

# spirit

VOLVO CONSTRUCTION EQUIPMENT MAGAZINE



## THE GREEN MINE OF CHINA

VOLVO MACHINES WORKING UNDER STRINGENT ENVIRONMENTAL CONTROLS

**Extreme Rescue:** Articulated haulers up to the challenge in Alberta, Canada

**Spotlight:** Innovation – Eating, breathing and living new ideas

**Key Accounts:** Volvo totally focussed on customer needs

**Operator Corner:** Helping to put Nigeria on the map

**Plus:** Volvo road machinery making the impossible possible in Russia and

CareTrack invaluable in India





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**VOLVO CONSTRUCTION EQUIPMENT**



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## Survival of the fittest

Charles Darwin once said that it is not the strongest, nor the most intelligent of the species that survives. It is the one that is the most adaptable to change.

Volvo CE has come a long way in its 181-year-history, from its birthplace in Eskilstuna, Sweden, to today's global industrial giant. And it's precisely the company's ability to adapt that has allowed it to stay competitive. But Volvo doesn't merely react to changing environments; it goes one step further, forcing the hand of change for the better. So just as it was in 1832, innovation is always at the top of Volvo CE's agenda.

Of course, innovation is not all about high-tech advances or futuristic concept machines. Often it is incremental improvements to the quality, safety and environmental care of Volvo's products. In this issue of Spirit, Anders Larsson, head of Technology explains the impetus for Volvo CE's first ever Innovation Forum where journalists were invited to discover how innovation is a vital part of Volvo's DNA.

One of Volvo's latest innovations, the Tier 4 Final/Stage IV-compliant engines are now starting to be delivered to customers – and as such, the topics of fuel efficiency and reduced emissions have never before been in such sharp focus. And not just in the markets affected by the new regulations – these are now global concerns. A good example of this is the Lomon Panzhihua green mine in the province of Sichuan, south-west China. We find out how some of Volvo CE's innovations in environmental care are being put into practice in the mine – and far outdoing the competition.

For Volvo CE, innovation also embraces the way the company collaborates with its customers and adapts machines to their requirements. In Russia, we reveal how Volvo CE and customer KDB are working together to provide infrastructure for the 2014 Sochi Olympics, where the fittest of the fit will push human biology to extremes. And just like athletes, Volvo CE and KDB are making the seemingly impossible possible with a fleet of powerful and well-honed road machinery.

Finally, among all these stories, naturally selected for you, we'd be remiss if we didn't mention the valiant tale of the Smith family in Alberta, Canada, who as floodwaters rose in the summer of 2013, trapping neighbors in their homes, turned their two flat-bed haulers to a noble and unexpected application. Unfortunately the modified articulated haulers – the only two of their kind in the world – didn't survive the high waters, but thanks to their unique attributes and the ingenuity of their owners, the 1,000 people they rescued on their backs did.



**Klas Magnusson**

And just as Volvo CE is evolving, so too is Spirit magazine. We look forward to welcoming you back next issue with a brand new look as well as news of all the latest innovations that allow Volvo CE to stay ahead of the pack, year after year.

**PUBLISHED BY** Volvo Construction Equipment (49th edition)  
**PUBLISHER** Klas Magnusson **EDITOR IN CHIEF** Klas Magnusson  
**EDITORIAL PRODUCTION AND DESIGN** EMG Communications Ltd.  
**CONTRIBUTORS** Niall Edworthy, Tony Lawrence, Dan Waddell, Holly Brace, Chi-an Chang  
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RELIABILITY





# The Green Mine of China

LI BAI, A GREAT POET LIVING IN ANCIENT CHINA, ONCE SAID THAT ROADS IN SICHUAN WERE “MORE INACCESSIBLE THAN THE SKY”, WHILE DU FU, ANOTHER WELL-KNOWN CHINESE POET, WROTE, “FROM THE WINDOW, I CAN SEE PERENNIAL SNOW ON WEST MOUNTAIN.” THROUGH THE AGES, A UNIQUE TERRAIN AND LONG-STANDING CULTURAL ENVIRONMENT HAVE GENERATED RICH RESOURCES AND CULTIVATED OUTSTANDING PEOPLE — AND ALSO CREATED LEGENDS IN SICHUAN, A PLACE KNOWN AS THE “LAND OF ABUNDANCE.”

In the southwest of Sichuan, there is a beautiful and legendary city – Panzhihua. Over the past forty years, Panzhihua has become a key steel, vanadium-titanium and energy base and emerging industrial city. Due to its rich mineral resources and an ever-growing demand for these minerals, the mining industry is booming.

Yet within Panzhihua's vast industrial landscape, there is a vibrant green area. On the map, it looks like a huge green sea. It is in fact a land full of trees – trees as far as the eye can see. It is a green mine developed by Lomon Corporation.

Lomon Corporation arrived in Panzhihua in 2003; the large private enterprise is dedicated to the comprehensive development and utilization of phosphorus, titanium, biochemical products and vanadium-titanium magnetite. Since it purchased a mine in the city in 2007, it has been largely dedicated to phosphate ore mining. Lomon Corporation's Panzhihua Mine implements rigorous requirements on vegetation coverage, dust prevention and emission control. Each year, it has to pass stringent inspections performed by the environmental authority. Therefore, the title of "green mine" is hard-earned and one the company is very committed to.

## EQUIPMENT TO KEEP PACE WITH RAPID GROWTH

Lomon Panzhihua Base's strict environmental requirements apply to its choice of equipment. They demand high efficiency and low emission mining equipment. Mining is also hard on the steel used in the equipment, especially the bucket teeth, so it has to be top quality to withstand the rigors of the work and the company's rapid growth. Lomon Panzhihua Base once purchased eight excavators from two different brands. Through horizontal comparison, it later chose the Volvo excavators. Initially, it had four Volvo excavators, and now 23 Volvo excavators are operating at the company's construction sites in Panzhihua, including the EC360 and EC460.

According to the Panzhihua site, one day of excavator downtime results in a loss of 3,500 m<sup>3</sup> (123,000 ft<sup>3</sup>) of minerals. Therefore, to a growing company, equipment quality assurance is of crucial importance. "Stable and efficient performance is the main reason why we keep choosing Volvo construction equipment," said Mr. Wu, who is a management engineer. "Now, Volvo has become the main supplier we use in mining operations. Since my responsibility is to manage and maintain heavy-duty equipment, I value Volvo engines most because they seldom break down. The engine is the heart of equipment, and also key to endurance."





***"STABLE AND EFFICIENT PERFORMANCE IS THE MAIN REASON WHY WE KEEP CHOOSING VOLVO CONSTRUCTION EQUIPMENT."***





**“THE ENGINE IS THE HEART OF EQUIPMENT, AND ALSO KEY TO ENDURANCE.”**

#### **KEEPING OUTPUT HIGH AND COSTS LOW**

Dust in the mine and temperatures that can climb above 40°C (104°F) in summer can be challenging, but Volvo machines have coped well. One Volvo excavator has been working for 18,200 hours at the base.

Volvo hydraulic systems work perfectly with the engine, providing consistently high efficiency. Precisely because of this, Lomon Panzhihua Base's output has been rising, and equipment efficiency has increased by as much as 90% since Volvo excavators were introduced. High output, low maintenance costs, and high performance lay a solid foundation for equipment cost control for the company.

The company conducted a comparative test on Volvo parts as well as parts from other manufacturers. Volvo parts provided more stable performance and a longer service life and dramatically improved work efficiency with high uptime and low failure rate. Therefore, for a long time, Panzhihua Base has been consistently using authentic parts from Volvo. Despite relatively high prices, these durable parts are a worthwhile investment. A Volvo excavator in full working condition is expected to help the company recover its costs in two years. Meanwhile, Panzhihua Base helps prolong equipment life through regular overhaul and maintenance, and this has provided a big return on investment. No Volvo excavators have been scrapped yet.

#### **SKILLED OPERATORS, QUALITY TRAINING AND HELP WHEN NEEDED**

To get the most out of these Volvo excavators, it is imperative to develop and find excellent operators. The company requires operators to hold operation certificates issued by the government, and each year they must take a comprehensive evaluation. Panzhihua Base spends a great deal of money on staff training. The company also puts a high value on professional training sessions on Volvo equipment, which combine theory and practice. “Training has benefited us significantly,” operator Xiao Mou said. “For example, we gained a deep understanding of details like daily maintenance, oil change and driving habits. I have been operating a Volvo EC460 for years. Now, I understand that machines need care just like people do.”

Chengdu Fusheng Construction Machinery Co. Ltd. an authorized Volvo Construction Equipment dealer, plays an important role in carrying out the training program specially designed for Lomon Panzhihua Base. Fusheng employees act as tutors who offer professional guidance to trainees and technicians. Although Panzhihua Airport has been out of service for two years and transport is restricted, whenever it receives a call from Lomon Panzhihua Base, Fusheng will get to Panzhihua in the shortest time possible to identify and resolve the faults. “Fusheng has a service team at the mine,” said Zhang Shiyin, operations manager at the company. “Whenever you need them, they are always there. We owe our increased and rapid production to the strong support from Volvo. Not only is Volvo a close associate, it is also an indispensable strategic partner to us.”

Volvo has accompanied Lomon Panzhihua Base step by step in this period of incredible growth. Like Volvo, the company is committed to environmental conservation despite its rapid development. The environmental issue is a responsibility, and also an understanding: cherish people around you, cherish your relationship with partners, and cherish the gifts from nature, just as they try to do in the green mine in Panzhihua. **VM**



From Chongqing meaning “Double Celebration” CQRH and its holding company Huigong Group Chairman Mr. Wang Zongbai have much to celebrate!

“CORH, ONE OF THE BIGGEST DEALERS IN VOLVO CE CHINA’S NETWORK IS FOCUSED ON SERVICE.”



