

Confident in the future

Driven by the desire to innovate, GYS has been able to grow its sales in France and globally every single year. In 2017 this growth generated a factory expansion investment of €15 million to include a new logistics center of 10,000 m² and the expansion of production capacity of 5,600 m². These two projects reflect the strategy of this industrial family owned group to invest in ever more efficient customer service which already through the difficult experience of the Covid-19 crisis have shown to be major assets re-enforcing the French manufacturers ability to service customers globally whilst ensuring its sustainability.



The head office of Saint-Berthevin (Mayenne) now covers 40,000 m². The 5,600 m² extension completed in December 2019 is entirely dedicated to production.

The GYS teams have been busy ! The industrial group centered in Saint-Berthevin, near Laval (53), which specializes in the design and manufacture of welding equipment, battery chargers and body repair systems obviously did not escape the current crisis. But it is clear that it was able to react quickly to the situation evidenced by the fact that June production volumes were back at pre crisis levels ! " Since our deconfinement, on April 27, we have organized ourselves in production to return, as quickly as possible, to the level of production before the crisis

to deliver our customers as quickly as possible and replenish our safety stocks which had been consumed during the period containment "explains Bruno Bouygues, CEO. This bold strategy of rapid resumption of industrial activity should allow GYS to be able to get closer to its turnover of 98 M€ achieved in 2019. The financial health of the company is also shown to be strong as in May, after receiving the 2019 consolidated financial statements and Q1 2020 figures, Bank de France validated GYS a C3 ++ rating (the highest rating possible from the Bank). "The robustness of the group and our desire to grow over the long term will allow us to accelerate our R&D efforts and continue to support our customers in the months and years to come."



Incorporates cell level data processing systems dedicated to programming micro-controllers and the development human-machine interfaces (HMI). Here, the design relates to the new HMI from the NeoPulse and Titanium ranges.



The showroom dedicated to the entire industrial welding range. This now includes a videoconferencing system for distance training for French and international customers

Prepared and controlled containment

GYS was able to take advantage of the experience of its factory in Shanghai, China. GYS China closed its doors on January 19th for the Chinese New Year holidays. On January 23rd, China made the decision to confine the Hubei region before confining the rest of the country shortly afterwards. It was several weeks before the factory was allowed to reopen in February and then gradually getting back up to being fully operational by mid-March. This was the time when Europe was facing its confinement. "In this crisis, having a factory in China was a major asset because the experience accumulated there allowed us to plan the actions to be implemented in Europe. We quickly asked all of the group's European entities to prepare for their potential containment and to work on a continuity plan. "In early March, even before Europe had set confinement rules, everything was in place, the strategy, information, our subsidiaries were prepared, as were plans for component stocks and raw materials to be able to after confinement. "Assuming that the stages of the crisis would be similar in Europe and in China, we quickly built and gave a deconfinement schedule on which we regularly communicated internally depending on what was going on. The experience of China made me think



Welding experts are a critical resource in responding to customer issues and providing support to the sales force. They also work in collaboration with R&D for the development of welding synergies.

that we would have a slowdown of 100 days, 40 days of confinement and 60 days of gradual recovery to return to a new normal. By asking part of the French team to work short time on March 18 we assumed that the factory would restart production on April 27th and that our sales teams would be 100% on the ground around the 15th June. And that is what happened. I think that in this complex sequence, the team performed exceptionally well doing their utmost to make the situation easier. Anticipating, planning and communicating has really allowed us to keep a positive state of mind in

Europe and to prepare for the future." Having a factory in China also enabled the company to quickly organize an air and sea bridge to obtain personal protective equipment which has been shared around the group. We were also pleased to donate significant stocks of PPE to our local Mayenne hospitals.

In France, even during the shutdown GYS maintained a skeleton staff of 52 employees at the factory to support customers, receive and deliver orders.

A new logistics centre

"Today, to exist, we must be able to offer a complete range and merge two tasks, that of industrial manufacturing and that of wholesaler on the products that we do not manufacture in-house. Quality, product availability and service are the backbone of the operation" says Bruno Bouygues, CEO of GYS. This means we need massive storage capacity, a strategy which materialized at the French manufacturer by an investment of 6 million euros in a new logistics centre, opened at the end of 2019, in Changé, near Laval.

