

an Italian leadership

■ by Lucia Erba

There aren't many examples of companies which -thanks to the ingenuity of their founders- have been able to create a new product as well as the market on which to place it. Indeed, this is the history of Corghi, a company which in the half century since its establishment has turned from a small electro-mechanical general-purpose business into a large industrial enterprise operating on a world scale, one of the most remarkable examples of Italian excellence in equipment designing and manufacturing. To be precise, Corghi is the absolute market leader in "under-wheel" service equipment, it was the first company in the sector to be awarded, in 1994, the ISO 9001

certification and its wide range of wheel-servicing products has been approved by the most important car manufacturers (DaimlerChrysler, Opel/GM, Ford, Peugeot, Citroen, Fiat group, Renault, Toyota and VW group). With its "Ferrari Workshop Equipment" line, the company is also the only equipment supplier to the Ferrari garages -therein including the Formula 1 racing team- for the entire production range. But let us start from the beginning...

When was the company established and how did it develop?

Corghi was born in 1954 in Correggio, from an intuition of myself and my brother Erminio, as a manufacturer of

A WORLD LEADER IN GARAGE EQUIPMENT, CORGHI NEEDS LITTLE INTRODUCTION. HOWEVER, A CHAT WITH ITS CHAIRMAN, REMO CORGHI, ALLOWS US TO LEARN MORE ABOUT THE REASONS BEHIND ITS SUCCESS AS WELL AS ITS PRODUCTION AND SALES STRATEGIES.



CORGHI SPA'S FOUNDER AND CHAIRMAN, REMO CORGHI, PICTURED NEAR THE ARTIGLIO MASTER, ONE OF THE COMPANY'S MOST INNOVATIVE CREATIONS.

IDENTITY CARD

Company Corghi SpA
Address Via per Carpi, 9
 42015 Correggio - Reggio Emilia - Italy
Phone +39 0522 639111
Fax +39 0255 639150
e-mail info@corghi.com
Web site www.corghi.com
Certifications
 ISO 9001
Employees 450
Annual turnover
 approx. 100 million Euros
Products tyre changers, wheel balancers, wheel aligners, lifting equipment, motorbike line, testing equipment
Foreign distribution channels
 exclusive distributors
Countries or areas reached
 world
Foreign relations
 Mr. Roberto Rossi (Export Manager)
 r.rossi@corghi.com
Corghi's representatives at Automechanika are waiting to meet you at Hall 8 Stand B74

pensions testers. That was the beginning of Corghi's fame, which grew and grew over the years and led the company all the way to its current leadership position.

What is your attitude towards exports?

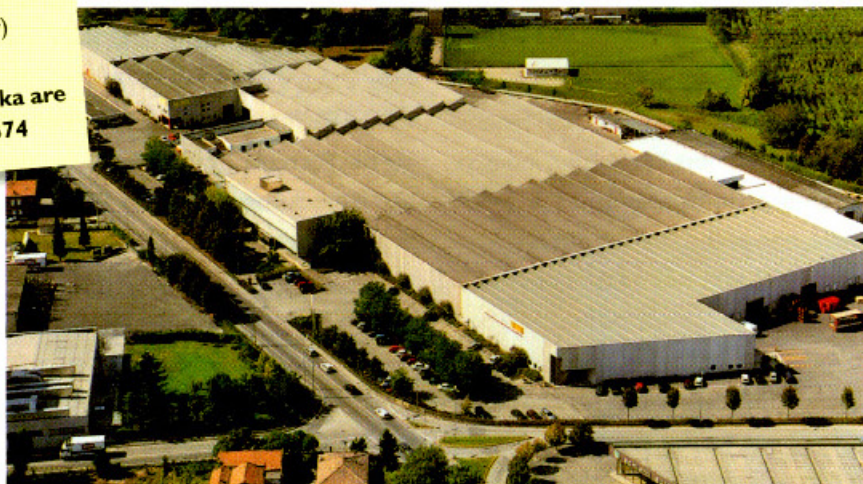
We are exporters, really. Everything started in 1962 with the tyre changer patent. At the time, the market was still untouched and when the news spread about our product we began receiving plenty of orders, first from nearby areas and then, in time, from the rest of Italy and abroad. Up

to the second half of the seventies, the company exported mainly to three countries: Switzerland, Spain and Denmark, our "historic" importers. Then, as from the mid-seventies, there was a massive expansion. Today, our products reach more than 120 countries, all over the world, and exports account for 75% of our turnover.

How is the company organised?

