



The importance of sub-supply

INCREASINGLY MORE SIGNIFICANT IN THE SUPPLY CHAIN, THE GEAR MANUFACTURER'S ROLE MUST NOT ONLY ADAPT TO NEW MARKET DYNAMICS IMPOSING HIGH PRODUCT QUALITY, BUT ALSO TO HIGH ADDED VALUE SUPPORT AND SERVICE SKILLS THROUGHOUT DIFFERENT FUNCTIONAL AREAS. LORENZO CATTINI'S INTERPRETATION.

Part of the wider and more diversified sector of mechanics, the division for the production of power transmission components constitutes an important element in the Italian manufacturing industry field, both in terms of generated turnover and of human resources employed, as well as an economic growth accelerator. A pride and joy formed by companies that are capable of providing technical skills, know-how, productive capacity, and high added value services, with levels of excellence such as to be, in some cases, recognised at global level.

One of these is Cattini e Figlio, specialised in the manufacturing of all the main types of gears (from external and internal cylindrical gears, to spiral/hypoid bevel gears, to components for manual gear change and power shift), a company that has known how to be an increasingly reference point in its own sectors of business, aiming at differentiating factors which have marked and supported more than seventy years of history and

growth.

«Differentiating factors – as explained by the managing director and CEO, Lorenzo Cattini – that not only fall within the technologies and processes adopted, but also within the not easy task, in the capacity as sub-supplier, of being able to ensure high level customer satisfaction as regards quality, services, technology, and costs.

In general, the excellent supply experience that we have made our own with the acronym T.P.E. Total Procurement Experience. What distinguishes an average company from excellence, in particular concerning the sector we are playing in, namely, that of sub-supply, is the capability of being able to fully interface with the customer. When I say 'fully', I mean to be able to know how to behave as a 'bond' within strongly structured large companies». These well organised realities, just like those mainly served by Cattini e Figlio, that is the main worldwide professional vehicle manufacturers, amongst which, agricultural tractors,

earthmoving machines, and lorries of different types.

«It is the case of manufacturing realities – as stated by Lorenzo Cattini – that require very strong commitment not only in terms of the more traditional purchasing part, but also in terms of engineering, hence, of the technical, design, and development part. Without ignoring quality, safety, and the environment».



LORENZO CATTINI,
MANAGING
DIRECTOR AND
CEO OF CATTINI E
FIGLIO IN
CASARILE
(MILAN)

The fundamental value of human capital

It is also of the utmost importance, as well as the foundations, to adapt to the best possible extent to the new market dynamics, not only to be able to rely upon state-of-the-art technology and upon a suitable organisation, but also upon human capital. «In order to remain competitive on the market, the cutting-edge sub-supplier of excellence – as confirmed by Lorenzo Cattini himself – must also know how to recognise the decisive and fundamental significance of the value of human capital.

I believe that from today to the next 8-10 years, the great difference will concern the ability to put greater attention to staff, to their motivation, to their training, to their knowledge.

The above, not only through training courses, which are however useful, but also with real high level mentoring». In Lorenzo Cattini's opinion, even if in large companies this could seem more complex, the winning underpinning concept remains the same, and always aimed at providing the customer with excellent supply experience.

«The customer's purchasing experience – Lorenzo Cattini continues – must be so excellent as to lead the customer to convince itself of the added value that the sub-supplier is capable of contributing and, thus, by being aware of being able to focus its own resources and investments elsewhere, and by not committing to manufacture internally.

This concept must be corroborated by a global vision of developing a sector of excellence, in promoting a set of excellent companies that may be recognised worldwide, because you can lose alone, but you can only win as a team. Assiot, as trade association, is endeavouring to affirm this Italian reality. With this vision in mind and with healthy fostering towards the ongoing improvement generated by the continuous comparison with competition, we believe that the gear manufacturer's role may continue to prove to be crucial in the supply chain, and that it needs to know how to adapt to the new market dynamics, on one hand and, on the other hand, how to satisfy the ongoing improvement requests in all functional areas».

The integration of functions that generates value

Hence, the areas are many, each with their own specific features, with which a sub-supplier must know how to interact and how to integrate. Some well-known, some not always considered fundamental. «In choosing a supplier, a sub-supplier – as highlighted by Lorenzo Cattini – the final and most clear leading role is the purchasing department, which is in charge of collecting assessments at technical level, at qualitative level, but also at logistic level, and in line with its own way of working. The latter area is increasingly more important, but also the area that is increasingly less obvious and more difficult to make objective, since the fact of being more or less in empathy with a supplier is basically a subjective indicator. The fact of integrating these functions to the best possible extent thus becomes more than necessary to aim at excellence,

because it is only in this way that one may guarantee the highest competitive edge and market esteem and, moreover, the victory against the fiercest competitor, that is the customer itself». And it is precisely in order to be able to integrate all these functions to the best possible extent that Cattini e Figlio has set up local branches, in strategic areas: in February 2018, Cattini North America in Chambersburg (PA), with the aim of providing US and Canadian customers with even better logistic and after-sales support; subsidiary Cattini Power Transmission Pvt. Ltd was, instead, set up in India back in 2019 to start up local manufacturing of components that are highly demanded by the Indian market. Both belong to a high added value organisational structure which, precisely as such, is aimed at generating value for the customer. «And this is, to my mind – as added by Lorenzo Cattini – another challenge that an Italian company that is willing to succeed in the sub-supply field must

face: generating value to its own customers and, for sure, make customers become aware of this value. At the same time, it must know how to be very dynamic and likewise fast in its decision-making process, precisely in order to adapt to the changing market conditions».

In this respect, regardless of the almost 300 employees and regardless of a well-structured organisation, Cattini e Figlio has always tried to remain streamlined, to ensure the greatest possible reaction speed throughout the entire supply chain.