The center covers an area of 6,000 square meters and is regarded as the leading professional facility in southwest China

**W**ITH A POPULATION OF ALMOST 29 MILLION, CHONGQING (MEANING DOUBLE CELEBRATION) IS A MAJOR CITY IN SOUTHWEST CHINA AND ONE OF FOUR DIRECTLY CONTROLLED MUNICIPALITIES IN THE PEOPLE’S REPUBLIC OF CHINA (PRC). COMPRISING OF 19 DISTRICTS, 15 COUNTIES AND 4 AUTONOMOUS COUNTIES, CHONGQING HAS A SIGNIFICANT HISTORY AND CULTURE AND SERVES AS THE ECONOMIC CENTER OF THE YANGTZE BASIN.

The city is situated between the Qinghai-Tibet Plateau and the plain on the middle and lower reaches of the Yangtze River, covering a large area crisscrossed by rivers, with mountains in the north, east, southeast and south. The whole area slopes down from north and south towards the Yangtze valley, with sharp rises and falls, its sub-tropical climate characterized by moist monsoons.

Chongqing was separated from Sichuan province and became a municipality in its own right in March 1997 to accelerate its development and that of China’s western areas.

#### **MUCH TO OFFER**

It is a major manufacturing center and transportation hub and in July 2012 was named as one of the 13 emerging megacities in China in a report by the Economist Intelligence Unit. Chongqing is also rapidly urbanizing – statistics suggest that new construction added approximately 137,000 square meters (1.5 million square feet) of usable floor space to satisfy demands for residential, commercial and factory space every single day.



Volvo Construction Equipment's authorized Used Equipment Southwest Repair Center opened to great applause on July 19.

## "CQRH HAS ENJOYED A LONG-TERM BUSINESS RELATIONSHIP WITH VOLVO CE."

Chongqing is China's third largest center for motor vehicle production and the largest for motorcycles, with an annual output capacity of 1 million cars and 8.6 million motorcycles. It is also one of the nine largest iron and steel centers in China and one of the three major aluminum producers. Agriculture, however, remains important, with rice and fruit, notably oranges, as the main produce. Natural resources are abundant, with large deposits of coal, natural gas and more than 40 kinds of minerals.

The city has invested heavily in infrastructure to attract investment. The network of road and railways connecting Chongqing and the rest of China has been expanded and upgraded and the nearby Three Gorges Dam (the world's largest) will not only supply the city with power once it is completed, but also allow ocean-going ships to reach Chongqing's Yangtze River port. In response, foreign investors in the banking, finance and retail fields and other multinationals have decided to invest in Chongqing and Volvo Construction Equipment (Volvo CE) has followed suit.

## INVESTING IN SUPERIOR SERVICE

Volvo Construction Equipment's authorized Used Equipment Southwest Repair Center opened to great applause on July 19. It is the 4th used equipment repair center in China and the first repair center in the southwest to cover the remarketing business. More than 130 million Yuan has been invested for Volvo CE by Chongqing Ruihao Construction Equipment Technology Services Ltd. (CQRH), one of the biggest dealers in Volvo CE China's network.

CQRH established the facilities, including offices, workshop, demo center, auditorium and even a hotel. The center covers an area of 6,000 square meters and is regarded as the leading professional engineering machinery refurbishment factory and 4S store in southwest China. 4S stands for Sales, Spare parts, Service & Survey and emphasizes that the center offers a superior package of services.

CQRH has enjoyed a long-term business relationship with Volvo CE and is now able to provide customers with not only new machines, but also parts, a used equipment replacement service, equipment maintenance and renovation. The completion of the Volvo CE Used Equipment Southwest Repair Center marks a new and exciting stage of development for CQRH.

Founded in 2004 with capital investment of RMB 18 million (USD 3 million) and one of the first companies to have access to the Chongqing market, CQRH is the only Volvo CE dealer in Chongqing and has supplied thousands of units of Volvo CE equipment over the last 9 years. In strict accordance with Volvo CE's requirements for dealers, CQRH has built up its Volvo CE 4S store and now offers equipment distribution, repair services and spare parts supply for customers.

#### **COMPANY APPROACH**

The company takes a long-term approach to development. For example, in order to meet market needs and diversify the business model, an independent overhaul workshop was built, making it possible to carry out maintenance on six sets of large equipment at the same time.

CQRH also pays great attention to human competence, believing that while an outstanding sales team can generate profit, a professional service engineering team is the key to future development. Training courses and facilities are offered for both sales and service teams, to encourage employees and enhance efficiency. The company has experienced many of the changes that have occurred in China over the years, but its insistence on being a high-end product supplier to industry benefits the city of Chongqing and reinforces CQRH its partnership with Volvo CE.

#### **LONG-TERM COOPERATION**

CQRH is a wholly owned subsidiary of Chongqing Huigong Industrial (Group) Co. Ltd. (CQHG), which was established in 1990. CQHG owns more than twenty companies with in excess of 2,000 employees and as a group of businesses encompasses construction machinery, engineering machinery agents and remanufacturing. The scope of CQHG's current business includes Chongqing, Sichuan, Guizhou and Yunnan provinces.

Chongqing Huigong Industrial Co. Ltd. began its cooperation with Volvo CE in 2003 and became Volvo CE's only dealer in both Chongqing and Guizhou. In 2004, Chongqing Ruihao Construction Equipment Technology Services Ltd. (CQRH) and Guizhou Ruihao Construction Equipment Technology Services Ltd., both owned by CQHG Group, were established to focus on selling Volvo CE products. 4S stores that met Volvo CE's standards were established in Guiyang and Chongqing.

The Group's business covers the majority of provinces in southwest China. CQHG's holding group Huigong Chairman, Mr. Wang Zongbai, believes that Volvo CE is a reliable brand

“THE USED EQUIPMENT SOUTHWEST REPAIR CENTER WAS BUILT AFTER YEARS OF PREPARATION AND IS REGARDED AS A NEW START FOR CQRH'S BUSINESS DEVELOPMENT.”

admired by their high-end customers, which can also bring the company great business opportunities and profits.

#### **RELATIONSHIPS ARE KEY**

Over the years, CQRH has cooperated closely with Volvo CE. For example, the first Volvo Construction Equipment Technology Seminar was personally planned and organized by Mr. Wang with the aim of introducing Volvo CE as a well-known global brand to hundreds of customers. Although Volvo CE had just entered the Chinese market at that time, 13 Volvo CE excavators were sold on the spot during the event!

Born in 1962, Mr. Wang has a bachelor's degree and established his own construction company in 1989. As the Chairman of CQHG and its subsidiaries, Mr. Wang has maintained a strong relationship with Volvo CE spanning many years. CQRH is one of the most important dealers for Volvo CE in China and is very closely involved with Volvo CE and its many activities in the region. Enrich, a branch of Huigong Group, won first place in the 2012 Volvo Construction Equipment China Dealer Agreement Competition, thereby qualifying to attend the Volvo Ocean Race in Ireland. Mr. Wang was at this stunning event.

As a keen golfer, Mr. Wang also took part in the Volvo World Golf Challenge hosted by Volvo CE. He accompanied clients and participated in all activities throughout the tournament. One of his clients even won first place at the event!

“I do have confidence in Volvo CE's aftermarket strategy” says Mr. Wang. “The Used Equipment Southwest Repair Center was built after years of preparation and is regarded as a new start for CQRH's business development.”

In the city of “Double Celebration” CQRH and Volvo Construction Equipment are an example of a great dual partnership that has a bright future to look forward to and who knows... perhaps they too can plan a few more double celebrations of their own. 



# Extreme Rescue

Articulated haulers go through some pretty extreme terrain to haul stone, earth, debris and more. They power through the deepest mud, the steepest grades and drive through rutted paths that nowhere near resemble roads. But murky, rising flood levels were uncharted territory in the summer of 2013.

**Even the haulers' owners didn't know if the machines were up to the deep challenge unleashed by a fast-flowing disaster known as the Alberta floods. But they didn't have time to think about the two-meter (seven-foot) deep water. They acted. And together they saved hundreds of lives.**

The summer of 2013 was a wet summer in many areas of Canada and the United States. In High River, Alberta, Canada, the town's name would suggest that rising waters are commonplace. Indeed, minor floods in the late spring and early summer are expected – it's not if, but when.

The normal summer weather pattern for High River, located north of the US state of Montana, called for moisture to hit the Canadian Rockies and then turn into precipitation. But in mid-June things quickly went beyond the norm. Moist air came up from the States and stalled, resulting in sustained heavy rainfall in the foothills of Alberta. The water in the foothills had no place to go but down, melting the snowpack in its wake and overtaking the rivers and waterways – leaving the towns in the elevations below little time to react. Thirty-two states of local emergency were declared, as more than 100,000 people were displaced throughout the Alberta region, according to the Canadian Red Cross.



**“The Volvo haulers had enough power and weight to withstand the water currents they’d encounter out in the streets.”**



#### **WHEN IT RAINS, IT POURS**

Born and raised in the High River, Alberta, area, Ken Smith and his wife, Mary Dawn, have raised their two sons and lived in the area their entire lives. They know the lay of the land and the people that make up the rural, close-knit community that supports his 21-year-old business, Ken Smith Corral Cleaners, which specializes in manure spreading, feedlot cleaning, excavation, loading and hauling. His sons, Jarrett, 24, and Keenan, 21, have run all types of equipment since they were young, and the experience would come in handy in a way they least expected.

On June 19, a storm was forecast, and the Smiths were mindful of heavy rainfall warnings and storm watches because they’d seen this many times before. But when Mary Dawn and Keenan headed into town the next morning, they were repeatedly flagged down by city officials and firemen seeking the assistance of the company’s three wheel loaders. But the loaders could only do so much

in the rapidly rising flood waters and were struggling to get down numerous water-choked streets. By noon all phone communications were down, landlines and cellular.

Keenan and Jarrett realized quickly that the only thing that might stand a chance in the flood waters were the company’s two Volvo A30D articulated haulers. The machines were custom modified to act as manure spreaders and featured flat elongated beds that had been extended by more than 3.3 meters (11 feet).

