

## ARP targets overseas unit, new technology, sustainability

Tire curing press manufacturer adapting to global market requirements

hinese tire machinery maker ARP has embarked on a global growth strategy with the establishment of overseas manufacturing capacity high up the agenda.

The tire-curing press specialist – previously trading as SinoArp – has being steadily developing its worldwide market position over recent years, David Chen, CEO of ARP Technologies (Suzhou) Co. Ltd explained to *ERI*.

The recent name-change is part of a corporate rebranding to better reflect how the company is "really global," explained Chen, speaking in an interview at the recent Tire Tech Expo in Hanover, Germany.

ARP, which stands for accuracy, reliability, performance, was established in 1999 with a mission to raise the standard of curing presses available on the market, said Chen.

"Today, with more & more global customers coming to us, especially second-tier tire companies, we are looking to establish a second factory," said the ARP leader.

"As we need to get closer to our customers, we are therefore looking at setting up a manufacturing plant outside of China – either in Europe, or in America."

Initially, ARP identified Mexico as a location from which the company could serve North and South America, explained Chen. "But then, with the EU introducing import tariffs for carbon emissions, Europe has also become an option."

Western markets, he added, will be supported from the new manufacturing location, with ARP continuing to serve the Asian region from its base in Suzhou, China.

Commenting on EU market trends, Chen said: "Many people say European markets are going downhill, but I see a lot of opportunity, particularly as many tire facilities there are quite old.

"There are, maybe, not so many new greenfield facilities or new capacity planned but we can help



to improve their productivity and machine performance at reasonable costs."

ARP aims to reach a decision about its overseas facility within the next 12 months, said Chen, adding that "no matter which region we choose, it will be a cost-effective base."

Around 80% of ARP's machinery is currently exported, reflecting the company's strong focus on overseas markets.

In China, customer focus has often been more on cost than on quality and performance, said Chen, though noting that domestic tire makers are "now actually getting better and really catching up" in this regard.

Looking to the future, Chen said ARP's sales will remain predominantly in overseas markets, though the number of Chinese-based customers "will increase definitely."

The CEO added that ARP is now



"moving into more complex production and achieving a lot more business and higher growth within the second-tier tire sector."

Chen went on to highlight ARP's technology-driven approach with around 20% of the company's turnover invested in the engineering of new equipment.

Today, he said, the direction of the technology is sustainability, with growing demand for clean energy and energy-saving capabilities as well as increased levels of automation.

According to Chen, a particular current focus is on using electricity to replace steam and so make curing presses cleaner, more energy-efficient and less costly to op-

Regarding the transition to electricity, said Chen: "We are at the beginning of a journey which will change the whole industry.

"I think within five years, definitely 50% of our existing curing presses will be transitioned to electricity, because the energy-savings are so significant."

Chen also emphasised that any company not investing heavily in automation and new technologies such as AI & machine learning "will be phased out."

But investment in these areas requires "clever management: you need the standards, and you need to back the right technologies that deliver the value customers are looking for.

"Our customers want high levels of automation, that's for sure. Everybody is moving to less and less manpower, fewer operators."

Another priority is to reduce maintenance requirements with machines that are very reliable and easy to service: Chen commenting that "our customers are not in business to repair equipment."

In this regard, ARP is prioritising the delivery of higher levels of service for end-users so that "they can focus more on making tires. We see this as an important trend, particularly as it can be so difficult to hire skilled people."

In summary, the CEO said ARP is moving in "a very good direction, with the strategy now to realise our ambitious goals."



The 'bridge' here, stated Chen, is people: "We're heavily invested in people, by hiring new talent and training our existing staff to bring them up to where we want today. With good people you can solve all challenges."

## Company profile

Established in 1999, ARP designs and manufacturers curing presses for tire manufacturers globally.

With capacity to produce 500 presses a year, the company's portfolio comprises hydraulic presses (36" to 91") and mechanical presses (24" to 130").

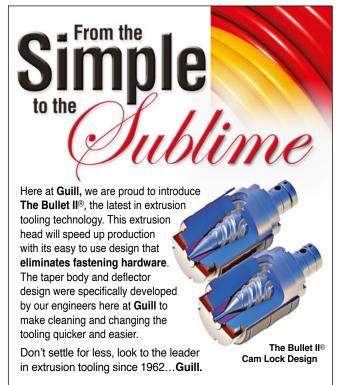
Headquartered at Suzhou Industrial Park, ARP operates a



manufacturing facility in the Binhai economic development zone, Jiangsu, China.

Overseas, ARP has offices in: EMEA in Amersfoort, The Netherlands; the US in Akron, Ohio; Mexico, San Luis Potosi; India, Hyderabad; and Hatoyama, Saitama,

In its company profile, ARP says it its strongly focused on R&D in fields ranging from production efficiency and maintenance to electric presses.



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