



CEO'S TAKE Kelley India



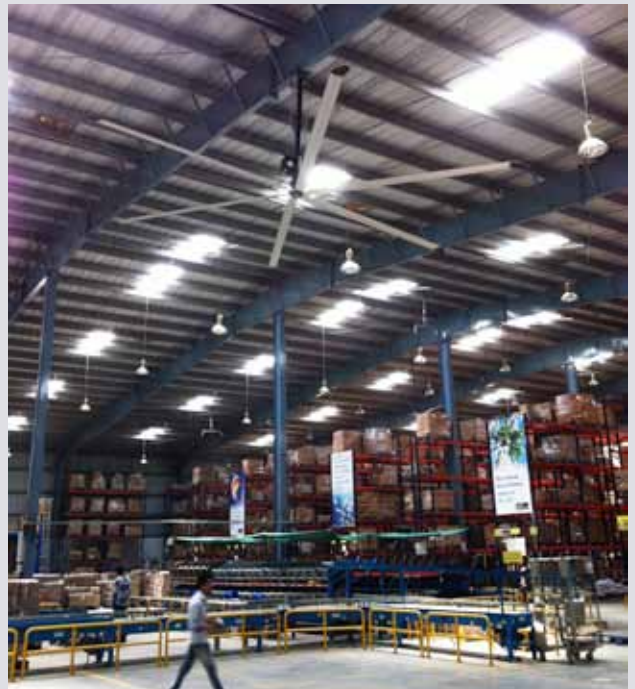
“Kelley’s strengths lie in its technology and innovative product range.”

Piush Goyal, *Managing Director,*
Kelley Material Handling Equipment India Pvt Ltd.

OVER THE last two decades, the equipment industry, both construction and material handling, has seen enormous growth. While construction equipment in India has reached a mature level in terms of technology, the material handling industry on a larger perspective still needs a lot of work to be done. The growing trend in FDI and increasing customer expectations throw open a greater amount of opportunity for the players in this field. The increasing demand on the energy grids and recent power outages, combined with industrial growth, indicates a need of the products that provide the productivity, reliability and safety desired by businesses, while putting less of a strain on the power grid, says **Piush Goyal, Managing Director, Kelley Material Handling Equipment India**. Excerpts from the interview.

How do you assess the current Indian economic scenario and its impact on the warehousing and manufacturing industry?

Let us first understand that the inflationary pressures and governing policies always go simultaneously together and are part and parcel of the natural business cycle. This is what the whole world has to learn to live with. I strongly feel that every downturn offers a greater opportunity for learning and improvement in the technology. After the great depression came the automobile boom and till recently, the IT revolution worldwide. The challenge with Government of India will be to how smartly they generate and spend \$1.0 trillion during this Five



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Year Plan. Our industry is the derivative of the infrastructure development, which is the key motto of the government of any political party. Even if we discount this spent, the quantum of need of modern warehouses and other facilities in India will be still very lucrative. Additionally, we should stay positive about implementation of GST, though it does not seem to happen before 2014.

To what extent has the slowdown impacted your Indian operations' bottomline?

Kelley invented the world's first dock leveller in 1953 (a little after the World War II was over) and since then, it is consistently enjoying the global market leadership. Our innovative loading dock solutions and HVLS fans mitigate some of the warehousing challenges in a big way. Kelley has entered the Indian market also at the perfect time. As the industry leader, we'll do our bit. The real need is that your product development process must be so robust that it should be able to tackle these challenges, while continuously improving productivity, reliability and safety.

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ment are already working satisfactorily in the Indian market. When we formally entered the Indian market, the slowdown had already begun and we were very sure of what we were going to do in terms of the product and price. Our major customers have been repeat users of Kelley products here in India, as well as MNCs using our equipment in their overseas operations. Hence, while there is pressure at the bottomline, the greater need for us is to educate our other potential customers about the benefits of using the latest technology in this field.

What is Kelley's strategy to sustain growth and sustain competitive cost?

These challenges affect the bottomline for a short term. The Indian GDP growth projections are still not bad compared to the US and Europe markets, which continue to be flat. The good news is that 4FrontES is still growing at a rate of ~20 per cent year-on-year basis for the last few years. Kelley's strengths lie in its technology and innovative product range, for which customers in India are increasingly giving great value. The team is working hard to make our products more popular and make cus-

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tomers aware of its benefits. The results are very exciting.

We have at present seven world class manufacturing facilities in the US, Canada and South America only. With strategic investments in place, the team is presently working on to have our next facility here in India, which will cater to this part of the world and the exchange rate fluctuation gets negated as a by-product. In fact, we see a great opportunity for exports from here.

How do you assess the shift towards more energy efficient machines in India?

In response to the above challenges, the industrial and warehousing customer in India understands the need of the



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technology, which is energy-efficient and still gives more productivity. The hot Indian weather and increased sizes of the manufacturing/warehousing facilities now adds to the challenges and puts the pressure back on energy requirements.

The HVLS fans and air-powered dock levelers are very popular in US and Europe over the last two decades. The key opportunity with the MHE manufacturers is to educate and demonstrate the users about the benefits of these technologically advanced products.

