where everyone knows what they have to do and have the desire to constantly improve – they can accomplish great things.



Rickard Rydell Career

My big brother drove a go-kart and I got to come along and watch. When I turned ten I was allowed my first try-out and was immediately hooked. What attracted me was the element of competition and I started racing. At the ages of 16 and 17, I twice won the Swedish 100cc class championship.

I hadn't any thoughts of pursuing a racing career, but in 1986 I got in touch with Picko-Troberg who helped me into racing through his contacts, so from the age of 18 I began driving Formula 3 and gained second place two years in a row there too.

From 1989, I began racing English Formula 3 for a British racing stable, founded by the legendary Irish racing driver Eddie Jordan. I was ranked fourth overall and had drivers like Mika Häkkinen and Mika Salo behind me.

In 1990, I received an offer from Toyota in Japan to join them as a works driver and I stayed with them for four years. From 1994-2000, I drove in the BTCC (British Touring Car Championship), the British championship for standard sedan cars. In 1998 I won the entire series with my Volvo S40 and that was probably the best year of my career.

My international competition days came to an end in 2010, but in 2011 it was time to take part in the STCC (Scandinavian Touring Car Championship) with Chevrolet. I got to be Swedish Champion after a dramatic final event in Mantorp that will definitely go down in history.

We've just come to the end of the 2012 season with the same team and had a fantastic final at Solvalla in Stockholm before 18,000 spectators. We won the Team Championship, but unfortunately I got beaten in the individual championship. But I've had two seasons when I've got first and second place, so I have to be satisfied with that.

Be solution oriented



Our prerequisite for our doing a good job is that we have a good atmosphere of cooperation internally, says Martin. Andreas, in the background, share his point of view.

Competence can be described as a combination of experience, knowledge and ability. Knowledge is acquired through training and experience through practical application, whilst ability is about proficiency. It's about the ability to make use of one's knowledge skills as well as experience, understanding when an interesting opportunity presents itself that can work to my advantage, or even where I can create the situation.

At Rimaster we are constantly working at further developing our work processes. But every client and client project is unique. That is why we have to develop our ability to be solution-oriented, creating smarter and slicker solutions to our clients' needs. We listen and hear what the client's needs are. We

interpret the information and turn it into action. One competitive strategy is taking action quickly.

See here how some of our employees are constantly working on developing their solution-oriented abilities.

“Being able to make a difference”

Planning Martin Hultenius

Those of us who work in planning have responsibility for the coordination of mar-

keting, production and purchasing. We receive orders from customers and plan/schedule them. Then we send the data on to the various sections of the company. Here at Rimforsa there are three of us in planning, one of whom is focused on our production facility in Poland.

In our job there's a need for being service orientated and having the ability to cooperate – being able to get both the customer and our organisation onside. Our responsibility is to provide the customer with information; to keep him constantly updated.

It might have to do with out-of-the-ordinary delivery times or customer machinery that has come to a standstill. Then we have to quickly find solutions internally and come back with a response.

One prerequisite for our doing a good job is that we have a good atmosphere of cooperation internally. This is where our Rimaster spirit comes in. It's about all of us wanting to solve the problem in front of us. The entire organisation works this way, and that's often confirmed for us by our clients.

We also regularly participate in meetings with the client. These take place on a scheduled quarterly basis or otherwise as the need dictates. We make an effort to try to understand more than what the customer is actually saying – learning to read between the lines.

The best thing about my job is the opportunity of being able to make a difference, constantly finding new and better solutions. You often have to work outside the box to find smart solutions. I'm also a member of the management team; responsiveness to the client is an important function for us at Rimaster.

Customer Contacts Andreas Kronström

Today price, quality and delivery precision no longer represent a competitive edge – they are a necessity. These are the kinds of issues we deal with at our scheduled quarterly meetings with our clients. Furthermore, our aim is that these meetings have a strategic nature where we gather together key people and management from both the client and from Rimaster. We discuss future plans and the preconditions necessary for how our business ventures can be developed to our mutual benefit.

It is a great advantage in my job to be able to form a common view of the customer's needs and wants. Some issues relate to the company at large, and then it is beneficial for all sections of the organisation to be involved. Some issues simply involve busi-

ness strategy where decisions can be made quickly. That shortens our lead times and allows us to act immediately.

