

▼ Editorial - Staffan Ebenfelt

For more competitive industry

A few years ago, we predicted that the industrial services segment would be an important growth area for our sector. This service segment fits a service provider like Coor because we specialize in developing and coordinating different services delivered on-site, i.e. at or around our customers' physical offices, real estate or plants.

Coor is already strong in soft and hard FM, but to offer really good support for our customers in industrial services too, we needed to create an all-new competence base. Accordingly, over the past few years, we've taken a goal-oriented approach to strengthening our industrial services competence, and today, we're also one of the leaders in this service segment. Our industrial services customers include major industrial corporations like Kemira Kemi, Volvo Cars, Luvata, Sapa, Sultzer, SSAB, Holmen Paper, AB Volvo, McNeil AB, Outokompu and Ringhals. You can read more about the new approaches we're taking to be able to deliver excellent industrial services to more industrial customers in our article "Coor sharpens its offering to industry."

We're really delighted that our strategy has proved correct. There is really intense pressure towards outsourcing in industry right now, and we think this segment will grow most going forward. We're also interested to see how a lot of industrial corporations are realizing the benefits of managing services on a more integrated footing—and this applies to FM services and industrial services. Kemira Kemi is an example of a manufacturer that sees the benefits of purchasing more services from a single service management company. Obviously, here at Coor, we're convinced that this is exactly right, and that it is a precondition for flexible, efficient and value-adding service delivery that supports our customers' core operations optimally and sharpens their competitiveness.

Staffan Ebenfelt
Chief Executive officer, Coor in Sweden

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**Curious about Coor or want to find out more about our business?
Then get in touch!**

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Staffan Ebenfelt, Chief Executive officer, Coor in Sweden



Lennart Albertsson, CEO of Kemira Kemi, thinks that development opportunities increase with the number of outsourced services.

Service in your DNA

When, back in 2006, Kemira Kemi split off its FM services and located them in individual subsidiaries, this marked the first step towards a more professional working method—a way of bringing some commercial drive to its FM services, and instead being able to focus on core business. The next step was to find a collaboration partner that didn't just take over services, but also developed them.

“We wanted to place our services somewhere where there was a strong service culture. Coor's core business is to develop services and service staff. This means that the people and the services should strengthen professionally,” says Lennart Albertsson, CEO of Kemira Kemi.

Kemira Kemi manufactures chemical products for the paper and pulp industries, and for water treatment. In 2006, it opened the Industry Park of Sweden in Helsingborg, in the south of the country.

“We've got a lot of infrastructure and other resources which other people can use. For example, our energy surplus is used as district heating for a third of Helsingborg's population. There are a lot of benefits with a business park, but mainly sharing resources, ideas and synergies,” continues Lennart.

Kemira Kemi wanted to act as host of the Park, but not take on the FM and industrial services. In July 2010, Coor took over the FM company with its 130 employees after a competitive tender, then

signed a three-year agreement with Kemira to deliver FM services to Kemira in the business park.

“Coor will keep offering and delivering soft FM and industrial services to enterprises located in the Park. In the slightly longer term, our objective is to develop and extend our service operation,” says Bengt Håkansson, EVP of Coor Sweden.

What's important for Lennart Albertsson is to get procedures for everything in place that work in day-to-day commercial life. For the service-oriented approach Coor has in its DNA to rub off on his organization. It's also important that the agreement has enough breadth to achieve critical mass, otherwise Coor's developmental opportunities would be limited.

“First and foremost, Coor has to create new and more business locally to achieve an even greater critical mass, which in the longer term, can benefit all of us. It's also exciting to see how a 100 year-old industrial culture can be fertilized by the way a service company with a shorter track record operates. Coor has a different culture and has to be faster-footed and more adaptable to economic conditions, for example, than what manufacturing is traditionally used to.

Bengt Håkansson notices how many manufacturers are seeing the benefits of concentrating on their production and developing and streamlining everything outside their core business in close partnership with experts.



Bengt Håkansson, EVP of Coor Sweden

“For a manufacturer, who can experience a lot of changes, it's important to have a supplier who you can develop alongside and who can adapt to upturns and downturns. The larger the agreement, the greater the potential to really work on a value-adding, cost-effective footing.”

Lennart Albertsson thinks that a supplier of integrated services must demonstrate its competence in all segments. That it's got the breadth and

resources right across the customer's business and that its expertise is at the leading edge.