Corghi is basically organised over two areas: an industrial area, which in turn includes the production, engineering and logistics sectors, and a "market" area, which includes the commercial, sales, marketing and international

equipment for various production sectors, including agricultural machines, household appliances and textile machinery. Then, in 1962, during the car boom, we patented a revolutionary automatic tyre-changing device. No one had ever patented anything similar yet and people still used a complex lever system. Since then, we began focusing on the automotive sector and started manufacturing wheel balancers, wheel aligners, lifts, brakes and sus-



CORGI'S MOST IMPORTANT SITE IN CORREGGIO, COVERING AN AREA OF 30,000 M².

technical assistance sectors. Our production operations employ 450 people, divided over three sites. The Correggio site, which is the most important one, also for its historic value, employs 350 people and covers an area of 30,000 m². Then, there is another site in Tuscany, in Pieve Fosciana, in the province of Lucca, where 85 people manufacture components for the main site. Last, there are our Research and Development facilities which are divided over the Cor-

THE ARTIGLIO MASTER TYRE CHANGER, WHICH ALLOWS TO MOUNT OR DISMOUNT ANY TYPE OF TYRE - FROM 10" TO 24" - IN A FULLY-AUTOMATED MANNER. LAUNCHED ON THE MARKET IN 2001, IT WAS A TRUE REVOLUTION IN ITS FIELD.





reggio site and the laboratory in Sassuolo, in the province of Modena, where our electronic engineers study the electronic side of our machines, dictate their quality standards and make the prototypes of the electronic boards which will then be manufactured.

What does Corghi's current range include?

Currently, our production focuses on tyre changers, car and lorry wheel balancers, wheel aligners, car lifts and diagnostic equipment -such as the brakes and suspensions testers- for pre-MOT and MOT tests. In addition, we manufacture a range, which we refer to as our accessory range, which includes jacks and tyre-inspection tanks. On the whole, we can safely say that we offer a complete range of products, which can meet all the requirements

of tyre specialists and garages in respect of "under-wheel" operations.

How does Corghi develop a new piece of equipment?

Our machines are born at our customers', by that meaning that before a product is developed a dedicated team carries out a painstaking analysis of the requirements and the difficulties encountered by customers in their work. Indeed, our primary objective is to supply tools which can effectively solve the real problems faced by operators, and the first step in that direction is, of course, to identify the operators' needs. Only afterwards, we develop a specific design and transform it into a piece of equipment. This is exactly what happened in the case of the Artiglio Master, the world's first fully-automatic tyre changer, which we de-

veloped in 2001. This product requires no physical effort at all on the part of the operator, who controls all the mounting and dismounting operations through a joystick. In this case, we had identified the difficulties encountered by Italian and European tyre specialists, partly deriving from the introduction of the new run-flat tyres, which have a very hard shoulder; require great physical effort and entail a high risk of damaging the wheel itself. We therefore set to design a tyre changer which operated in total safety and required less exertion and succeeded in eliminating the lever and creating a fully-automatic solution. The work was carried out by a dedicated team which included design engineers as well as, for example, assembly line operators with varied backgrounds. After two/three years, we can safely say that the results

The advertisement features a dark blue background. On the left, the COFLE logo is displayed in large, stylized orange letters. To the right, a globe is shown with a red and orange color scheme, overlaid with a black tyre changer tool. Above the globe are two certification documents: one from IO Net and another from CISO. Below the globe, there are several smaller images: a green tractor, a collection of various tools, and a blue car. At the bottom, contact information for COFLE s.r.l. is provided in two locations: Trezzo sull'Adda (Mi) Italy and Pozzo d'Adda (Mi).

COFLE s.r.l. 20056 Trezzo sull'Adda (Mi) Italy • Via Del Ghezzo, 54 • Tel. 02/9200201 • Fax 02/90937145 • E-mail: cofle@cofle.it
 COFLE s.r.l. Aftermarket 20069 Pozzo d'Adda (Mi) • Via del Lavoro, 1 • Tel. 02/9201961 • Fax 02/92019622 • E-mail: aftermarket@cofle.it

were excellent and led to the creation of a piece of equipment which is still unchallenged on the market today.

How do you commercialise and distribute your products?

With the exception of Germany, where Corghi has a wholly-owned subsidiary, in all the other 119 countries we operate via distributors, which represent the real plus and the great strength of our company. Indeed, we rely on the largest, best organized and most capillary commercial network in the sector. Our distributors, which we regard as true and indispensable partners, are extremely loyal to us and fully identify themselves in the Corghi name and brand. They work for us on an exclusive basis and must be able to ensure the total coverage of the country in which they operate, in terms of sales as well as technical assistance, provision of spare parts and training. In order to give you a better idea of our relationship with distributors and our commitment to involve them in the most important decisions, I can make another example regarding the Artiglio Mas-

ter: before launching the new product, we held a dedicated meeting with some of our most notable importers at world level, during which we analysed with them the product itself, its positioning and its launch.

Corghi is a true reference point in the equipment world... How do you train your operators?

We provide two different type of training. In Correggio, we have a training school where importers, technicians and sales people can gain direct experience from the machines in our current range as well as from less recent models which are still on the market and obviously also need qualified assistance. The courses last for one week and are carried out throughout the year. The second type of training is carried out by our international assistance technicians directly at the distributors' facilities. We have set up a team consisting of four people who travel around the world providing appropriate training to the distributor's technicians and, in some cases, also to the final users, and, in particular, to some larger customers.