I am able to respond to customer needs and we can adapt our organisation to create optimal solutions. That makes it possible for me to be proactive, take initiatives and present interesting solutions.

Our organisation's work models have been carefully designed and because they are well established, this also allows us to

depart from them when we see that it may be advantageous for a specific customer assignment. It is important that everyone knows why and how we make such exceptions – an ability we are continuously developing together.

Some of our customers see us as a value support partner while others see us as a value creator. For those wanting to explore the value of a close relationship, the experience is a stimulating one for all involved, and at the same time it opens up opportunities for strengthening us in our role of strategic partner.

But when all is said and done, action is the key. That's when we go from words to deeds.

Development Processes Benny Wallin

We usually receive some kind of input from the client that gives rise to a project specification. In reality, it is often a discussion with the customer where we reach an agreement on the ultimate goal of the assignment. Leading up to project handover we do our preparatory work and undertake a form of contract review. That ensures our planning of resources which is then completed before the job begins.

It is important to maintain ongoing contact with the client during the course of the project. The closer we work together, the better the end result. If changes to the project become necessary during the development cycle, these are decided upon in consultation with the client.

We're just about to finalise a project begun in 2010 which originally was seen as a simple corrective work. Ongoing discussions with the customer resulted in our finding some smart solutions and then we were able to adapt the project to meet the client's requests.



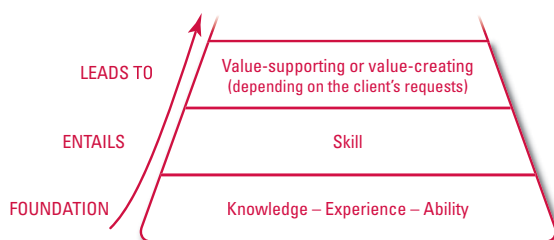
It is important to maintain ongoing contact with the client during the course of the project.
Benny Wallin

We are a team with a range of skills and that means we're able to make use of each other's specialities. Every week we hold scheduled reviews and project meetings, on top of which there are also spontaneous ones where the smartest solutions are created.

Rimaster Development is to be represented at all sites. During the spring, we did an exchange with our site in China where Ethan Feng undertook a project in Söderhamn. An exciting project that creates opportunities of working even closer with our customers.

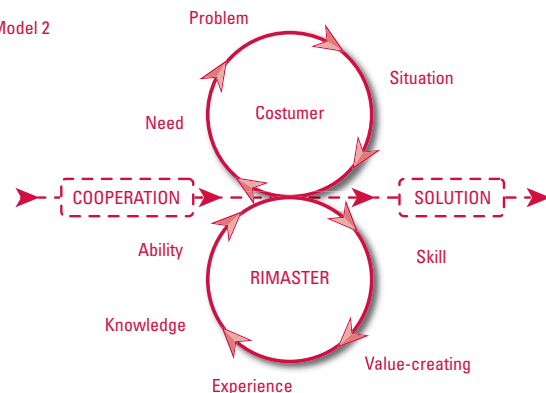
“A value support partner or value creator”

Model 1



Model 1 We are continually building our skills inventory which makes it possible for the client to perceive us a value-creating or value-supporting partner

Model 2



Model 2 Client and Rimaster processes take place in parallel. In a close working relationship, both learning and skills are developed – together we create successful solutions.



Global expansion

Riview talks to Lars Lindahl, CEO of Huddig AB, a highly internationalised company and one with a focus on strong growth. Lars is on his way to see the new dealer in the U.S. but has enough time for a brief conversation.

“I’ve been working for Huddig since 2004 and think it’s a very exciting company. The technology here is leading edge and the staff is highly skilled, so we deal with issues from production efficiency and product development to working groups and relationships. Sales are managed either through our own sales organisa-

tions or through our partner network and we have both a marketing manager and an export manager. So, marketing issues are also high priority.”

Globalisation

We’ve been developing our export market since 2004 and today we have representation in countries such as Russia and the Baltic States, Poland and the Czech Republic, Finland, Norway, Denmark and Germany. We have also recently drawn up an agreement with an American company. In total we have 25 authorised dealers in 13 countries.

Niche products play an important role in our expansion internationally. Our concept solutions help us to exceed all expectations and that raises our achievement level. It’s about, for example, special structures for railway maintenance or line construction where we can boost efficiency for the contractor. It creates competitiveness on the international market. Meanwhile, it places great demands on our being able to adjust to laws and regulations in each country. These are important and often complex issues.