“The Volvo haulers had enough power and weight to withstand the water currents they’d encounter out in the streets,” Ken said. “Any other vehicle would have been washed away. But the Volvos kept on rolling.”

#### **GET HAULING**

Knowing the town and the local roads like the back of their hands helped

Jarrett and Keenan, too, because the water was so high that it was hard to tell where curbs or fire hydrants were.

The Alberta flood of 2013 recorded flow rate measurements of a staggering 2,200 cubic meters/second (78,000 cubic feet/second). Normally, the nearby Highwood River flows at a rate of 25 cubic meters/second (880 feet/second).

As darkness set in everything was pitch black, except the headlight beams of Ken’s Volvo haulers. By 10p.m. the average water depth in the town reached 1.5 meters (5 feet) high. Many areas had water levels upwards of seven feet (two meters), and some spots had depths reaching 3.5 meters (12 feet).

#### **DOOR-TO-DOOR PICKUP**

Ken went house to house rescuing people with his Volvo haulers; many of them didn’t even have time to gather their belongings due to the rapidly

**“The core Volvo hauler gave them the weight, power, height and design to actually be a good fit for this type of rescue effort.”**



Ken Smith, Keenan Smith and Jarrett Smith.

rising water levels. “In many instances they’d roll the spreader hauler up as close to the porch or roof as possible to where the people were waiting,” Ken said.

The repetitive actions went on through the night. “It’s not the type of cycle times we usually talk about with equipment,” said Larry Brunton, Strongco Equipment branch manager for Calgary. “But it did wonders.” All told, Ken estimates that they helped move about 1,000 people throughout the night, at a rate of about 50 people per full hauler load.

“The core Volvo hauler gave them the weight, power, height and design to actually be a good fit for this type of rescue effort,” said Mike Eperjesy, Volvo district product support manager. “Of course Volvo didn’t design its machines for this flood application, but some of the key design attributes that helped the machines run for as long as they did in the flood were the high placements of the engine exhaust, the engine air cleaner and breather filter. The engines could run as long as they stayed dry.”

Ultimately, the high waves of water were too much for the machines. Jarrett’s articulated hauler was overcome by a 2.5-meter (eight-foot) water surge, and he had to be rescued by boat. The machine ended up submerged in water higher than the cab floor for more than two weeks following the rescue efforts.

#### **BUILT FOR WORK**

Although Volvo didn’t design its haulers expressly for use in water, they

certainly did fit the bill for Ken’s intended business use. His customized spreader trucks drive out onto ranchers’ fields to clean pens and haul manure, gravel and silage, which often involve encountering rough terrain, deep mud and rocky soil.

“We looked at all the hauler brands and liked Volvo best,” Ken said. “The hydraulics suited us perfectly because we only had to add an extra flow pump to run the mechanical end of the spreader unit at the back of the bed. All other makes would have required an additional pony motor and extra lines. We liked that Volvo was built stoutly and had flotation tires with six-wheel drive. They were reliably perfect for us, and then we outfitted them to help us even more.”

Ken’s custom spreaders are the only two of their kind in the world. He said the two modified Volvo haulers did the work that was previously done by five tandem trucks and with less need for labor or maintenance. What’s more, he said, the Volvo A30Ds were better suited than their bigger brothers the A35 and A40, due to their narrower width, making it easier to fit through the gates of farms and ranches.

The two haulers weren’t the only Volvo machines helping during the Alberta flood: 10 Volvo A35D and A40D haulers that Ken purchased from Strongco were also used in the ongoing government cleanup efforts.

#### **PULLING TOGETHER IN THE AFTERMATH**

Ken’s family, like almost everyone in the community, lost a lot in

the disaster, including the custom Volvo hauler spreaders, which were declared a total loss after all their heroic efforts. Some people lost their homes and small businesses, and sadly there were also several flood-related deaths. But the community stuck together during the crisis.

“We weren’t the only ones helping with our machines. Others were using their rock trucks, loaders and even farm combines with their tall platforms to help people get to dry land,” Ken said.

“There’s no playbook to evacuate an entire city. Everybody just said, ‘Let’s get it done. Let’s get to work.’”

Just like the Smith family, Strongco, the largest Volvo Construction Equipment dealership across Canada, is heavily invested in the recovery. Strongco’s corporate and employee donation program recently raised \$12,300 for Canadian Red Cross’ recovery efforts. Volvo Construction Equipment North America contributed an additional \$5,000 to the donation.

Together, the Smiths, Strongco and High River residents, all pulled through and worked together to help wipe away the mud, water and tears from one unforgettable summer. **VM**

Text: Chi-an Chang



**Eating, breathing and living new ideas: why Innovation is in Volvo's genes.**



Anders P. Larsson Volvo CE's executive vice president of Technology

**E**ARLIER THIS YEAR AT VOLVO CONSTRUCTION EQUIPMENT'S INAUGURAL INNOVATION FORUM, ANDERS LARSSON WAS ASKED IF THE COMPANY WOULD EVER CONSIDER TURNING ITS BACK ON INNOVATION, CUTTING BACK ON ITS R&D SPEND TO SAVE MONEY DURING DIFFICULT ECONOMIC TIMES.

The answer from Volvo CE's executive vice president of Technology was an unequivocal 'no' – the same answer, indeed, anyone in the company would have given at any time in its long history.

"Innovation is in our genes and in our blood," says Larsson. "We eat, breathe and live it. It's infused into every part of our design, development and sales and marketing processes.

"Sure, sometimes you have to be smart and follow a trend, but we want to be in the lead. It's part of our mindset and our culture. We're not copycats by nature – that's not the Volvo Way – and we would never want to be.

"My perception is that Volvo is very highly regarded in terms of innovation, and that is one of the reasons, indeed, why we decided to stage the Innovation Forum for the very first time. We wanted to open up a bit more about how we think about innovation and how important it is to us to be innovative."



Volvo CE's Centaur hauler

## INTERNATIONAL MEDIA SUCCESS

The ground-breaking Eskilstuna event in August attracted around 100 members of the international media, and its success is likely to mean it will be repeated every two or three years.

Journalists were shown around the plant, where driveline components, axles and transmissions are developed and produced, before being shown a demonstration and attending a presentation. That was followed by a tour of six work stations detailing Volvo CE innovation, with a strong focus on its Tier 4 Final/Stage IV-compliant engines.

Some people may connect innovation with futuristic concept vehicles, like Volvo CE's Centaur hauler, Gryphin loader and Sfinx excavator. And so they should. While these machines have not yet been produced for the market, they are meticulously designed and contain subset technologies that feed through into existing machines. "They are not just fancy industrial designs; they are thought through both on the outside and the inside," says Larsson. "They act as locomotives for new technologies."

Innovation, though, can also be much more simple. It can represent a relatively simple, rather than a hi-tech, change, like improvements to machine maintenance through better

"CUSTOMERS REPRESENT THE CENTRAL PART OF OUR DEFINITION OF INNOVATION."

accessibility. Crucially, though, they must deliver clear, real improvements to machine owners.

## CUSTOMERS ARE KEY

And customers, as always, are key.

"Customers represent the central part of our definition of innovation," Larsson continues. "Innovation does not count until it is in the hands of customers, is recognized by those customers and is driving benefits for them."

"Equally, most of our innovations are also directly linked to our core values as well. They are about quality – they improve up-time and reliability and performance – they are about safety and providing greater passive and active protection for operators and other site workers, and they are about the environment, through their contribution to such things as greater fuel efficiencies and reduced emissions."

New ideas are invariably married to need.

Machine owners, by their nature, want the best. And they want the best to get better and better, delivering ever-increasing levels of quality and performance.

“We take that input from customers to heart and use it as a driver on a daily basis, as our projects develop from ideas to advanced engineering projects,” says Larsson. “Sometimes, though, the market does not always know what kind of technologies exist and what can be offered. Innovation is, essentially, made up of a combination of market pull and technology push.”

“Volvo CE is famous for introducing the articulated hauler concept, for instance, and enabling mass transport to occur over very tough ground conditions, but no one was asking for it at the time. That was us pushing.”

#### **FROM ENGINES TO DRIVELINES**

Over the past few years, some of the most important innovations have been centered on Volvo’s market-leading family of V-ACT engines in response to the changes in emissions legislation in the US and in Europe. The final step for these regions – Tier 4 Final/Stage IV, which effectively reduces NOx and particulate matter emissions to zero – comes into play from the start of 2014.

Larsson expects the emphasis now to shift to maximizing the efficiency of drivelines and to fuel economy. And he is excited.

“I’ve just celebrated 35 years with Volvo CE,” he says. “Innovation suits me – it means never being satisfied. It’s an approach that keeps you young – even if my shortage of hair might suggest the opposite!”

“There is always a new challenge around the corner. And around that corner, there is another corner. This is the perfect job for me.



Volvo's market-leading family of V-ACT engines.

“THERE IS ALWAYS A NEW CHALLENGE AROUND THE CORNER. AND AROUND THAT CORNER, THERE IS ANOTHER CORNER.”

“And it’s not just about technologies and products; it’s about the inner life of an organization and how we can improve in everything that we do, whether it is our production methods or our speed in terms of product development. It’s about being faster, better, cheaper. What could be more exciting than that?” **VW**

Text: Tony Lawrence.



# THE VOLVO BLAW KNOX 7000-SERIES MARKS A FRESH START — FROM THE GROUND UP

Everyone knows that time is money. When it comes to road paving, though, the margins are narrower and more time-critical than in almost any other area of the construction industry. Put another way, there's no room for error - or delays.

“Asphalt is very expensive and it is also what we call perishable,” says Dan Donovan, Volvo CE’s (Volvo CE) sales director Road & Demolition for North America. “If you have 25 trucks lined up, each holding 15 tons of perishable material, your paving machines have got to be dependable, reliable and hold up under extreme conditions.”

Sometimes, however, it seems as if even the road paving community can be patient. They know that sometimes waiting is worth it. As with Volvo CE’s new Blaw Knox 7000-Series.

