

Q&A

AN EXPERT Q&A WITH:
SALES MANAGER
TMC TRANSFORMERS

**ANDREA
GHIDINI**



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What's the situation that characterizes the transformers market after the pandemic?

Andrea Ghidini: After the end of the covid restriction, we started to see two main factors that have characterized the market. The first was the increase in volume requested and the second was related to the increase of the cost of raw materials, together with a longer lead time.

Initially we considered this to be a reaction to the reduction in global activity due to covid, but we continued to see a significant upturn in orders and growth continued over many months that followed.

How is TMC positioned? Where is TMC investing?

AG: It all started five years ago, when TMC invested heavily in the dry transformer business. We saw continuous growth as a result, even during covid time we managed to retain all employees, which helped give TMC the platform to continue the journey and grow the business.

In order to maintain sustainable growth, we have always tried to anticipate the market, although what happened after covid was not easy to predict. Our investment continued with the purchase of new winding machines, new facilities, special tools for production and the latest software to improve design and production processes. In addition to this, TMC have and continue to invest heavily in bringing new people on board across all functions of the business. This will enable us to increase capacity in the medium and long term.

But we didn't stop there! We've expanded our global presence by opening new facilities in both the USA & Israel.

What's the most complex challenge we're facing? How will we overcome it?

AG: The most challenging aspect, first and foremost, is to secure material and to manage prices.

More recently, the signs are that the availability of material has increased, although lead times remain long. Over that past few months, we have learnt how to manage our supply chain more effectively, thus improving the management of longer lead time projects, mitigating the risk linked to cost variations.

We also encountered challenges relating to the availability of skilled people that we need to continue our growth plans. In many ways we are fortunate to be based in a region where we can find experienced people, on the other hand we have worked hard in to retain our employees by investing heavily in Human Resources.

Remarks about current situation and future expectations in dry type transformers market



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The pandemic changed market variables.

TMC Transformers faced this complex background with resiliency and strength.

Which sector is seeing the most growth, both in Europe & the USA?

AG: Overall, the economy has a positive trend, with most applications requiring dry type transformers demanding more investments. The need of a green transition is creating more & more new opportunities for infrastructures that are linked to new technologies such as Hydrogen production, electrical chargers and battery storage.

Global digitalization is creating a need for new data centres and a growing demand for clean energy is driving investment in renewable energy generation, together with new and more-efficient distribution infrastructures.

How is TMC set in the green economy?

AG: Following a period of considerable investment in R&D, we are now delivering products for traditional renewables, such as wind and solar. TMC have also developed innovative solutions that support hydrogen production, improving our products continuously in order to position ourselves as a reliable supplier to our customers that supports demanding applications where dry transformers play a fundamental role. These technological advances mean that TMC's dry type transformer offer is a very credible alternative to traditional, liquid-filled assets.

When it comes to our internal approach to sustainability, we've invested in processes that enable us to reduce the CO₂ emitted by our facilities. We installed an array of solar panels on the roof of our main production site, which has a capacity to generate more than 1 GWh/year. Other initiatives include the recycling of packaging, reduction in the scrap material that we produce in many operations and the installation of more efficient tools to reduce consumption.

TMC has also composed the Carbon Footprint report that let us to quantify the greenhouse gas emissions associated with the life cycle of the products offered and communicate the results outside.

How has TMC grown?

AG: TMC's success in the market to-date has far exceeded our expectations. The positive return that we've seen, both in standard and special products, is a direct result of and driven by the competence of our people and the quality of TMC products.

The original plan was to enter the market and try to meet the needs of our customers, providing competence, flexibility, reactivity and proximity to the market. To implement this, we managed to hire a team of people with many years of industry experience in all strategic functions, including Sales, Engineering, Production and Quality.

We then reinforced other key functions, such as marketing and IT, with highly skilled people that complemented and added value to the team.

So, the human capital is the for sure the main driving factor of our growth.

The future of TMC?

AG: Our achievements to date have put TMC in a very strong position, which will help us realize our future plans. Our growth is not only linked to market expansion, but also to high penetration of the customer base. We've created a strong network of agents and distributors across the globe and the return we are having is based on solid relationships with our customers.

We are positioning our products and overall offering into new applications and solutions, differentiating in numerous areas and, therefore, operating independently from the economic cycle. TMC work tirelessly to mitigate risk and take advantage of these positive trends.

We will continue to develop our global footprint, expanding into developing regions.



TMC[®]

world of transformers

**YOUR STRATEGIC PARTNER FOR THE
SUPPLY OF MEDIUM AND LOW
VOLTAGE DRY-TYPE TRANSFORMERS.**