With more than a million products shipped worldwide each year and more than 3,000 references available, constantly growing, the family-run SME had to effectively expand its storage area to gain in efficiency



The new logistics centre, located on the outskirts of Laval covers almost 10,000 m² and has 9 loading docks.

and speed. delivery. With 9,900 m², up from 2,500 m² on the previous site, and employing 36 staff, GYS -2 becomes the most important European logistics center in the world of welding. With nine loading docks and allowing the storage of more than 12,000 pallets, it



This new warehouse can accommodate up to 12,000 pallets and aims to serve customers in less than 48 hours.

multiplies the manufacturer's capacity by 10 and will ensure more than two months of stock. Equipped with WMS (Warehouse Management System) software which ensures the optimal flow of goods, this site has dedicated spaces for containers and for small orders that must leave the same day.

Through advanced warehouse management delivery times have been shortened from 4 days to 48 hours, or even 24 hours on certain lines.

During this entire period, GYS never stopped communicating with its employees, many of whom were on short time working / or furlough by giving them a weekly update of the situation of the company. Likewise, the company kept in touch with its customers by informing them of the business continuity of the commercial, logistics and after-sales services. "As demand increased a sales administration team was in place to advise customers and in particular where there were some shortages to offer alterna-

tives and always provide a solution" specifies Hervé Barbaroux, Director of Sales in France. It took other measures to tackle external issues to the company, in particular in logistics, carriers and closures in the supplier and customer base. "We changed our procedures immediately. With each order entered, we needed to call the customer to be certain that it was open and could receive the carrier."

3 to 4 months of stock

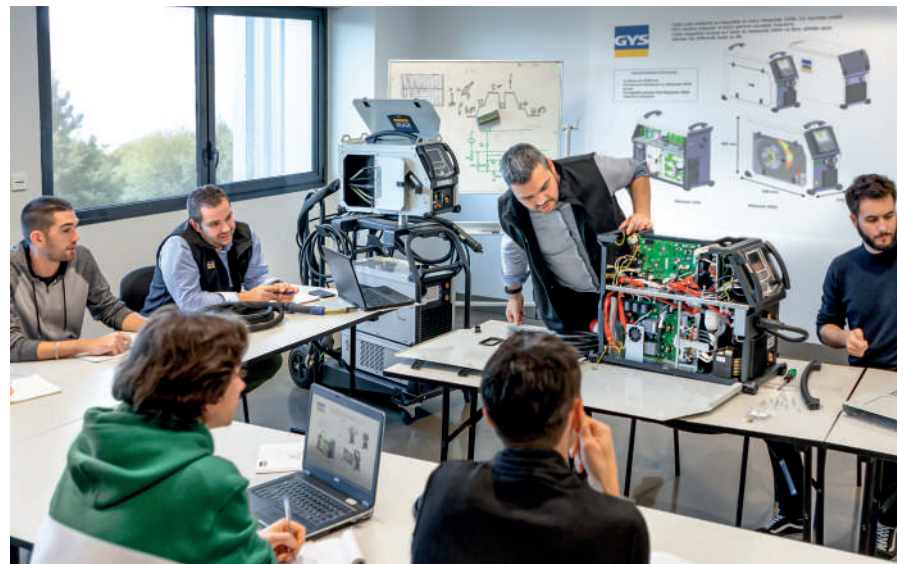
Increasing stock was made possible by the new GYS logistics centre enabling demand to be met in France and abroad including when the production site was shut down. GYS acquired a new 9,900 m² logistics facility at the end of 2019 (see box), which provided an increase storage capacity by a factor of 10. Located in Changé, about fifteen minutes from the headquarters and the factory in Saint-Berthevin, this expansion enables the company to develop its delivery capacity and increase its service performance. "This is an incredible change, we have exponentially increased our storage capacity and we are now able to deliver in 48 hours" says Bruno Bouygues. The opening of the warehouse in 2019 made it possible to make another decision, which proved more than welcome in the context of a pandemic. With this new warehouse, the company effectively asked its Chinese subsidiary in December to transfer all its stocks to France before the Chinese New Year, to unclog the Chinese factory. Containers of components and finished products were therefore able to leave for Changé before trade between Europe and China was suspended ensuring continuity of delivery at a time when the Chinese factories were stopped. When the crisis arrived in Europe orders were placed

with suppliers to ensure high levels of safety stock. Thus, safety stock was increased to maintain supply during lockdown and to enable the factory to restart without disruption. "For a family business like Gys, the decision to significantly increase stocks was not a problem. This crisis gave an advantage to those who had stock during containment but also after, because for many companies the shutdown of factories in China as well as supply problems throughout Europe created supply disruption. There were many examples where customers switched to GYS where they could not get supply from other companies. Some were surprised to find a comprehensive offer (machines, accessories and consumables) in quantity. It was unexpected but potentially the crisis will improve the visibility and positioning of our brand."