The P7110 tracked and P7170 wheeled pavers, unveiled to dealers in Shippensburg, Pennsylvania, in October at a special ‘Road Revival’ event, are the first Blaw Knox pavers ever fully designed and developed by Volvo “from the ground up,” says Donovan.

#### **A REAL WINNER**

“That’s a very strong message and one that the market has been waiting for. There is a lot of excitement out there, not least among former loyal Blaw Knox customers who have been waiting to get their hands on this machine.

“The paving community is very small and tight-knit. They are also very demanding. When you have a good product, the word spreads swiftly. There is the sense that we have a real winner here.”

The 7000-Series machines, one of which was first shown in March at the World of Asphalt, began to be shipped out to customers in July and will be given pride of place by Volvo CE at the CONEXPO-CON/AGG international show in Las Vegas in March 2014.

What makes them special? For Donovan, who has been in the industry for almost 40 years, it comes down in particular to the Volvo D8 240 horsepower (179 kW) Tier 4/Stage IIIB engines, the Volvo electrics, the feeder systems and the tracks – as well as the wide range of front and rear-mounted screeds.

#### **‘THE BEST ON THE MARKET’**

“We have a better powertrain which spells more horsepower than before at the same fuel performance, the feeder system is more reliable and durable than ever before, while the track system is arguably the best on the market,” he says.

“We are back to the best of Blaw Knox - boosted by the expertise of Volvo.”

The 7000-Series – “they are our mainline pavers for heavy highway jobs, big, income-producing machines also used for airports and major infrastructure work” – have some ground to make up, though.

“The Blaw Knox brand was acquired when Volvo CE took over Ingersoll Rand’s Road division in 2007,” says Donovan.

**“If you have 25 trucks lined up, each holding 15 tons of perishable material, your paving machines have got to be dependable, reliable and hold up under extreme conditions.”**



"I had worked for Ingersoll Rand for 31 years at that stage. There were fundamental design issues with the latest 6000-Series pavers that we had produced. Volvo inherited those. It took a lot of engineering time by Volvo, and a lot of upgrades, to get the machines back to where they belonged in terms of durability, reliability and ease of use.

#### **BLAW KNOX'S BEST TRADITIONS**

"The market view of the 6000-Series pavers had initially been negative, so Volvo took a clean sheet of paper for the 7000-Series and, rather than just putting in a Tier 4/Stage IIIb engine, we opted for a fresh start and a total redesign."

As always, it will be the market that will ultimately decide just how successful Volvo has been in reviving Blaw Knox's best traditions. The early signs, though, are good.

**"We are back to the best of Blaw Knox - boosted by the expertise of Volvo."**



**“It’s a little unusual for customers to buy a demo paver right out of the box – people tend not to want to buy the first few machines off the line – but that is what has happened with the 7000-Series.”**



One demonstration P7110 paver was sent to Albuquerque-based Golden Equipment Co., a Volvo CE dealership and the only locally-owned heavy construction equipment dealer in New Mexico.

“We have had five demos with our highway customers, local construction companies and clients such as the New Mexico Department of Transportation and Albuquerque Underground,” says Golden’s sales manager Judd Segal.

#### **VALUABLE SUPPORT**

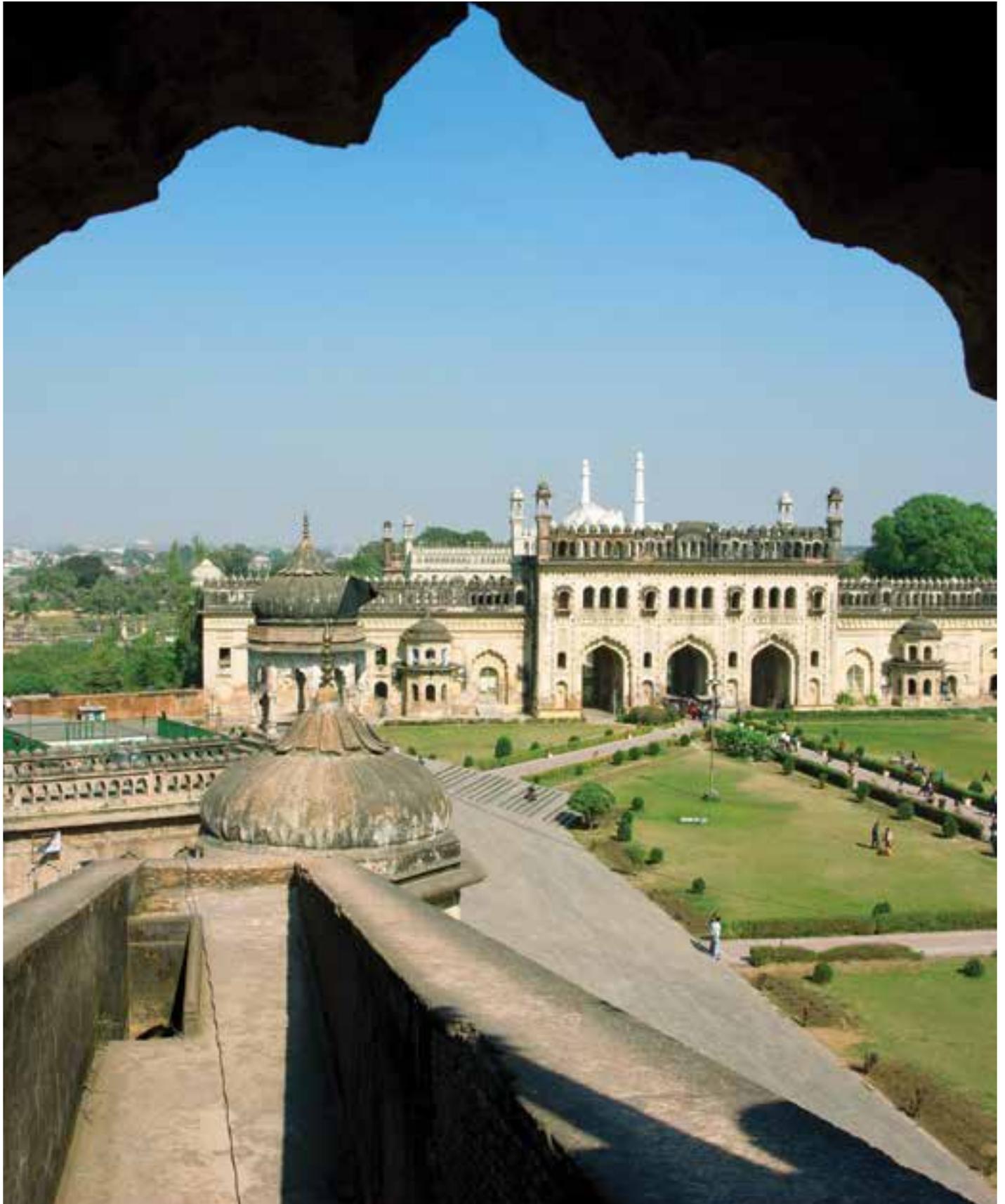
“Volvo sent down their field representative, Corky Hawkins, for the demos, and he helped out our field mechanics Jimmy Thompson and John Keddy Sr. in supporting our customers. That was really valuable and immediately built trust. We sell the whole range of Volvo CE machines but the response to this one was so positive that we decided to buy it ourselves, either to sell on or use in our rental fleet.”

The choice of Albuquerque as one demonstration site was no accident, says Donovan.

“The very first 6000-Series machines tended to overheat and did not perform as well at altitude. Volvo have made sure those issues are long gone. It’s a little unusual for customers to buy a demo paver right out of the box – people tend not to want to buy the first few machines off the line – but that is what has happened with the 7000-Series. I have eight demo machines in the field and we have already sold three of them.

“People rely on us. I tell them: ‘The Blaw Knox you used to know is back’. And Volvo is here.” **VW**

Text: Tony Lawrence



**CareTrack saves engine seizure in the princely 'City of Nawabs'**

“KEEPING THEIR MACHINES UP AND RUNNING IS THE KEY FOR US TO MAINTAIN A GOOD RELATIONSHIP.”



The city dates back to 8000 B.C. and is rich in history and culture.

**K**KNOWN LOCALLY AS THE PRINCELY ‘CITY OF NAWABS’, LUCKNOW IS LOCATED ON THE BANKS OF THE RIVER GOMTI AND IS THE CAPITAL CITY OF THE INDIAN STATE OF UTTAR PRADESH. LYING JUST SOUTH OF THE NEPALESE BORDER, THE CITY DATES BACK TO THE SURYAVANSHI DYNASTY OF 8,000 B.C. AND IS RICH IN HISTORY AND CULTURE. THE ANCIENT NAWAB PEOPLE WHO SETTLED HERE LEFT BEHIND A HOST OF WELL-LOVED LITERATURE, MUSIC, DANCE AND ART, WHICH REMAIN DESPITE THE CITY HAVING UNDERGONE A GREAT DEAL OF MODERNIZATION OVER THE LAST 10 MILLENNIA.

Contributing towards some of the more recent changes to the city’s landscape is highway and infrastructure contractor APCO Infratech. Based in the east of the city, APCO employs over 850 people, including 120 certified engineers, and specializes in road building and maintenance, energy infrastructure solutions, urban building and industrial development. A customer of Volvo CE since 2011, APCO relies on the quality of its machinery to keep job sites up and running. The company currently owns a fleet of 23 Volvo machines, including motor graders for the highways section of the business, and wheel loaders to move materials at its quarry.

#### **DON'T STOP RUNNING**

“Machine downtime is the most costly problem our customers face – so keeping their machines up and running is the key for us to maintain a good relationship,” explains Amit Singh, Customer Support manager at Indian Volvo CE



The CareTrack system delivers machine data, including fuel consumption and operating performance, which can be reviewed remotely by both the machine owner and the local dealer.

“WITHOUT THE HELP OF CARETRACK, IT’S SOMETHING THAT COULD EASILY GO UNNOTICED.”

dealer Infra Equip. “Unfortunately faults do inevitably occur and when they do, our priority is to alert the customer and fix them as soon as possible.”