Product development

When it comes to product development, our starting point is always our customers' requirements. We have an international product council where we make a compilation of all the requests that emerge. We want to live close to our customers and always keep our ear to the ground.

One important source of input is the contractors' personnel sitting in their machines carrying out their daily work. It is the customers of our dealers who give us practical tips on how we can increase user friendliness or advice on additional functions that can further enhance the effectiveness of their work.

The contractors, our agents and we too live in a world of fierce competition.

If everyone involved can see that we are keen to receive advice, it will increase their interest in being involved in product development. This is the way we want to work, and this is the way we want to be perceived. It sharpens our competitive edge.

Strong growth

Our goal is to double our production volume within three years. Naturally, we are affected by economic cycles, currencies and other external factors, but our organisation is set up for expansion in terms of both production capacity and marketing. For us, the potential of the Swedish market is limited, so we need to continue to expand on the international scene. Our immediate plans involve looking at the markets in North and South America and Europe.

Our working model

In order to continually streamline our operations, we have developed a local version of Lean Production, which we call Huddiglyftet (the Huddig Hoist). It is our manual for creating a lean enterprise and is based on five pillars which include everything from client focus and the individual employee to Huddig's role in society.

We train our staff so that all are aware of our values and eager to share them. We carried out a training scheme a few years ago and quickly noticed some great improvements. Today we have several new employees, so we'll soon be starting up training again to make sure we're all on the same journey.

This work methodology also reflects how I'd like to see Huddig

functioning. We delegate decision-making and encourage initiative-taking within the bounds of the frameworks we are agreed on. And by so doing, we are creating a dynamic organisation able to rapidly adapt and respond to our customers' requests. In this way, we become solution oriented and ready to take on the world market", Lars concludes.

Rivier is always impressed by companies with a focus on strong growth and global perspectives. We wish Lars and Huddig every success in their work.

"Our organisation is set up for expansion"



- We are creating a dynamic organisation able to rapidly adapt and respond to our customers requests, Lars Lindahl, CEO of Huddig AB.



Niche products play an important role in our expansion internationally.



Huddig AB develops, produces and sells Huddig backhoe loaders to the electricity, railway and construction industries. They are used for everything from service machines in the erection of power line structures, to railway works and telecommunications. Some of the market niches explored by Huddig include special designs for railway works or equipment with tracks facilitating working in soft soil areas. Since its inception in 1959, Huddig has built over 10,000 backhoe loaders. Currently, the company has 100 employees and is located in Hudiksvall.

The Rimaster Group participates in the Swedish Trade Council's program, Internationalization Swedish suppliers.

The Rimaster group has chosen to participate in an internationalisation program aimed at Swedish subcontractors. The purpose is to strengthen the companies for increased international growth. The knowledge and experience gained from the program will be applied in the Rimaster group's annual strategic process, where the long-term goals of the concern are set.

Opening of new premises in Belgium

During the month of September Rimaster Benelux BVBA opened their new premises just outside Brussels.

Since the start in 2010, Rimaster's customer centre in Belgium has seen positive progress with steadily increasing sales. Lately there has emerged a greater need for being able to offer transient storage with possibilities for service and repairs.



Air of festivity in Belgium

The new premises are considerably larger and offer, besides modern offices and meeting halls, approximately 250m² storage space as well as areas intended for service and repairs.

"We see the new premises as a great improvement in our endeavour to supply our customers in the region with first class service", says Jean-Pierre Vanheel, in charge of Rimaster Benelux BVBA.



Joy in Horn, Sweden

Nordic GSE, bigger order to Rimaster CAB & Mechanics

During this year Rimaster CAB & Mechanics has increased its stock order for Nordic GSE, who develop and market complete anti- and de-icing solutions for rolling stock, e.g. trains.

The company was established in 2008 and is today active on the international market. Rimaster CAB & Mechanics systems group, including the production of certain component sheet metal items, is very extensive. Assembly takes place at the factory in Horn, Sweden.



Open House 2012, Rimaster celebrates 30 years

During the months of May and June, Rimaster's various companies ran "open house" events where employees' family members participated and local communities were invited. The event, including guided factory tours, quiz walks etc. was a way of celebrating the Rimaster group's 30th anniversary and was much appreciated.



