

LIGNA 2013 Preview

Interview with Dr. Markus Flik and Jürgen Köppel

Just a brief look back at 2012: How did the year pan out for the woodworking machinery world market leader in Europe, America, Asia and the rest of the world?

Jürgen Köppel: If we take a look at our worldwide sales regions, we noticed a slight investment reluctance in the Germany, Austria and Switzerland region. Given the still unresolved debt crisis in Europe and the less rosy economic outlook generally worldwide, we are seeing something of a wait-and-see attitude among our customers in Central Europe. Customers want to invest, but are biding their time for the moment.

The Western Europe region was already overshadowed during the most recent financial quarters by the national debt problem rearing its head in Italy, Spain and Portugal. During the 3rd quarter of 2012, incoming orders did trail behind the excellent figure for the previous year, although this was distorted by the large-scale Mekran contract. The market in America took a positive turn between July and September, exceeding the previous year's figures. Improvement of the overall economic framework conditions had a positive knock-on effect in the USA, and in Brazil incoming orders were also up year-on-year. In Asia, we saw another improvement during Q3 over the same period in 2011. As well as China, incoming orders in other Asian/Pacific region markets were up both in terms of project business and individual machine sales.

Germany as a manufacturing base: For a world market leader in the field of mechanical engineering, does machine production in Germany continue to be lucrative? What type of machines are we talking about here? What is your response to growing competition from the Far East?

Markus Flik: We manufacture high-tech products and technically challenging, smart solutions for our customers. This calls for the extreme innovative drive and the expertise we are able to call on here in Germany, supplemented by the concepts provided by our own HOMAG Group Engineering. All these factors are vital to the achievement of high-quality mechanical engineering. We are thoroughly committed to our "made in Germany" ethos. Obviously we also produce machines at HOMAG Machinery Shanghai, but only

those destined for the Chinese market, as this allows us to compete with local suppliers – in keeping with the principle of “local products for local markets”. This means we save high transport costs and customs duties, and so are able to offer our machines locally at competitive market prices. We have adopted the same approach with HOMAG Machinery Bangalore in India and HOMAG Machinery São Paulo in Brazil.

What will the Ligna mean for HOMAG in 2013? How much importance does HOMAG attach to this fair? And what will be the scale of your trade fair presence this year in Hanover?

Jürgen Köppel: The LIGNA is the world’s lead fair for the woodworking and processing industry, which makes it our number one event. The LIGNA is the lead fair for innovation, and you may rest assured that as the world market leader, we will be raising the bar once again in 2013. Featuring our traditional HOMAG Group InnovationCenter, we will be making an unmistakable mark for the woodworking industry once again as the LIGNA’s biggest single exhibitor. We aim to move world markets again this year – and the LIGNA provides exactly the right platform to showcase what we have in store.

We are already looking forward to welcoming trade fair visitors again this year to experience the unique and exciting ambience of “HOMAG City”. We will do everything in our power to enthuse existing and potential new customers. Everyone is cordially invited to come and be inspired by HOMAG City!

Are you able to divulge any hint about what technological developments are likely to feature at the LIGNA this year?

Markus Flik: One overarching theme of this year will most certainly be the issue of energy and resource efficiency. With our range of **ecoPlus** measures, once again we are placing sustainability and efficient production processes firmly in the foreground.

Showcasing our core areas of expertise, the supply of complete plants and cells from a single source for serial and batch size 1 production will be decisive aspects of our presentation in Hall 26 again this year. We will also be focusing on the issues “automation & handling” and also “lightweight construction”. We are keen to bring it home to our customers again what sort of an advantage they can gain by investing integral solutions from the HOMAG Group. From

software through to packaging, we offer solutions to address every need. For our customers, the benefits they stand to gain by using our plants in terms of higher productivity and impressive quality will distinguish them from their competitors. In Hall 11, we have prepared an array of smart solutions for woodworking shops. Alongside our broad-based portfolio of individual machines, we will also be showcasing smart workshop solutions and demonstrating how a carpentry workshop can be made more efficient with only a manageable investment.