Infra Equip demonstrated its ability to quickly and efficiently resolve machine downtime issues when an alert was raised via Volvo CE’s patented telematics system, CareTrack. The system delivers machine data, including fuel consumption and operating performance, which can be reviewed remotely by both the machine owner and the local dealer. Recently, one of APCO Infratech’s wheel loaders signaled that the engine oil pressure had dropped to critical levels – and continuing operation of the machine could lead to more severe – possibly catastrophic engine damage.

“This is not a common fault,” explains Singh, “Without the help of CareTrack, it’s something that could easily go unnoticed and cause additional damage to the engine – a costly and time-consuming problem to repair. With the help of CareTrack, we were able to notify the customer straight away to avoid any damage being made to the engine. And better still, we were able to cross-check the CareTrack fault information with engine oil pressure data from MATRIS – Volvo CE’s on-board electronic diagnostic system – to make a fast and accurate diagnosis.”



MATRIS and CareTrack work together to deliver information about fuel consumption, engine performance, service interval alerts and error reports.

#### AT YOUR SERVICE

Within 24 hours, a qualified Volvo CE service technician had attended to the machine on site, to further investigate the trigger of the alarm. It transpired that a fuel pump had stopped working properly, causing the engine oil pressure to drop. Had the machine continued to operate, there is a strong possibility that the engine would seize – generating huge costs for the customer in terms of parts and labor and the additional downtime.

“When one of our wheel loaders is out of action, we are forced to leave trucks unfilled and idle. This more than doubles the cost as it’s not just one machine down, it’s several,” explains Mr Kamish, senior mechanical project engineer at APCO Infratech who oversees the quarry’s operations. “With the help of remote monitoring systems such as CareTrack and the quick action taken by our local Volvo CE dealer, we were able to identify the fault and prevent any serious damage to the machine. Our machines are in operation for more than 12 hours a day so the faster we can resolve a problem, the better.”

#### A TRUSTED PARTNERSHIP

According to Singh, who is in charge of customer support at the local Volvo CE dealer, replacing an engine can take up to 17 days and costs in excess of 2.3 million Indian rupees (USD 36,000). “The swift action taken by our service and maintenance teams resulted in savings in excess of 1.5 million

“WE SEE OURSELVES AS THE BUSINESS PARTNERS OF OUR CUSTOMERS BECAUSE HELPING THEIR BUSINESSES TO THRIVE IN TURN HELPS OURS.”

rupees (USD 24,000) and more than 10 days of downtime,” says Singh. “We see ourselves as the business partners of our customers because helping their businesses to thrive in turn helps ours. So we always do our best to keep our customers’ machines up and running no matter what.”

Volvo CE uses the most advanced technology to allow owners, operators and dealers to monitor machine data. MATRIS and CareTrack work together to deliver information about fuel consumption, engine performance, service interval alerts and error reports. “Our dealer staff showed excellent teamwork in this instance to resolve an issue for one of our very valued customers,” says Singh, “and as a result we have strengthened our relationship with them and hope to grow our partnership even further in the future.” 

Text by: Holly Brace



**Volvo and KDB  
working together  
to make the  
impossible  
possible**

Picture the scene: mountains, forest, swampland - with a vital pipeline taking gas from Russia to Turkey running underneath. Somehow you've got to build a road through this to connect a thermal power plant for the 2014 Sochi Olympic Games in Russia - a prestige project if ever there was one.

*“KDB and Volvo are undoubtedly the excellent example of a harmonious technical tandem, when two companies help to develop each other’s business.”*



Konstantin Grigoriev-Rudakov of KDB

“Volvo Construction Equipment provides us with an opportunity to make the impossible possible,” says Konstantin Grigoriev-Rudakov of KDB, the principle road constructor in Krasnodar, located in southern Russia, about 80km (50 miles) north east of the Black Sea. “It is quite sufficient to have Volvo equipment in your range in order to find a quick solution to the trickiest problem.”

KDB, who’ve been in the business for 75 years, have certainly embraced the potential of Volvo CE technology. “KDB has a great vehicle park of Volvo machines,” says project head manager, Oleg Hohryakov. “More than 17 units (two backhoe loaders, one crawler excavator, three pavers, two skid steer loaders as well as four compactors and five Volvo trucks). “KDB and Volvo are undoubtedly the excellent example of a harmonious technical tandem, when two companies help to develop each other’s business. Such cooperation has a good influence on road quality, so users can drive down the road with delight.”

For KDB, or Kubandorblagoustroistvo, the partnership is essential. Since 2007 the company has been contracted to help with construction for the Olympics, and the first project was the service road to a thermal plant near Dzhubga in the administrative center of Krasnodar Krai. It might have been only one kilometer long, but that terrain, with the vital Blue Stream gas pipeline underneath, meant it was an intricate project; one requiring the most reliable equipment operated by highly skilled personnel.

The partnership goes back a year further, when KDB’s executive board opted for Volvo construction equipment and bought a Volvo G746B motor grader. It has turned out to be a multifunctional machine, being used as a bulldozer and earthmover. Seven years on, it still runs perfectly. For KDB, sourcing the right machinery has been straightforward as well. Ferronordic Machines are Volvo CE’s authorized dealer in Krasnodar, providing maintenance for the machines and training for operators too. This means the customers can use the equipment just two days after buying it.

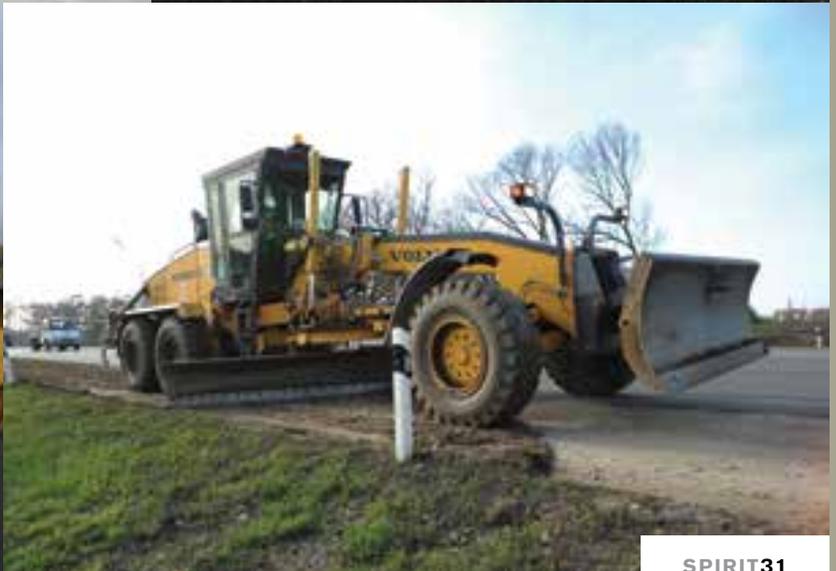
Alexander Kulik is KDB’s CEO and one satisfied customer. The equipment roll-call tells its own story. “The first equipment which was bought for KDB included a Volvo ABG 6820 paver and DD138HFARC, DD95 and DD38HF compactors, an MC135C skid steer loader and Volvo trucks. This choice was technically justified: this equipment exceeded all our expectations.”

“The paver,” he says, “coped perfectly with macadam and mastic asphalt concrete (a relatively new road covering technology). We also bought attachments for the skid steer, a sweeper with a water spray and cold planner. This equipment was very useful during the construction of the Maykop-Tuapse motorway. But all the machines are versatile too, helping with disaster relief in Krymsk after heavy rainfall led to severe flooding. “The skid steer loaders are very powerful,” he enthuses. Now he’s proud of a new association between KDB and Volvo CE, for an airport in Krasnodar which, again, is an important piece of Olympic infrastructure as the reserve airfield for Sochi. And there’s one other key element which makes the tie-up tick. “All our equipment we bought on lease. Volvo has various solutions which help companies to make their business more efficient.”

KDB has looked to Volvo CE as it has sought to innovate in the past year, especially in using recycling technology for road repair. And this is where Konstantin Grigoriev-Rudakov, assistant general manager of KDB says Volvo CE has helped find solutions, as with that short road near Dzhubga. KDB has been developing new materials for road construction, not just in Krasnodar, but the whole country. “When innovative technologies are being tested,” he says, “it’s of great importance for new equipment to work perfectly. In this case Volvo provides dependable machines you can certainly rely on. Volvo’s equipment never lets you down even in the most critical situation and this is highly important for constructors.”



KDB and Volvo CE are also involved in an airport in Krasnodar which, again, is an important piece of Olympic infrastructure as the reserve airfield for Sochi. All the equipment was bought on lease. Volvo has various solutions which help companies to make their business more efficient.





What all the KDB executives point to is CareTrack, the system that “keeps watch” over the equipment and lets them know when it needs maintenance. It comes as standard and connection to the system and subscription for three years is free. “The system allows us to reduce costs,” says CEO Alexander Kulik. “We can detect defects in our equipment and take measures in time. The human factor is totally excluded, there is no possibility to “forget” or have too little time.”

All you need to run CareTrack is an online connection. “You really don’t have to be near an excavator or loader to check its technical state,” says Konstantin Grigoriev-Rudakov. “You can be in another city or even another country. All Volvo CE machines are fitted with an integrated GPS-module, modem and receiver. With the help of these devices, you get equipment status data on the general database through the mobile network. To log in you need a computer connected to the internet, user name and password.”

The data provided by CareTrack comes in three forms: maps and monitoring, operation reports and service command. It tells you about fuel consumption, operations in machine hours as well as reminders about maintenance. And Konstantin has one final thought: “So, even resting in the Caribbean you can see where your machine is, how much fuel is in the tank or choose the day of maintenance.”

The result of this rigorous maintenance regime, says project head Oleg Hohryakov, is that Volvo construction equipment runs 12-16 hours a day. “It works constantly, without intermission. Customer care works perfectly, we can order the service at any time and be confident of it being done within the shortest possible period of time.”

