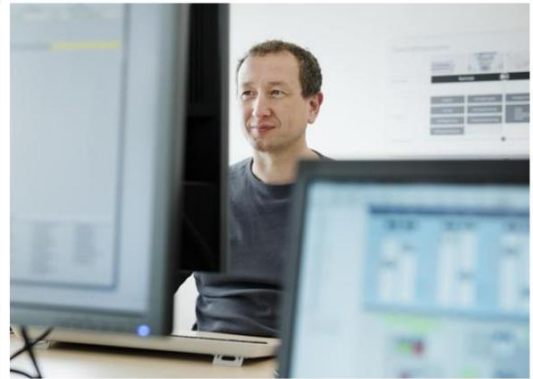


SERVITIZATION

Case study

SCHMITT+SOHN ELEVATORS



**CREATING CUSTOMIZED SERVICES
TO ACHIEVE DIFFERENTIATION.**

**REMOTE MONITORING OF THE
EQUIPMENT FOR OBTAINING THE
HIGHEST AVAILABILITY.**

**CO-CREATING VALUE WITH
CUSTOMERS FOR ENHANCING THE
MARKET VALUE OF THE PROPERTY
IN WHICH THE EQUIPMENT IS
INSTALLED.**

Schmitt+Sohn is the only elevator company in Portugal to develop, produce, assemble, maintain, and export complete elevators. Part of the German group Schmitt+Sohn, founded in 1861, has been operating in Portugal for over 60 years and produces, based on its two industrial units, for all countries where the brand is present.

The company is aware that it is not enough to offer a good product, in this case, an elevator tailored to the customer's needs. The market demands that manufacturers offer more and more value to customers. Product innovation is no longer, by itself, a sufficient factor for a manufacturer to stand out from the competition. Schmitt+Sohn leveraged services to overcome product commoditization, to differentiate itself from the competition and to boost its profitability.

For this purpose, in the 80s the company made the service business area autonomous, with the corresponding development of specific sales and engineering teams. The service business now accounts for more than 50% of aggregate sales of products and services.

In Portugal, this industry had the opportunity to couple services to its products under the publication, on May 14, 1936, of the Law Decree n. 26:591, which forced elevator owners to hire "a competent person" to "lubricate and periodically inspect the elevators". Since then, the industry has continued to add more and more specialized services to products, embodied in periodic preventive maintenance, 24-hour service centres, equipment repairs, consulting and the development of solutions focused on product capability and availability.

Thus, as part of its activity, Schmitt+Sohn developed, at an early stage, several basic services, such as repair services, sales of spare parts and 24h/365 service.

REDEFINITION OF THE VALUE PROPOSITION | EXCELLENCE IN SERVICE

The company's strategic reorientation from products to services entailed redefining its value proposition and its operations. A maintenance contract with Schmitt+Sohn comprises all the modern service provision logistics that guarantee high levels of safety, operability, reliability, and availability of elevator equipment. Based on its values of Daily Learning, Quality and Business Integrity, the company defined its service as a Personal, Competent and Always Available service.



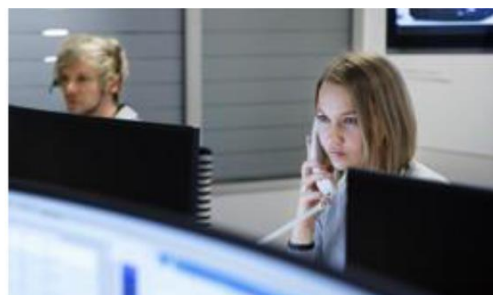
PERSONAL

A single agent is responsible for all matters relating to the contract and the equipment. This generates responsibility and quality at Schmitt+Sohn.



COMPETENT

Qualified in-house technicians with long and vast experience. One elevator, one preventive, and corrective maintenance technician, who knows what he/she is talking about. Subject to ongoing training at the S+ Academy.



ALWAYS AVAILABLE

24 hours a day. 365 days a year, by phone or web (customer portal).

FOCUS ON CUSTOMER NEEDS

The company's focus on customer needs has enabled the development of advanced, result-oriented services. These services demand close relationships with the customer to co-create value that goes far beyond the basic functionalities of the products, contemplating strategies for adapting the use of the product according to the conditions of use and the specific needs of the customer. The diversity of the segments in which Schmitt+Sohn operates - housing, tourism, offices and shopping centres, manufacturing, and logistical and transport infrastructures – led to the development of customized services. Some of the services involve the use of advanced information and communication technologies embedded in the product to activate the service. This allows remote monitoring and predictive maintenance to be carried out. Information is collected during product operation and used to alert Schmitt+Sohn to the need to activate maintenance services. This customization and proximity to the customer allow for greater knowledge of their needs and the behaviour of the products at various rates and types of use. This knowledge then informs the process of improving existing products and the design and development of new products and services that promote a reduction in usage costs, such as, improving the energy efficiency of products.

Schmitt+Sohn has thus developed a set of solutions that enable it to follow its customers throughout the elevator's life cycle, to guarantee the highest levels of safety, operability, reliability, and equipment availability. In addition to producing, supplying, and installing the elevator, it also guarantees the maintenance of the owner's investment value, through a vast portfolio of related services.

REMOTE MONITORING SOLUTION

Operationality and Total Availability



Several sensors are placed on key components of the elevator equipment that continuously send information about their status to the centralized technical management centres of customers and/or Schmitt+Sohn. The service was developed to be independent of the brand, model, or age of the equipment, being customizable either to the specific technology of each equipment or to the type of use and criticality of the equipment for the client's operations.

With this solution, even before the customer is aware of any operational problem with an elevator, the Schmitt+Sohn technician is on his/her way, taking the right spare part, which will be replaced immediately. This solution reduces the downtime of the elevator to the time needed to replace the affected component, as well as all the costs associated with equipment unavailability.

BENEFITS

Reduces the number of breakdowns, incidents and costs related to equipment downtime.

Increases the availability and operability of equipment.

Allows estimation of equipment investment needs.

Extends the life of the equipment.

Increases satisfaction of the users of the building and increases its market value.

REAL-TIME DATA SOLUTION

Allows the customer to assess and manage performance.



Schmitt+Sohn's customer portal provides all information regarding equipment and contracts in an online system with permanent updates and real-time information that allows customers to view and confirm the delivery of value throughout the contract. Service technicians register all maintenance actions that are carried out, using tablets, and the information is automatically available to the customer.

BENEFITS

Allows the integration of information and verification of compliance with contracted service levels agreements (SLA's).

Real-time information about maintenance actions.