What is the contribution of Kelley as a global corporate?

As the creator of the first dock leveller in the 1950s, Kelley has spent the last 60 years pioneering the material handling industry and providing companies with a variety of products to meet their individual facility needs. Kelley is the brand wholly owned by 4Front Engineered Solutions headquartered at Dallas, Texas, USA, and offers a wide range of loading dock equipment and warehouse products to companies worldwide. Kelley has the broadest line of pit style and specialty dock levelers as well as dock seals and

shelters to fit all size door openings and applications. Kelley's core competencies are born out of a rich history of innovation, quality and superior engineering and a number of industry firsts. All these years, Kelley has strived to manufacture dock equipment that makes the workplace safer, more productive and more energy-efficient.

Today, Kelley's product offering extends beyond loading dock equipment including energy savings big HVLS Fans (High Volume and Low Speed Fans) for warehousing and manufacturing facilities.

What kind of inbuilt features for energy efficiency is there in your range of products?

Kelley HVLS fans are available in the size range of 8' to 24' diameter fitted with up to 2hp motor and fan mounted Variable Frequency Drive (VFD), which allows them to operate at one of the lowest noise and energy consumption levels. The single Kelley HVLS big fan can cover a facility area of up to 20,000 sq ft depending upon various site conditions.

Energy Guard is an innovative design that closes off the gaps between the dock

leveler and concrete pit walls at the in-bound/out-bound logistics on the loading docks. Energy Guard prevents the mass flow of air, minimising the transfer of heat and energy into and out of the facility. Energy Guard can be factory-installed on new Kelley levelers or outfitted on most of the existing pit-style dock levelers. Kelley's dock shelters and seals provide complete protection from dust, insects and energy wastage. The fully impactable TKO dock doors mount the seals to the door panels rather than on the door jamb, keeping it safe from damage during loading and ensuring a consistent, compression seal around the door.

Going forward, what value proposition can Kelley India provide to the Indian market?

In addition to the hydraulic dock levelers, Kelley's low pressure air bag dock leveler is one of the most popular dock levelers in the world with over 135,000 units installed. Kelley's aFX (air bag) dock leveler provides customers the benefits comparable to hydraulic dock levelers but eliminates the need for hydraulic components and fluid.

Also, Kelley's line-up of HVLS fans (high volume low speed) will help improve warehouse/factory environment, worker safety and comfort, while consuming a minimal amount of power to operate. This will save a huge amount of money, resulting in quick return on investment. All these equipment are available Ex-Stock here in India from our warehouse at Pune.

How do you plan to educate Indian companies on expanding their knowledge on the subject?

The loading dock is the oxygen supply to any warehousing or a manufacturing facility. You cannot afford to commit a mistake, which could be in the form of selecting wrong specifications or assessing application parameters and site conditions wrongly or even lack of a far-sighted approach. You need decades



Kelley at the India Warehousing & Logistics Show.

of experience and the attitude to be a specialist of anything. Our engineers are trained at various US project sites to gain that expertise. We visit customer sites here and suggest the right equipment after studying project drawings and carrying out site survey.

Kelley India has established three offices in India with a technical team trained at our US HQ. They are meeting with the end users as well as the design & construction firms to understand their applications and demonstrate the Kelley Advantage.

We also encourage our potential customers to keep themselves updated with Kelley's latest innovations and installations in India/overseas on the social media sites like Facebook and LinkedIn. We are also working with the multinational companies who already use Kelley products worldwide and are intending to or have extended operations in India.

Who are your major customers in India?

Kelley supplies warehouse prod-

ucts and dock equipment to the largest warehousing and manufacturing companies in the world. Kelley has established a positive reputation with these companies as a result of consistent technological advancements, impeccable quality and a commitment to customer service.

The list of customers (in both the manufacturing and warehousing sector) in India includes Tetrapak, Semco, Indo Space Rohan (Pune), Wal-Mart (Punjab, Haryana and Karnataka), AO Smith (Bangalore), Sumitomo-Mitsui and MJ Logistics (Haryana), etc.

At a time when the material handling industry is battling stiff competition, you have chosen to enter the Indian market. What is your strategy?

We participated in the India Warehousing & Logistics Show at Pune, wherein we displayed our world class products. The amount of visitors to our stall was beyond our expectations and the response was overwhelming.

While competition is always a factor to consider, 4FrontES and Kelley recognise the importance of the India market and how distribution within the country has, and will continue, to experience significant growth. As logistics and distribution expands, so will be the need for the diversified and value-added products offered by Kelley Material Handling India. For nearly 60 years, Kelley products have set the global standard for quality, safety and lowest lifetime cost of ownership. So our strategy is to support that reputation within India with the highest levels of product application, installation and post-sale support.

Where do you see Kelley India five years down the line?

Kelley intends to continue investing heavily in the development of new technology in order to support our customers' needs for greater productivity, safety and energy efficiency within their operations. This commitment will allow Kelley to maintain its industry leadership into the extended future.