



Equipment and Automation

The building of a
- Technology Center of Excellence -
in Gothenburg

2010

R&D – serving both the Equipment & Automation business



Content

- The establishment of a Global Technical Center of Excellence

Background

- Strong competition
- Increasing customer demands
- Industrial transformation
- Increasing high-tech content of products
- Continuously reducing product costs and increasing functionality and quality



Strategic direction

- Global product portfolio
- A strong development portfolio and a global way of working
- Increase ability to offer product and service solutions
- Increase focus on innovation and early development



***ESAB Equipment & Automation will establish a
Technology Center of Excellence in Gothenburg***

There where several reasons for choosing Gothenburg



- **Co-location with key stakeholders**
 - Consumables R&D
 - Global Product Management
 - Process Centre
- **Ability to attract talent**
 - Chalmers & Gothenburg University
 - Consultancies
 - Attractive living and working environment
- **Innovative environment**
 - Universities and research institutes
 - Lindholmen Science Park
 - Business environment
- **Accessibility**
 - Landvetter
 - Centralstation

The Lindholmen area has been in the center of industrial development for over 150 years



Today



1970

ERIKSBERG
ERIKSBERGS MEK. VERKSTADS AB



1950

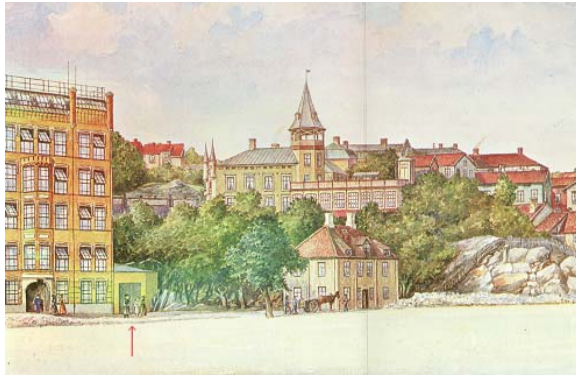
18th century

LINDHOLMEN
GOTHENBURG • SWEDEN

There have been several offices and workshops close to Göta Älv



1903-1904: First experimental workshop at Masthuggskajen right across the river



1905-1907: ESAB facilities behind the Lindholmen shipyard



1907-1915: Facilities at Kvillebäcken, in the proximity of Lindholmen



1915-1946: Facilities in Marieholm in the proximity of Lindholmen



ESAB's office is located in the heart of the Lindholmen area



- Built 1951 for Götaverken as their headquarters
- Listed building (K-märkt)
- ESAB moved in 2006



In order to establish Equipment and Automation R&D in Gothenburg there



Organisation and processes

To define the new R&D organisation and way of working, both internally and toward stakeholders

Establishing R&D facilities

To secure appropriate facilities for the new organisation including laboratory

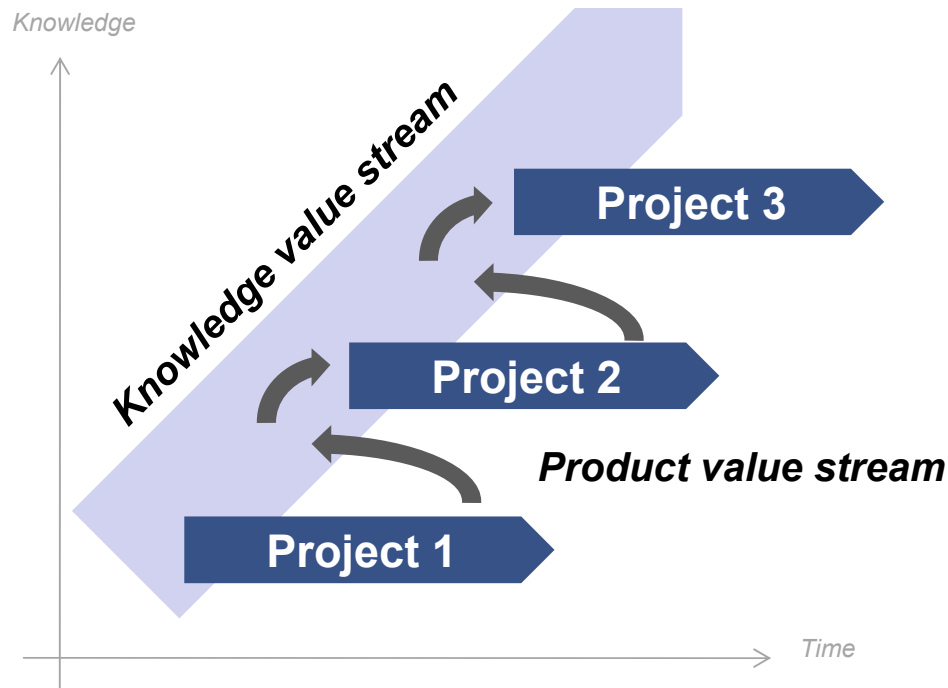
Recruitment

To recruit employees to the new R&D organisation in Gothenburg, both from existing organisation and externally

IT Environment

To secure a IT environment in Gothenburg for the new organisation

The new organisation will work according to Lean principles



Knowledge value stream

Lift the organization to higher knowledge and competence levels through...

- learning from projects
- capturing, codifying and distributing knowledge
- continuously developing way of working

(Line responsibility)

Product value stream

Based on the current knowledge and competence levels, deliver customer value in terms of...

- better product quality and features
- shorter development lead-time
- lower cost

(Project responsibility)

There has been an enormous interest in working for ESAB R&D, totally app 50 people will work in the center.



Time plan for 2010



- Finalize building of new facilities
- Relocate lab from Laxå
- Relocation completed

Q4

- Start recruitment of new employees
- Initiate new organisation and forum

Q1

2010

Q3

- Finalize rebuild of office in GOT
- Relocate Opole and Belo resources
- Secure close down of all R&D activities in Laxå, Opole and Belo

Q2

- Initiate building of office in GOT
- Start transfer of employees
- Cont recruitment of employees