The electronic workshop, which is constantly updated embodies the increasing technicality of Gys products.

During lockdown, some product groups saw a significant demand increase including those bought by the smaller consumer or craftsman who maybe found themselves with additional time on their hands. "The diversity of the products manufactured by GYS as well as the diversity of the customers we serve has allowed us to always find demand and thus to be able to organize our production and protect employment. By being alert and adjusting every week we were able to maintain a high level of activity in production from April 27th. All of our product families are in stock today, but the recovery in sales for some families is very slow and we expect a very gradual recovery. Thanks to the depth of our catalogue, we can be patient and we will have to adjust further over the coming months before coming back to greater normality in production."

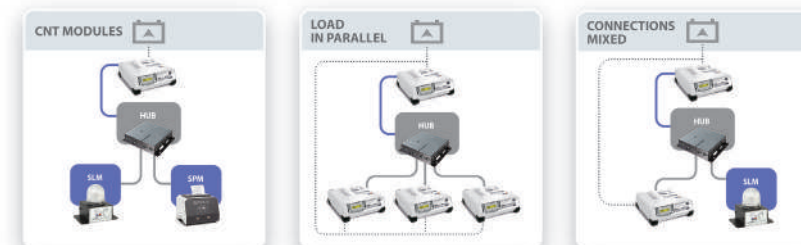


Development meeting for the new MIG / MAG generators in the NeoPulse range, which symbolize the rise in technicality of industrial products. These products are designed to be connected to robots / automatic welding machines and have the traceability of each weld as standard.



The commercial team specializing in industrial welding and cutting (TCI) supports distributors in studying the needs of their customers. These experts have all the equipment to carry out demonstrations and ensure after-sales follow up and support.

Gys



New perspectives for charging

Battery charging is at the heart of the R&D departments efforts. The GYSflash Pro battery support units (BSU) compensate for the energy requirement of the vehicle during the diagnostic process in the workshop or in a showroom environment. The evolution of the range towards connected versions ("CNT") goes further by providing the traceability of data from serviced batteries and the integration of new lead or lithium charge curves via a simple USB key. Completely customizable, these chargers are aimed at the automotive world as well as industrial electro mobility (forklift, etc.). GYS is currently developing new modules for GYSflash CNTs, such as the "SLM" indicator light for viewing the progress of the load remotely, or a hub allowing the power of these chargers to be increased.

Back to normal

The relocation of finished products, previously stored on the main Saint-Berthevin site to the new Changé site has freed up 2,500 m² for production as well as the new extension creating some 5,600 m² of space. Completed in December 2019 this additional capacity brings the total surface area of GYS to 40,000 m² and will make it possible to accommodate assembly lines for welding stations, plasma cutting, and battery chargers by the end of the first half of 2021. A rigorous study has been carried out on the ergonomics of these lines to optimize working conditions, increase productivity and facilitate circulation between the multiple workshops, be it electronics, mechanics or sheet metal. "This move forward will be a fundamental asset for making products faster, while maintaining a high level of quality. GYS controls all of its production, which gives it flexibility. We are therefore working at full strength to replenish the stocks, which were reduced during the period when the factory was closed, and to deal with full order books on a welding market despite the overall market being in decline. So we are gaining market share," continues Hervé Barbaroux. The commercial diversity of the company, both in terms of products and customers, from meeting the needs of users from large power stations to

small independent companies and private individuals, is considered by the manufacturer as a great strength.

"In complex times like the ones we are going through, our quality of service also makes a difference. We have never stopped providing field assistance to our customers and we see that the distributors which focus completely on customer service, by holding stock and providing technical expertise have also taken market share in March. End users have changed their buying habits, you have to be able to deliver immediately. The full return of the sales force to the field, since June 15th should help further. In addition we just added 4 new salespeople to the team bringing the French field based sales team to 44 including 10 for industrial welding. We are strengthening our field teams which means we are investing for the long term."

Automation at the heart of welding

The current crisis does not prevent GYS from continuing to address new markets such as automation and robotization. With the support of its research and development department, a 75 strong team focused on welding, car body repair and battery charging processes. The beginning of 2020 saw the launch of the range of welding generators MIG / MAG and

NeoPulse and the Titanium TIG model marks the advent of a new generation of connected machines, able to be used manually but also on cobots and robots.