"Coor's very much at home with facilities management, which they've then topped off with industrial services competence. This means that they've got the possibility of delivering broad-based and intelligent solutions to us, the customer, based on experience from other partnerships. Moreover, their insight into many aspects of our business gives them an opportunity to do a lot of work on improvements and savings."

At Kemira, they think that a lot of what's happening in their structural commercial work has turned out as they wanted. The challenge now is to get it working on all levels. One former employee is now on external supplier. How do you get rid of old routines and show respect for each other?

"A lot of this is on the human level, and here, Coor can really offer guidance on how to operate professionally," continues Lennart.

And the next step?

"To keep making the improvements we intended to. To really get the commercial part in place. To make sure Coor is delivering the right services at the right time and has the right competence. A lot of people are involved and it's a big challenge. We've given Coor three years to demonstrate that they've got the right players for this business," concludes Lennart.

Read more:

Previous articles published on integrated complete solutions:

- Mature customers seeing the big picture

And don't miss our article on integrated complete solutions in the public sector, which will be in the next issue of Nova.

Contact us:

Interested in finding out about the benefit, new, integrated services can bring to you?

Please contact Sofia Johansson +48 (0) 9 553 950 00 (sofia.johansson@coor.com).

Coor sharpens its offering to industry

Coor delivers market-leading competence in soft and hard FM, and in industrial services. Its latest services segment is industrial services, where customers and services are evolving rapidly. These services cover preventative and remedial maintenance, plus active participation in major customer investments.

"Coor has strengthened its competence and experience over the past three years by making several strategic acquisitions, mainly in Sweden. Right now, we're actually one of the leading industrial service providers in the Nordics, with the capacity to deliver all the services necessary for cost-efficient, safe and flexible production," comments Lars Cederulf, Head of Industrial Service Center East for Coor Sweden.

Coor's ambition is to develop a really strong industrial services offering. Initially, Coor is building up geographical industrial service centers, prima-

rily in Sweden, tailored for the industry present in each region. A local presence and being close to customers is important in industrial services. One important prerequisite for partnerships is to have close and updated information on what's happening with our customers.



Lars Cederulf, Head of Industrial Service Center East for Coor Sweden

"Additionally, we need to adapt ourselves to the needs of each region. To be able to exploit synergies, transfer competence and optimize our resources, we're coordinating our business between regions and sharing some central competences and resources," adds Lars.

The first industrial service center is now in place in eastern Sweden (Industrial Service Center East), with its hub in the city of Finspång. "So far, Industrial Service Center East is the most complete. It's got all the resources we need to be able to support

manufacturing industry from Södertälje south of Stockholm, down to the more southern city of Jönköping—mainly in steel, metals and paper mills.”

Every part of Coor is working continuously on developing its own and customers’ business through active efforts on continuous improvement.

“Coor pledges continuous development of its delivery and intelligent service solutions to its customers, and this also applies to our industrial service deliveries. We want to be the customers’ obvious first choice for industrial services, and we can only do this if we are skilled at what we do and add clear value for our customers.”

The timing of Coor’s industrial services initiative couldn’t be better. “Nordic industry is going well at present, and the demand for industrial services is just growing and growing. Our goal is crystal clear: we want to offer the best and most complete support to all industrial activities Nordic wide,” concludes Lars.

Coors industrial services can be split into four groups:

Industrial maintenance

Preventive maintenance (design, preparation and planning) and remedial maintenance efforts in plant, machinery tools and other production aids.

Investment projects and manufacture

Specialist project management and design, production and installation of production equipment, systems, components, tools and spare parts.

Industrial cleaning and waste management

Planning and cleaning of different production environments—from cleaning sensitive production equipment and specialist clean-ups to factory cleaning—plus professional waste management.

Logistics

Effective supply chains, fleet management, relocation and management of product/components and managing outgoing and incoming freight.



Coor is now one of the biggest players on the security market with substantial experience from a lot of large customers with complex needs.

Daring to trust technology

Nowadays, security is an obvious component of integrated complete solutions. This is mainly because more mature customers don’t see any difference between buying security services or other FM services. The goal is the same—reliability, rationalization and improvement.

Joakim Halfwordson, who heads up Coor’s central security organization, thinks that there are few players in the security sector who actually work on functional solutions in practice—they either focus on delivering components, like card readers, or deliver patrolling services.

“This means that most customers buy technology from one supplier and staff services from another, without getting the whole thing working optimally. At Coor, we try to benefit from the synergies

arising between all services, which normally, can bring cost savings of 30 to 40%. Simultaneously, we challenge the old security strategies and help our customers identify and implement contemporary, intelligent and effective solutions.”

