# TOO BUSINESS+HIRE

The Specialist Tool and Equipment Magazine



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Innovation

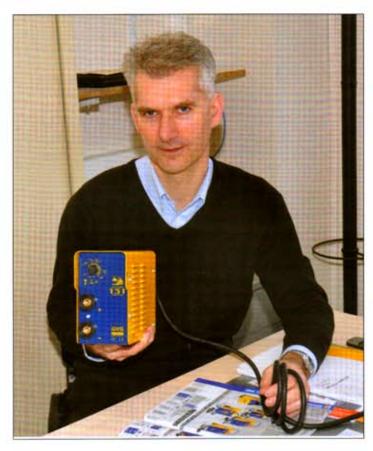
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### GYS - Wondrous Welding from France







My guess is that many, if not most, members of the welding trade would say "Who?" if the GYS company came up in conversation. GYS appears to be one of Europe's best-kept secrets here in the UK, but hopefully for not much longer. Based in Warwick, a UK subsidiary of GYS is now fully operational. The welding trade can now expect to take advantage of some of the fruits of modern research and development in welding that have been taking place over the Channel.

The GYS company had modest beginnings. It was started in 1964 by a monsieur Guy-Yves Stefany (hence the name GYS) making transformers for domestic dwellings. At that time France was changing its domestic current from 110 volts to 230 volts so many thousands of people needed a transformer. GYS got the contract to supply all the transformers for Brittany and Normandy. But, inevitably, as time moved on and modernisation took place, it was a declining market, so the ever-resourceful Guy took to making battery chargers and later on, arc welders based on the existing transformer technology.

This was again a clever move, because car ownership in France, like most of Europe, was on the increase, and many car owners needed to bolster what seems to us nowadays, rather ineffectual batteries. This sustained the business for quite a while, but the business got a further shot in the arm when Guy realised that the existing welder technology used exactly the same kind of transformers as battery chargers. Looking back on some of the rust buckets we all used to drive in the 70's I guess that GYS' welders were put to some good use. Over the next ten years, although the growth in the business was steady, GYS gained a reputation for making quality welders.

But it was not until Nicolas Bouygues acquired the company in 1997 that GYS experienced the revolution that has made it into a dynamic, European market leader with a range of world-class products that demand our attention. At first, Nicolas decided that the company would need to be streamlined and brought up to date in line with modern business practice. However, as time went on and Nicolas and his son, Bruno, became quite passionate about the welding business. Unlike many a "takeover merchant" who merely asset strip an acquisition and move on, the Bouygues took a long term view and decided to invest heavily in innovation, manufacturing processes and marketing in order to compete against cheap machinery imports from the Far East.

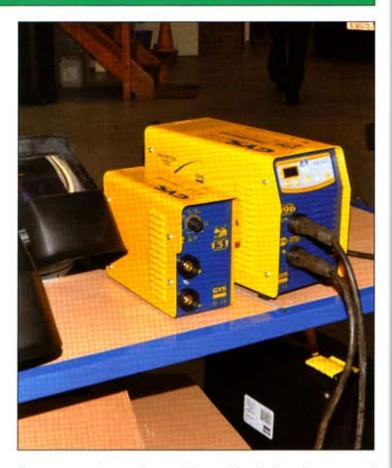
Now some business experts might say that the days of European manufacturing are pretty well done, but my experience of many of the remaining European makers is that they have become even better. Mostly they offer top quality, well-designed products at a competitive price with a level of sophistication that many European end-users demand. GYS has become one of these manufacturers, and its strong financial position and wellstocked order book (even in these dark days) bears out its confidence in its business model.

Under the new regime, GYS focused on developing a new range of welding machines. These needed to take account of the need to weld new materials becoming more common, like aluminium and stainless steel. The machines also needed to be portable where necessary, and compact and powerful. These developments coincided with leaps forward in the use of electronic components to control all manner of manufacturing and domestic machines, so it seemed obvious to use the know-how in welders.

With the new range of welders launched a new range of "smart" battery chargers was marketed followed by a range of equipment for car body repair shops.

One of the keys to the company's huge growth in sales all over Europe and elsewhere seems to stem from the sustained commitment to research and development with all the investment that that entails, as well as integrated manufacture. Unlike many companies in the current economic climate, GYS uses a lot of its ?47 million (and growing) annual turnover to reinvest in its manufacturing facility near Le Mans in north-west France. The results are obvious and impressive - customers can buy

#### Company Visit by Peter Brettt



European made, quality machines with all the advantages of sophisticated and up-to-date manufacture and service back-up, at a "Chinese Price". Just about the only components that GYS does not make for itself are plastic parts. All the rest - from pressed steel bodies to PCB's are made in-house so that quality and flexibility of manufacture can be maintained. This may seem counter-intuitive for some manufacturing and marketing experts, but clearly, if you have the commitment and expertise, it is a more efficient way of operating. It may also be a whole lot "greener" too, saving a carbon footprint on all the transport needed to bring in components from far and wide.

GYS employs over thirty R and D engineers in France and encourages dealers and customers to visit the factory to discuss ideas, innovations and issues with them. Similarly, GYS engineers and management visit clients wherever GYS has a presence and listen to their suggestions for improvements or new products. For many manufacturers, this is a "topsy-turvy" approach, but think on a bit further. The approach enables GYS to anticipate and develop what its customers want. From what I have observed in some other parts of the tool trade, companies often simply head off to a Far Eastern manufacturer with the idea of producing the same tool but a lot cheaper. Sophistication and product development are not marketing goals.

With this spirit of open enquiry and feedback GYS hopes to ensure that it's methods, machines and manufacture will stay ahead of the curve and the competition, and if it ensures the survival of an innovative and sophisticated European manufacturing base I am all in favour of it. We can't afford to export our pollution and expertise forever. The Medium and Long Term future need to be dealt with.

But as you all know, the proof of the pudding ....etc. In the next issue I will have run down of my efforts with a GYS welder and I will find out if my welding skills are as sophisticated as the machine I used.