"We now have several approaches, with manual or automated solutions to reach new markets. This allows us to respond to new demand. To push this approach further GYS have developed a module, called SAM, for Smart Automation Module which makes it possible to adapt the language of a manufacturer's machine to that of robotic installations, a real benefit for system integrators. For GYS, integrators are another network complementary to that of professional distribution. They are business introducers and technological partners who know their customers' issues well and allow us to progress," specifies Hervé Barbaroux. As with the automakers like the all-new agreement with Tesla (see box), GYS is forging partnerships with integrators to enable the entry into new markets at a time when small robotization systems are developing in SMEs / SMLs in search of lower production costs to improve competitiveness.

This interface is also distinguished by its open appearance, GYS having made the decision to give access to all the parameters of the machines, in particular to the synergic curves which make it possible to automati-

cally adapt the welding parameters according to the type of gas, material, diameter of the filler wire, wire feed speed, etc. "This allows integrators to program the machine exactly according to the needs of their customers' giving greater flexibility."

As well as creating synergic curves GYS regularly provides updates to machines already purchased, free of charge. Thus, the Neo Pulse 500 which currently has 128 synergic curves should soon gain a hundred more. "Working in partnership with our distributors, we are also able to develop specific customized solutions to meet end-user's needs" adds Hervé Barbaroux.

The new to market, NeoPulse and Titanium integrate traceability by design, already employed in Spot Welding for some 10 years the traceability function provides the user with confirmation that the weld has been carried out correctly in compliance with standards and provides a record. They also integrate 'portability' offering the possibility for the user to transfer the configurations of one machine to another all via a USB key.

Launching on-board battery chargers

Battery charging is also an important area of GYS's development focus for connectivity. Different modules now allow battery chargers to connect wirelessly with printers, barcode readers, visual and audible alert systems that indicate that charging is complete. New products also make it possible to configure bespoke charging parameters for specific applications and benefit from traceability, the user can then have certainty and a record that the charge has been carried out correctly.

As well as the automotive and motor-home sectors, these developments open the door for GYS to new markets such as industrial electromobility sector (forklift, lifting platforms or any other industrial applications) where it is valuable to be able to manage the charging process dependent on specific requirements of usage or battery technology employed devices.





The field sales force is supported from headquarters by 12 sales assistants and 4 management assistants.



GYS operates three sales subsidiaries in Germany, England and Italy. Here, the office located near Venice.

Developing more and more powerful chargers, GYS is now starting to build partnerships with OEM on-board charger companies. *"In the coming years, we will be able to offer very powerful and flexible charging systems for many applications in many markets."*

Enhanced diversification

In addition, the group continues to develop its other ranges, this includes induction heating processes, manual and automatic which are also becoming more and more intelligent. They are equipped with thermal sensors, like the power heat controller which allows the control and regulation of temperature. The Plasma range is also now a major product area. It now extends from 20A to 125A and now offers the possibility of integrating the machines into cutting tables. Also intended in particular for construction sector the ArcPull range of drawn arc welding systems is expanding with 350A model making it possible to weld studs up to a diameter of 8mm. More developments can also be expected.

GYS is also tackling the metrology market by offering its distributors or their customers a generator calibration system for generators to address mandatory annual verification of welding equipment linked to compliance with the EN 1090 standard.

There is no doubting the energy and dynamism of the coming from GYS. Moreover, the company which globally employs 750 people, including 560 in France (300 in production) is also looking to recruit around twenty additional staff in France and in its commercial subsidiaries in Germany, the UK and Italy. *"We are in a positive frame of mind. We are moving forward, we continue to build for the future to support our customers on a daily basis, in France and abroad,"* underlines Bruno Bouygues, CEO of the family business. As soon as the visibility on the economy is a little clearer, the family company does not exclude further expansion through acquisition in the years to come. *"We are attentive to opportunities. The takeover of a competitor with a technical base in Europe or the United States, for example, could make sense."*

Agnes Richard

A new partnership with Tesla

World technological leader in spot welding for car repairs, GYS obtained its first spot welding certification in 2014 from Tesla. The French manufacturer has just obtained a second approval for its new generation of Pulsed MIG type arc welding stations (AutoPulse 220). This second approval strengthens the technical cooperation between the two companies and will allow GYS to support the development of the Tesla network Tesla worldwide particularly in the USA and China. With this new partnership, GYS highlights its success in developing leading Pulsed MIG arc welding equipment and confirms its ability to design very high-tech products that meet the requirements of the global automotive sector. "It is a recognition of GYS' expertise. We supported the Tesla teams, I think they value that we listen to their issues and that we share our knowledge with them," underlines Bruno Bouygues.



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NEOCUT 105

New 105A Plasma cutter

Powerful and robust, it offers a cutting capacity of 35 mm (clean) and up to 50 mm (severance). Can be connected to a cutting table, equipped with "Marking" mode which is perfect for tracing and identifying parts



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