Because Coor has customers in a raft of different sectors, it’s got experience and valuable insights from different environments, such as being responsible for safety at airports, in banking operations, in offices, logistics and municipal centers and industrial plants. Several of these environments have complex requirements and high safety standards.

“Our broad experience benefits our customers by helping them select the best solution for their unique situation. Moreover, we add value through our technological working methods by centralizing alarm functions rather than having staff on all sites, and by working on an incident-controlled basis when there are alerts, instead of staff having to sit and wait for something to happen.”

Joakim Halfwordson thinks that much of the time security guards spend on site is about being prepared if something happens. By utilizing resources better, Coor’s overall delivery becomes more effective.

If we’ve got a guard on site, we give him or her extra duties as a stimulus. Guards can work on FM services, which otherwise would be delivered by other parts of our organization during working-hours. This might mean doing the rounds of an estate simultaneous with a security patrol. In this way, we rationalize our overall delivery, while simultaneously getting more committed guards.

For Coor, security is very much about structure and good order, but also about identifying new support processes. One example is to match up entry control systems with HR lists so that only people employed have access to premises. Clients have to be able to trust that the information in their systems is correct and up to date.

“In many cases, by using technology solutions, we’ve been able to eliminate problems caused by

the human factor. Our systems check and double check. Other things we automate include photography for pass cards, which we do in a photo booth. This enables service users to take their own pictures when it suits them, and we don’t need any staff on site. Self-service units are a clear current trend in several parts of service deliveries.



Joakim Halfwordson, Coor's security expert

Security solutions are migrating more towards IT and away from mechanical locks and keys, which makes them more integratable. This is a huge paradigms shift, where more and more people are starting to question traditional staffing and examine what can be automated or remote controlled.

“The challenge of security services compared to other services is that if you’re unsuccessful, the consequences can be major. Additionally, security is a service, which in most cases, is delivered at a physical location, and this means we need a local presence of competent staff who can get support from our central specialist competencies,” continues Joakim.

Other added value an IFM provider can offer includes a single point of contact—a reporting system you’re already familiar with, consistent performance indicators between different offices/sites and the knowledge that someone is running the operational side of things so that clients can devote their attention to strategic work on safety.

“Buyers of integrated complete solutions are usually mature customers. It’s important to understand that the security organizations specify the requirements, even if in many cases, it’s a purchasing organization that actually orders the services. Ultimately, this means we unload the security organization from its operational and tactical work and give them scope to focus on strategy and functional requirements.”

Coor also does a lot of work on supporting strategy work, and for example, offers assistance on supporting data and investigations when customers invest in new systems. These are often global solutions and Coor has helped customers in countries including China, Japan, the UK and Saudi Arabia.

“Another trend is that companies that operate globally want to exchange information between all systems. A pass card should be usable at the office in Sweden and one in China. We also want to add more functionality to pass cards, such as logins in computing environments, printing on printers or paying for your lunch,” notes Joakim.

At the end of the day, it’s about everyone adopting security to the core. People doing cleaning should ensure emergency exits aren’t obstructed,

staff shouldn’t let in people without asking where they’re going, everyone should have their ID cards visible and so on.

“For us, this is about taking overall responsibility, always working proactively and never reactively. Trying to find good, future-proof and flexible security solutions that can constantly be adapted to our customers’ changing needs.”

Want to find out more?

Please contact Joakim Halfwordson, Head of Coor Service Management Central Security on, +46 (0)70 621 8125 or Joakim.Halfwordson@coor.com.

▼ Comments from our expert

“Energy prices will rise in the Nordics”

Coor possesses leading-edge competence in many service segments. In this feature, we meet Peter Westhammar, an Energy Specialist, who’s got a warning about future energy costs.

What are the conditions on the Nordic energy market right now?

Historically, electricity prices have been very low Nordic wide, but for a few years now, they’ve been converging on the energy prices in the rest of Europe. Sweden is awaiting a Parliamentary decision on third-party access to the district heating network, which will offer other players the opportunity to operate as suppliers. At present, it’s hard to say whether this would alter the cost of district heating, but we’ll probably get a better functioning market enabling improved utilization of available energy.

What will happen to energy prices in future?