*“Volvo’s equipment never lets you down even in the most critical situation and this is highly important for constructors.”*

So how easy is it to run this kind of state of the art machinery? “Modern foreign equipment is widely used nowadays,” says CEO Kulik. “But in our region there is a lack of personnel who can operate these machines, so the issue of staff training emerged.” He points to the importance of Volvo CE offering training courses for the companies that buy its equipment. Now KDB is planning its own training facility and is currently developing a training module along with Volvo.

KDB is proud of its recent achievements, not just that road to the Dzhubga thermoelectric power station or the repairing of part of the Sochi-Dzhubga highway, or other projects inside Krasnodar. It delivered all the traffic infrastructure around a canning plant, all roads to the Jug Avto automobile village and has other highways under construction – all using an array of Volvo CE equipment including pavers, compactors, haulers and skid steer loaders. And its own technological innovations mean it is looking to the future. In the words of Konstantin Grigoriev-Rudakov: “KDB is a forward-looking company in its field of action, that makes it similar to Volvo.”

Small wonder then that project head Oleg Hohryakov talks of a “harmonious technical tandem.” As KDB and Volvo CE strive together to make the impossible possible. **IV**

A professional golfer in a blue polo shirt and white trousers is captured mid-swing on a lush green golf course. In the background, a yellow Volvo excavator is partially visible, with the text 'C55B' on its side. The scene is set against a backdrop of dense green trees.

## Why Volvo CE and golf make a perfect fit!

Sponsors of sporting events do not have favorites. That goes without saying. But if Volvo Construction Equipment were permitted a soft spot for one superstar in particular, then it would probably be golfer Louis Oosthuizen.



*“Before the pro-am team competition, we told him he could swap the car for the excavator if he won.”*

Why? Well, let's take a short trip back in time, to the start of 2013 and to the Durban Country Club, on the 18<sup>th</sup> green at the Volvo Golf Champions event, at the end of the second round.

Oosthuizen, the 2010 British Open winner and runner-up to Bubba Watson at the 2012 Masters, is taking an unusually long time over lining up his 30 ft birdie putt.

Which is odd. It's only the second round, after all, and he's already well placed as the joint leader. It hardly seems like a crucial putt. 'Moving day', when golf tournament contenders start jockeying for position before the final push, is still 24 hours away. And the really serious business at the \$2 million event does not start until Sunday.

Except that the second round of the Volvo Golf Champions is a bit special, designed as an 'event within an event' where two professionals team up with one of Volvo's customers. The best two scores on each hole contribute to the team score, with a luxury car on offer for the winners.

#### **WHY THE EC55B TOPPED LOUIS'S WISH-LIST**

Oosthuizen, though, alongside amateur Colin Ledwith from England and top Thai professional Thongchai Jaidee, had his eyes on something else.

A Volvo CE EC55B excavator, to be precise.

“He owns a farm back near Mosel Bay in South Africa and he wanted an excavator to carry out a variety of digging jobs – as well, perhaps, as creating a few new bunkers on his practice area!” says Elin Svanström, Sponsorship and event project manager for Volvo CE.

“He first laid eyes on the EC55B at the Volvo China Open two years ago and had been talking to the company about purchasing one. So, before the pro-am team competition, we told him he could swap the car for the excavator if he won.”

When the going gets tough, they say, the tough get going. Oosthuizen duly rolled in his putt (he went on to win the entire tournament as well) on the way to turning his dream into reality.

#### **SPONSORS' RECORD**

So Volvo and Oosthuizen have a special link. Volvo and golf go back a long way, too.

The company's sponsorship of the European Tour dates back to the Volvo Belgian Open in 1987. In 2011 – the first year of the Volvo Golf Champions – the tournament became the ninth different Volvo European Tour sponsored event, more than any other sponsor.

May 2013 was particularly important for Volvo, with its China Open in Tianjin at the start of the month – won in



*“Volvo was the first company to bring a European Tour event to China and we are the first to take a full European Tour event to Bulgaria.”*

scintillating fashion by on-form Australian Brett Rumford - immediately followed by the ground-breaking Volvo World Match Play Championship at the Thracian Cliffs Golf and Beach Resort in Bulgaria, where the 2010 US Open Champion, Northern Ireland's Graeme McDowell triumphed in the final against the impressive Thongchai Jaidee.

As Per Ericsson, President of Volvo Event Management, explained: “Volvo was the first company to bring a European Tour event to China and we are the first to take a full European Tour event to Bulgaria, as Eastern Europe is an important business area for us. We are very proud to still be delivering ground-breaking innovations as we mark our 130<sup>th</sup> professional golf tournament.”

The players at Thracian Hills were equally hugely appreciative, with South African semi-finalist Thomas Aiken saying: “It was a fantastic week, Volvo does a great job at every event they do. It was another spectacular event... and the atmosphere was great.”

#### **A STRONG BRAND**

It's easy to see why Volvo and golf make a perfect fit. For starters, both have a truly global following and both have a strong identity or 'brand' – people know exactly what they stand for.

Anyone who loves golf also knows that playing well is all about mastering physical and mental balance, about timing and acquiring a high-performing swing that you can trust at all times. Being good occasionally does not work. To get really good, you need to be both ultra-passionate and super-professional.

Passionate, high-performing and professional with pioneering technology and innovation? All very Volvo.

And with golf's high-quality mechanics and club technology comes creativity and innovation. A golfer needs to be able to push the boundaries, introducing new shots and ideas. Attention to detail is also crucial – it's no good hitting powerful 300-yard drives if you can't sink 5-foot putts.

#### **GETTING INVOLVED**

This year, we're making a big effort to get more Volvo CE customers in particular involved. We are inviting them to take part in Volvo's global tournament for customers, the Volvo World Golf Challenge, through one of the many local competitions which we stage,” explains Svanström.

“If they do well there, they can qualify for regional competitions and then even the World Final where the best finishers take part in Playing With The Pros and get the chance to team up with the likes of Oosthuizen. Seeing how excited our amateurs were in Durban is enough to make anyone want to take up the game!”

As amateurs, they won't get the chance to win any prize money, but they could still take home a luxury Volvo car or one of our market-leading excavators as recent rule changes mean that even amateurs can get to keep the prize for a hole-in-one, for example, the excavator.

Anyone lucky enough to make the World Final might just get the chance to see Oosthuizen in action. By winning in Durban this year, he automatically became the first player to qualify for the 2014 Volvo Golf Champions where he could well be trying to add to his collection of Volvo CE machines. **VW**

Text: Tony Lawrence

## **VOLVO AND GOLF ICONIC AND PRESTIGIOUS EVENTS**



Volvo China Open Champion 2013 - Brett Rumford

#### **VOLVO CHINA OPEN**

The National Open Golf Championship of China. 20th Anniversary in 2014. The annual Volvo China Junior Championship provides a pathway for the country's expanding number of young golfers with a chance to qualify for the Volvo China Open.



Volvo Golf Champion 2013 - Louis Oosthuizen

#### **VOLVO GOLF CHAMPIONS**

The season-opening on the European Tour. The first-ever true Tournament of Champions on the European Tour. Inaugurated in 2011.



Volvo World Match Play Champion 2013 - Graeme McDowell

#### **VOLVO WORLD MATCHPLAY CHAMPIONSHIP**

Dates back to 1964 and is one of the most iconic events in global golf. Widely seen as the unofficial World Championship of match play golf.



Meet the (Iron)man at the heart of the Volvo Ocean Race Revolution.

“THE NEXT RACE WILL SEE EACH TEAM RACING IN IDENTICAL, NEWLY DESIGNED VOLVO OCEAN 65 BOATS, PUTTING THE EMPHASIS RIGHT BACK ON THE PEOPLE ACTUALLY DOING THE SAILING.”



Nick heads 'The Boatyard', a centralized boat maintenance and servicing function.

**T**HERE IS CLEARLY MORE THAN ONE SIDE TO NICK BICE. THERE'S NICK BICE, THE FAMILY MAN; NICK BICE, THE ADVENTURER; THERE'S NICK, THE TEAM MAN AND NICK THE INDIVIDUALIST. AND THERE'S NICK BICE ON DRY LAND, NICK BICE ON WATER.

When the Volvo Ocean Race begins on October 4, 2014, at the start of nine months and 39,379 nautical miles of drama-packed action, when the docklines are untied, Nick – family and team man – will be staying behind, in body if not quite in spirit.

Arguably, though, the 35-year-old Australian will play as important a role as any one person in next year's revamped – and revolutionary – event.

Nick heads 'The Boatyard', a centralized boat maintenance and servicing function which lies at the heart of the race's new 'One-Design' concept. The idea is for each team to compete in identical, state-of-the-art Volvo Ocean 65 boats, thus reducing costs but also making for a much closer and dramatic event. It is something which has never been tried before in a race of this kind.

#### **FOCUSSING ON PEOPLE**

“Arguably, the race was in danger of becoming unfeasible,” explains Nick. “Sure, it's the pinnacle of off-shore racing, but the sponsorship demands were becoming a real problem. In the 2005 race, for example, the biggest team budgets were around 20-30 million Euros.



The Volvo Ocean Race is considered the toughest sailing event in the world.

“YOU CAN THINK OF IT IN TERMS OF A TRUCK OR CONSTRUCTION VEHICLE SERVICE, AFTER SO MANY THOUSAND HOURS OF OPERATION WE WILL KNOW EXACTLY WHAT NEEDS TO BE DONE.”

“It was getting like Formula One, where technology plays such a huge part. To an extent, teams were buying performance and buying the right to win. The next race, though, will see each team racing in identical, newly designed Volvo Ocean 65 boats, putting the emphasis right back on the people actually doing the sailing.”

The Boatyard team, made up of up to 50 people at the busiest times, will shadow the race around the world, from Alicante where it starts to Cape Town, Abu Dhabi, Sanya in China, Auckland, the Brazilian port city of Itajai, Newport Rhode-Island, Lisbon, Lorient in France and – finally – to Gothenburg. Each stopover will see varying service levels that the teams will receive, these range from a minor service up to full disassembly at a full service stopover in readiness for the next punishing leg. The Boatyard will also be accessible to the public at each Race Village.