Curious visitors



Tomorrows staff at Rimaster?

In order to improve their competitive edge, Rimaster has long been running an internal project which is now about to be launched. It's all about global sourcing, where the goal is to build the best possible supplier chain and eliminate unnecessary costs.

A Keener Competitive Edge

Tomas Stålnert, Vice President Operations at Rimaster, is positive when we meet him. "We live with a constant need for improved effectiveness and cost reduction. Our customers expect that from us. We sign contracts with our customers where we guarantee quality, reliability and more. It's important to convey this to our suppliers, creating understanding and shared responsibility. That way we can attain to transparency throughout the entire supplier chain which is important for all parties involved.

Strategic partners

To date we have around 300 suppliers and our goal is to concentrate on developing our relationship with 100 or so of these. We want our suppliers to grow with us, and that means there will be a reduction among the others.

Consequently, we're now hard at work writing supplier contracts with an aim to developing our relationship with potential strategic partners. Rimaster's entire buyer team is wholeheartedly involved, contributing in a meaningful way to this process. We're expecting our suppliers to increase their commitment to the development of both goods and services for the sake of strengthening the competitive edge of the whole supplier chain. This is how we work with our customers; now we want to create the same relationship with our suppliers."

Common Product Numbering

One prerequisite for this has been to develop a common product numbering system for the entire Rimaster concern. There were more than 26,000 product numbers, but these will be greatly reduced through this process, something that will strengthen the competitive edge due to minimised stock values and committed capital.



Tomas Stålnert, Vice President Operations, Rimaster

"A constant need for improved effectiveness and cost reduction"

Tomas, who is responsible for the project has had the help of Jörgen Ohlsson, an external consultant, and it has taken about 6 months to complete. He says the biggest task has been the compilation of common product descriptions and in finding an effective system for converting them and bringing them together. The consequences will be considerable, as it affects everything from instructions to documentation and storage locations.

And, it also takes some mental adjustment internally, since it affects everybody's working conditions. For this reason there may initially be a bit of internal resistance, but before long they will all see the advantages. Now the common intranet shows stock value at each site, and the opportunities for rational purchasing are greatly increased.

Trading Company

Recently, another important step has been taken to develop Rimaster through the starting up of Ningbo Rimaster Trading Co., Ltd. The trading company will play a vital part in globally supplying the Rimaster group and its customers with material produced in China. The Managing Director is Ding "Steven" Shi who is also the technical manager for Rimaster's production company in Ningbo.



Rimaster's entire buyer team is wholeheartedly involved.

Welcome to our world of simplicity



Contact us



Rimaster AB
Industrivägen 14
SE-590 44 Rimforsa
Sweden

Rimaster is a leading supplier of cable harnesses, electrical cabinets, electronics and cabs for special vehicles and industrial systems.

Rimaster Electrosystem AB
Industrivägen 14
SE-590 44 Rimforsa
Sweden

Rimaster Development AB
Östra Storgatan 20
SE-553 21 Jönköping
Sweden

Rimaster Cab & Mechanics AB
Klintvägen 3
SE-590 39 Kisa
Sweden

Rimaster Poland S.P. Z.o.o.
Ul. Kolejowa 4
PL-78 - 550 Czaplonek
Poland

Rimaster Benelux BVBA
Halstraat 41
BE-3550 Heusden-Zolder
Belgium

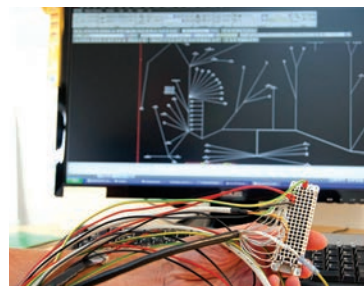
Bröksmyravägen 31
SE-826 40 Söderhamn
Sweden

Bröksmyravägen 31
SE-826 40 Söderhamn
Sweden

Industrigatan 1
SE-590 42 Horn
Sweden

Ul. Poprzeczna 1
PL-78-449 Borne Sulnowo
Poland

Rimaster Ningbo Co., Ltd
No.9 Jinxi Road, Zhenhai,
Ningbo CN-3152 21
China



rimaster
-ability to create simplicity

www.rimaster.com