

On the design and performance of Atlas Copco's product development.

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In this presentation Atlas Copco's development philosophy and strategies are described as well as several examples of current products from all business areas.

We have adopted a strategy combining some of the best practices found in various industries and companies around the world. This strategy includes stepwise incremental daily continuous improvements and creating a climate, an atmosphere, in which innovation flourishes. Our product driven organization (with, as we say, a strong customer focus) supports this, in the way that designers and engineers have a direct link to demanding customers and their needs. At Atlas Copco this is implemented not only in R&D, but in all other company functions.

We see an increasingly strong demand for technical adaptations of our current products to different markets and degrees of sophistication. This is an exciting challenge that only can be met by increasing the local content in the design work.

Yet another challenge is increased environmental and legal demands and restrictions. We are proud to be able to say that we regard ourselves as the true pioneers in this, introducing silent, ergonomic, less vibrating and less polluting products as early as the 60s. Atlas Copco fully supports legislative demands for diesel emissions and we are committed to not only complying but setting new standards whenever possible. It needs to be said however, that these very large steps are huge strains for all diesel engine suppliers and for all diesel engine users.

But all this work is not only a burden.

Atlas Copco stands on its many years of experience, working to be best in class, making safer, cleaner, more energy efficient solutions. We see a clear business opportunity in this, leading the way for others to follow.

My final remark:

Atlas Copco, with its strong R&D support and function, is fit for the future, whether there is a continued financial crisis, violent shifts in the market center of gravity, or important new environmental demands.