And what about technical assistance?

It is provided by the distributors themselves, through their technical assistance networks in the areas under their responsibility, so that it is the local personnel who liaises with the final customers.

What current trends can be detected in terms of product evolution?

Generally speaking, equipment has reached very high technological standards and products are becoming increasingly similar. Now, the main objectives are the reduction of physical effort and working time: these are the two aspects on which companies must concentrate in order to develop a competitive advantage.

How difficult was it to get traditional tyre specialists to accept the use of electronics in their daily work?

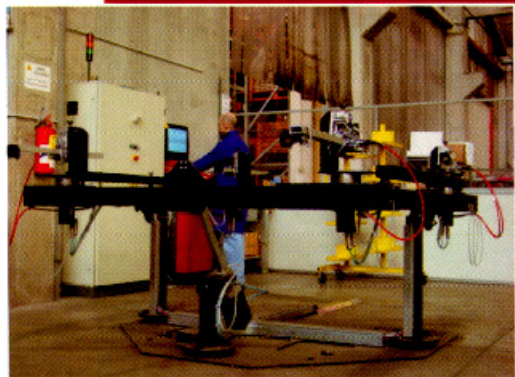
I think that the way towards the acceptance of electronics was led by wheel aligners, which have long relied on the aid of computers. In other words, resistance can be won when keeping up with technological innovation becomes a necessity in order to be able to carry on working. In the traditional family-run businesses, for instance, what is not accepted by the fathers, who are generally very conservative, is normally introduced by the new generations. Tyres, after all, have become more complex and are increasingly difficult to tackle with traditional machinery. At the moment, the international trend shows a shift towards fully-automated systems. In the United States, for example, up to a few years ago 100% of tyre changers were bottom-of-the-range models, while now that



The inspection of the CCD sensors on the wheel aligners, that is one of the most technologically advanced types of equipment.



The mounting line of the tyre-changers, a type of equipment in which Corghi is absolute market leader at world level.



percentage has dropped to 50%, with the remaining 50% consisting of top-of-the-range models. The towing factor in this sector is represented by the car fleet: if the vehicles become more advanced the tyre specialist must do the same!

The market has always associated your name with tyre changers but it seems to me that is no longer the case...

We realised that our past production history could turn into a weakness and decided to implement a new strategy aimed at becoming full-range suppliers. We have chosen the path of car manufacturers' approvals. Our products are now approved by Volkswagen and Mercedes among others and we are official suppliers to the Ferrari garages, with a wide range of products, including tyre changers, wheel balancers, wheel aligners and lifts.

What novelties have you introduced lately?

We have worked hard to update our catalogue, strengthening the position of the new additions introduced in between the end of the previous year and the beginning of the current one. We have reviewed our tyre changer range, increasing size and improving locking ability, and have introduced new top-of-the-range wheel balancers - the EM8340 and the EM8370- which reduce physical effort thanks to a new locking system, optimise working time and feature high measuring accuracy, also thanks to a new software which provides full protection against external interferences, such as vibrations induced by shocks. This range is also fitted with a



SOME OF
CORGI'S PROPOSALS:
THE ERCO4022 TWO-POST
CAR LIFT, THE EM8370 WHEEL
BALANCER WITH LCD
SCREEN AND THE
EXACT6800 WHEEL
ALIGNER.



new digital feeler which requires no manual tuning to read wheel data. Lastly, we have extended our lift range, introducing two-post lifts, and thus providing a wider offer also for this type of equipment.

Italy ranks first in the world when it comes to garage equipment. What do you think are our country's future prospects in this respect?

I do believe that Italy will remain an important reference point for garages and garage equipment. Just think that many multinational groups have chosen to concentrate their production operations of tyre changers and wheel balancers in Correggio. Our district has become very strong thanks to its ensemble of specialist workers, suppliers and sub-suppliers which would be difficult to reproduce elsewhere.

What do you think about the entry of China on the international markets? Do you regard it only as a problem or also as an opportunity?

Corghi owns a commercial company which has been operating in China for the past twenty years. To date, we are still the only exporters of tyre changers to the area, thanks to the historic value associated with our name and presence, our technological advantage and the quality of our products. As it is widely known, the danger, when it comes to China, is that of counterfeiting, from which we try and defend ourselves by purchasing international patents for all of our machines. The Chinese market, however, is beginning to change for the better,

offering a few product ranges which feature a higher level of quality, although still nowhere near our standards. Certainly, China is a good opportunity for us. In the last year, the car market has grown by 25% and some say that by 2010 China will become the third car market in the world, after the United States and Japan. Indeed, China has a huge population and already 74 million Chinese can afford to buy a car. Many car manufacturers are investing in China-based assembly lines and production facilities and we -in our quality as service suppliers- are also very interested. The idea is that of entering China together with the tyre manufacturers, which are planning to make and distribute their products locally. We have already reached agreements with some of these companies, for them to choose Corghi supplies. Indeed, it can't be denied...China is a challenge, and not an easy one! But we are ready for it!