#### **WHEN 750,000 EUROS WAS WORTH NOTHING**

“You can think of it in terms of a truck or construction vehicle service, after so many thousand hours of operation,” says Nick. “We will know exactly what needs to be done at Cape Town, or Auckland or wherever. Previously, teams would have done all their own work, which meant lots more people were needed.”

“Also, everyone used to have custom-made spare parts, from winch systems to masts, booms and daggerboards, since each boat had a different design. A team might haul a spare 750,000-euro mast around the world and never use it. At the end of the race it would be worth nothing.

“Here, though, the parts can be used by any team, and the Volvo Ocean 65s are much stronger than their predecessors, so they have been designed to be used not for just one race but for two. Teams will see their race budgets come down to around 10-14 million Euros.”

The first Volvo Ocean 65, designed by Farr Yacht Design in the US and built by a European boatyard consortium, has been delivered and put through its paces by the all-female SCA team, sailing from the UK to Lanzarote.

### **SPEED, TOUGHNESS, SAFETY**

First reports, says Nick, are all good, with the boat, with its deeper keel draft, inclined keel pin axis, extra water ballasts and eight bulkheads (compared to four previously on the Volvo Open 70), living up to its reputation for high speed, toughness and extra safety.

The Volvo Ocean 65s will also be equipped with more camera and microphone points, allowing fans to experience the racing much more closely and in real time as the boats tackle icebergs, whales the size of four-storey houses and temperatures ranging from between minus 15 to 45 degrees Celsius (59 – 113 degrees Fahrenheit).

Nick, for sure, will be looking on with interest.

A shipwright by trade, he has already raced in two Volvo Ocean Races and been part of land crews in two more. A large chunk of his childhood, indeed, was spent in boats.

### **EXTREME CHALLENGES**

He is, he admits, attracted by “extreme challenges – either that or I have a very short memory...” and has certainly not ruled out competing in the race again (although his new wife and daughter have yet to be fully consulted on this).

“The Volvo Ocean Race is such a unique experience, which very few people in the world get to take part in. It’s very special. When you find yourself staring at 18 meter (60 ft) waves, you end up with a unique friendship with the people around you.”

For now, though, Nick is committed to being a landlubber. He’s working hard at The Boatyard, then going home to help cook the dinner and to look after his daughter.



“THE VOLVO OCEAN RACE IS SUCH A UNIQUE EXPERIENCE, WHICH VERY FEW PEOPLE IN THE WORLD GET TO TAKE PART IN.”

Extreme challenges are out. Apart, of course, from taking part in the odd Ironman event (a 2.4 mile/ 3.86 km swim, 112 mile/180.25 km bike ride and a marathon, for the uninitiated). Nick has done four this year. So far. Everyone needs a little excitement in their lives, after all... 🏆

Text: Tony Lawrence



# WHY VOLVO CE IS TOTALLY FOCUSSED ON ITS KEY ACCOUNT SUCCESS

Volvo Construction Equipment's machines come in all shapes and sizes. So do its customers. At the one end of the spectrum, you find the classic one-person, one-machine business. At the other? Companies which are bigger than Volvo CE – or even The Volvo Group as a whole.

Not surprisingly, these organizations – these ‘key accounts’ – require a special kind of relationship.

“Key accounts are demanding customers, with different needs from, say, local companies,” says Carl Slotte, Volvo CE’s senior vice president Key Customers. “They have a global footprint so we need a different approach from regular, local, smaller operations that might have different needs. That is the challenge.”

Such major players are also becoming more and more important in terms of their numbers, as increased competition in industries such as cement and quarry and aggregates leads to mid-sized companies being merged with larger organizations.

“We see consolidation in the customer interface as key accounts grow and expand their footprint and become global players. It is important for us to support them in their expansion as they move into emerging markets,” adds Slotte.

#### **INFORMATION SHARING**

“The relationship is very much about facilitating and information sharing. We have to be diplomats sometimes, to help tie everything

together. That is the most important role we have.”

So when does a big customer suddenly become a key account?

There is no simple definition, says Thomas Stemper, Volvo CE’s Key Customer director for Sales Region EMEA (Europe - Middle East - Africa).

“There are some industries like, say, the truck industry for example, where they might say that a key account is anyone with more than 500 of their vehicles and who is present in at least five markets. But our business is more diverse than that and can’t be measured in the same way.

“We work, for example, with leading companies in construction, in cement and in the waste industry and they cannot be compared - they are all very different from each other.

#### **OPERATING IN 50-70 COUNTRIES**

“There are cement corporations, for example, which operate in between 50 and 70 countries around the world – they’re real global players. In construction, meanwhile, there are companies with up to 115,000 employees, which is around the same as the whole of Volvo Group.”

Volvo CE has four key account organizations, covering EMEA, Region Americas, China and APAC (Asia-Pacific). Key accounts, whether they are global, international, or regional companies, require consistency in their dealings with



Carl Slotte, Volvo CE's Senior Vice President Key Customers.



Thomas Stemper, Volvo CE's Key Customer Director Europe, Middle East & Africa (EMEA).

*“It is important for us to support them in their expansion as they move into emerging markets.”*

their major suppliers and this is Stemper's responsibility as he and his colleagues drive forward the business.

"Key accounts, whatever industry they belong to, are not aiming for market-by-market relationships or conditions," he says. "They want across-the-board consistency, they want stability and they want one identified person as a main, direct contact. If there are problems, wherever it happens or at whatever level, they want to be able to go straight to that one person to solve things.

"We have a core team at headquarters to do this, and we are supported by our colleagues in the market who work on the next organizational level with these customers. We have developed our structure over the years so that almost every dealer has a dedicated key account representation."

#### SEEING THE BIGGER PICTURE

In some important Volvo CE markets, such as France, where key accounts represent around 30% of total business, there is not only one contact person at market level but a whole key account organization.

Headquarter contact is, of course, vital, says Stemper, and that is where deals are prepared and negotiated, "but equally customers have to feel comfortable with our dealers – otherwise the relationship simply won't fly".

Slotte agrees. "It is not always easy for dealerships, who may have limited local dealings with a company which is, however, huge internationally. Making sure all stakeholders recognize the bigger picture in such cases requires a lot of communication and information."

*"We need to understand our customers' perspective, what they are trying to achieve and what is likely to be their next step in terms of entering new markets or segments."*

Whatever Volvo CE is doing with its key accounts, it is clearly working. Feedback from those customers themselves confirms it. Stemper, who is based in Konz in Germany, believes there are two key elements to this success – focus and teamwork.

#### CUSTOMER FOCUS

"Yes, I think our strength is our focus on our customers, on what they both want and need. This is what our feedback tells us.

"Firstly, we have very good relationships at the top level but secondly, and as importantly, the focus at dealer level is also very strong. There is very good co-ordination and teamwork right through the company hierarchy."

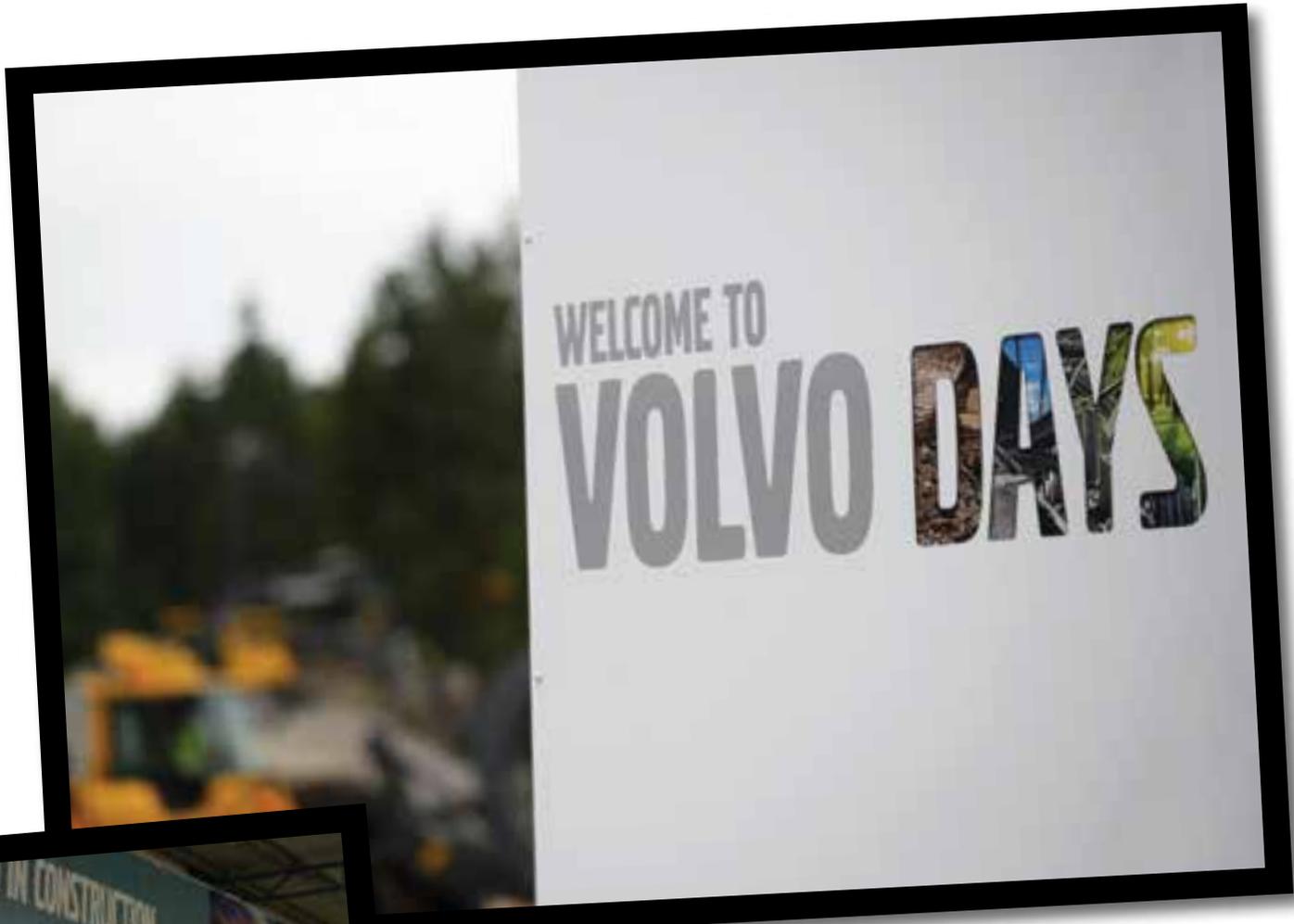
Understanding the way its customers run their businesses, indeed, has always been another major Volvo CE strength and it's one that Stemper and his colleagues work on relentlessly.