I’m fairly convinced that energy prices in the Nordics will rise, further converging on European levels. At present, there are no long-term sustainable solutions to the energy shortage. Germany’s



Peter Westhammar, Energy Services Developer at Coor Service Management.

decision to decommission its nuclear power before 2022 will obviously affect the pricing of electricity. In addition, there is substantial global pressure for political measures to limit our total CO₂ emissions. Maybe those subsidies in place today through relatively low power taxation for industry will alter to achieve a tax shift towards more environmentally friendly alternatives.

When will the energy shortage become a problem — and who will be most affected?

The combination of the energy shortage and growing pressure on environmental issues is unbelievable at present — and is only going to increase. Gazing into my crystal ball, I expect electricity prices to rise gradually at around the same rate as

in the past 10 years, which is at over 10% a year. Increasing electricity costs are naturally something all of us will feel, but obviously, energy-intensive businesses especially.

Have you got any general advice?

At an individual level, my simplest advice is to ensure you clarify energy consumption and reduce it in simple ways, like shutting down your computer when you leave work, switching off lights when you don't need them, and not keeping premises unnecessarily warm or cool.

Indoor temperatures should be around 20° C in winter and 22-24° C in summer. The biggest saving is the kilowatt-hour you never use.

All businesses or public bodies should think about the consequences increased energy costs and potential green taxes will have. For operations with high energy consumption, making a thorough re-evaluation of energy situations, creating a plan, setting goals and implementing measures systematically are important.

At present, where's the big potential for saving energy?

One example where there's general room for improvement is in process industries. At present, responsibility for energy supply and energy issues is often shared between operating activities (production processes) and real estate, which results in sub-optimization. I'm convinced that energy consumption can be cut quite sharply if we take an overall grasp and utilize all primary energy optimally, i.e. if we use the energy we purchase optimally. This is about recycling all waste energy, but also getting the maximum utilization of all the energy arising in production.

Want to talk more about energy issues?

Please contact Peter Westhammar, Energy Services Developer at Coor Service Management, tel +46 8 553 959 38 or peter.westhammar@coor.com

▼ A better service delivery

Coor + the customer = progress

Development work is run on all contracts, but sometimes, more extensive development projects are initiated. At the beginning of the year, Coor started such a development program jointly with one of its customers. State-of-the-art workplaces were created using new technology by modifying and developing FM services.

Karin Back, a Program Manager at Coor, tells us how the purpose of the program is to keep developing Coor's services, and how they are delivered to identify more effective, up-to-date, flexible and sustainable solutions.

"This requires a focused effort. We need to take the time to think innovatively and be prepared to take a greater grasp of the situation. This means prioritizing time and dedicated resources. Our



Karin Back, Program Manager at Coor, believes in progress driven in dialogue with the customer.

intention isn't just to make small steps, but instead, take great leaps forward."

This work is extensive. A lot of services come under scrutiny, even the absolutely most fundamental. The starting point is that there's always potential to do things better. Karin explains that this is about the way of delivering a service, but also how we monitor and check up on services we've delivered.

Another important starting-point is to tailor different services to address the new needs, habits and changed circumstances of service-users.

We work in a different way now to ten years ago. New technology in new habits have altered circumstances at a lot of workplaces. Obviously, this also affects the FM operation that supports customers' core activities.

Coor's ambition is to drive development work in close partnership with customers. This is a way of verifying the benefit of the possibilities available, and to ensure they're utilized by our own and our customers' operations.

Karin thinks that there are always a lot of ideas internally on contracts, but that it's also important to look outwards, and keep an eye on other sources of innovation.

"We're always on the look-out for new solutions that can be modified to the reality our customers are facing, and that add value for them. If we don't find what we're looking for on the market, we try to develop concepts ourselves. Our environmental labeling tool, Green Services*, is a good example of this."

Partnering with customers on large-scale development projects builds on close collaboration and mutual trust. Both parties need to feel comfortable about running a large-scale project jointly. Our starting-point is always the customer's goals, for example, that their workplace should be perceived as contemporary and functional.

"A lot of companies have a real need to create state-of-the-art workplaces right now. There's a pressure to evolve and change to be an attractive employer. And we can contribute to this by taking responsibility for the FM operations we run," concludes Karin.

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* = *Green Services is a proprietary tool that ensures environmentally friendly solutions on all the services Coor delivers* [Read more about Green Services here.](#)
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Want to know more about Coor Green Services? if you want to know more about this development project or Coor's development work, please get in touch with Karin Back on tel +46 8 553 959 67 (karin.back@coor.com).

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