"Yes, this is 100 percent important to us," he says. "We need to understand our customers' perspective, what they are trying to achieve and what is likely to be their next step in terms of entering new markets or segments."

"It is very important that you follow your customers closely and how you can help in both good times and bad, when, for instance, their turnover may dip and they need to put more emphasis on keeping their existing machines running longer, or leasing rather than purchasing new machines. Improving the total cost of ownership is always something we are driving forward.

"By understanding them and their markets, we can sometimes know things even earlier than they do, and that can be invaluable for them, for us and for the success of our relationship." 

Text: Tony Lawrence



# **Volvo Days raises the bar... again!**



**M**ore than 8,500 visitors from all four corners of the globe traveled to the heart of Sweden and Volvo Construction Equipment's spiritual homeland of Eskilstuna this August and September for what was the most spectacular and successful Volvo Days yet.

The Volvo CE Customer Center – a stone's throw northwest of the town in which Volvo CE was born back in 1832 – played host to the event, where visitors saw, tried and even test drove the full array of Volvo CE products, including the brand new SD75 and SD135 soil compactors and L30G and L35G compact wheel loaders.

They also learned about Volvo CE's extensive portfolio of services and Customer Solutions and tried their hand at the Volvo simulators – the pioneering, realistic platforms for safe operator training that don't impact the environment or require taking valuable working machines out of production for training purposes. Historic and futuristic themed activities throughout the visit offered a unique experience and insight into Volvo's rich 181-year-long heritage and innovative approach to the future.

A clear highlight for many was the spectacular machine show featuring some 90 different machines, including Volvo Trucks, covering every segment from forestry through quarrying and mining, material handling, general and heavy construction, road building, utilities and oil and gas. Appreciation was universal but was perhaps summed-up most succinctly by one visitor from the US who said: "The machine show... it was like a Broadway extravaganza but with heavy metal. Amazing!"



***"The machine show... it was like a Broadway extravaganza but with heavy metal. Amazing!"***

Kajsa Dymling, manager of events for Volvo CE Sales Region EMEA (Europe – Middle East – Africa), said: "With Volvo Days this year, we tried to take all the pieces of the puzzle and combine them into three chapters looking into the past, present and future. This evolved over time to 'explore, interact, and join'.

"Through this unique event we wanted to show our customers and potential customers that we are forward thinkers but at the same time we always remember where we came from."

Following the dramatic machine show that had spectators on the edge of their seats, visitors toured six "stations" around the site to get a brief overview of the full Volvo CE product range, both in terms of machines and the support offerings available. "This introduction to our whole offering, including hard and soft products, proved to be extremely popular," said Kajsa. "It enabled us to detail the product and business



***“These hours spent with our machines and associated specialists are the main reason behind visitors’ traveling halfway around the world to be here.”***

support that is available to customers and also reiterate the Volvo core values of quality, safety and environmental care.”

Following a morning of world-class theater and learning, visitors then had the remainder of the day to be proactive and engaged, test driving everything from the stunning and innovative ECR25D compact excavator to the new standard-setting SD soil compactors and the ever-popular articulated haulers. “Test driving lies at the very heart of Volvo Days,” Kajsa said. “These hours spent with our machines and associated specialists are the main reason behind visitors’ traveling halfway around the world to be here.”



This 55th running of Volvo Days included two very different dinner events. The first had a historic theme based on the company origins and was proudly held in the Munktell Museum. The second evening’s gala dinner focused on what customers can expect from Volvo CE in years to come, based on the “road map” for the future.

Volvo Days is an inspirational event that showcases everything the company stands for. The customer feedback has been excellent, and that is absolutely what it’s all about. **VM**



Happy Monday...Volvo Spirit meets an operator helping to put Nigeria on the map

“THIS MACHINE HAS WORKED DAY IN, DAY OUT FOR THE PAST TWO YEARS AND IT HAS NOT HAD ANY FAILURE, EVEN THOUGH THE WORK IS VERY TOUGH.”



The beauty of location disguises just how tough the conditions are.

**O**PERATOR MONDAY JOHNSON AND HIS COLLEAGUES TAKE GREAT AMUSEMENT FROM THE FACT THAT WHEN YOU CHECK THE POSITION OF HIS EXCAVATOR ON A CELL PHONE SATELLITE MAP, IT'S ALMOST A KILOMETER OUT TO SEA.

Monday, 42, is not the operator of Volvo's first sub-aquatic construction machine. He's one of the most experienced of the 1,200-strong workforce that works on the vast EKO Atlantic site in Lagos, Nigeria, the biggest land reclamation project in the world.

At the end of a narrow sand road, with the cobalt blue waters of the Atlantic Ocean on either side, Monday has a claim to be working in one of the most picturesque spots around. But the beauty of location disguises just how tough the conditions are.

The mercury on the thermometer can touch 40 degrees Celsius (104°F), while in the wet season the rain can pour with such intensity that visibility becomes almost zero. Then there are the unique conditions of the 10-square-kilometer (3.8-square-mile) site: the salt spray of the sea when the waves lash against the rocks, and the dust and the sand when the air is at its hottest and driest. Both Monday and his machine need to be made of stern stuff.



The Volvo machines are working in some very challenging conditions and coping very well.

“THE WAVES LASH AGAINST THE ROCKS, AND THE DUST AND THE SAND WHEN THE AIR IS AT ITS HOTTEST AND DRIEST. BOTH MONDAY AND HIS MACHINE NEED TO BE MADE OF STERN STUFF.”

#### **EXCITEMENT**

“The work can be tough,” he says with an easy smile. “But the Volvo machines can cope with it. Inside the cab it is cool. And though the ground can be uneven, the machine is very well-balanced.” He shrugs and smiles once more. “It is never a problem. This machine has worked day in, day out for the past two years and it has not had any failure, even though the work is very tough.”

Monday and the EC460, which has almost 5,000 hours on the clock, have the task of settling thousands of tonnes of granite rock, which are driven to the site from a quarry 250 kilometers (155 miles) away each day. They will form the base of an eight-kilometer (five-mile) long wall which will form a barrier to the sea and protect the new development springing up within.

It is not the only job Monday has performed on the site during the two years he has worked there. He has worked on other Volvo excavators – both short and long boom – on other tasks, including moving and sorting the concrete, geo-shaped acropods that will also form part of what the locals have named ‘The Great Wall of Lagos.’ He has also driven wheel loaders.

He exudes an air of contentment but also excitement at the benefits that Eko Atlantic might bring Lagos, his home city.



“I am proud to work here,” he says. “Hopefully it will help Lagos and bring in more money and investment and work for the people. But I also enjoy the work, and it is well paid!”

#### **HARD WORK**

At the end of the a shift, Monday, who has been an operator for 12 years, and his colleagues often enjoy a game of football on site to get the day’s work out of their system. Football is Nigeria’s national sport ,and the country is still on a high from the Super Eagles’ victory in the African Cup of Nations earlier in 2013.

While many of his friends follow English Premier League clubs where Nigerian stars such as Jon Obi Mikel and Victor Moses ply their trade, Monday follows the athletes of Barcelona. “We have a laugh and a joke with each other about the football,” he says. “We have a lot of fun even though the work is hard.”

The hard work will continue for many years. Four years into the project and 140 million tonnes of sand have been dredged from the sea to provide the foundations for the new city, while 700,000 tonnes of rock have been transported from Ibadan to help build the wall. But it will be several years until enough sand has been reclaimed for the whole site, and there is still a further four kilometers (2.5 miles) of wall for Monday to work on.

“HOPEFULLY IT WILL HELP LAGOS AND BRING IN MORE MONEY AND INVESTMENT AND WORK FOR THE PEOPLE.”

#### **OPPORTUNITY**

It is estimated that the first buildings, on the land that has already been reclaimed, will be completed by 2015, but it will be another generation before the whole site is complete, probably long after Monday has hung up his hard hat. Until then, it will continue to provide employment and opportunity for men like him.

Hand shielding his eyes from the midday sun, Monday gazes around the vast plain of sand from which the new development will rise, dotted with man-made dunes and studded with machines and men shimmering in the heat haze. “It is crazy to think that a new city will stand here,” he says. But one day it will. It will appear on the map, and he will have helped put it there. **W**

Text: Dan Waddell

Photography: Julian Cornish Trestrail

# KEEP IN TOUCH STAY INFORMED

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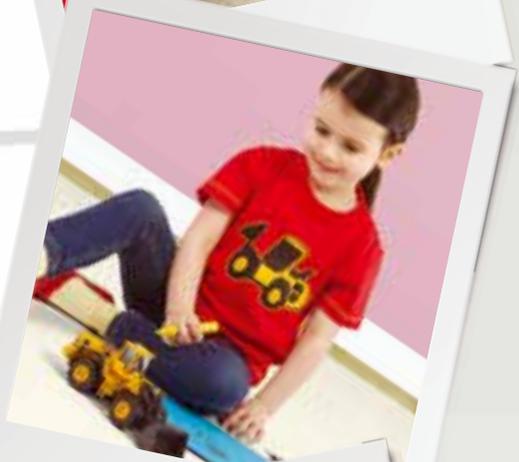
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