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SDLG moves to 21st Century product support



SDLG is following in the footsteps of the world's biggest companies, modeling its best practices for product support on the methods of companies like Walmart and Amazon, and applying them to the construction equipment industry.

Modern companies give customers the freedom to choose how they want to purchase a product, whether it be online or through traditional brick-and-mortar locations. SDLG is giving this choice to customers, too, allowing them to purchase parts from their local dealer or directly from SDLG via the internet.

This freedom is gained through centralized parts support that utilizes a developed logistics network combined with an open information model, all hallmarks of the most modern companies. Rather than dealers outlaying large capital investments to have excess parts stock sit on their shelves, a central parts depot located in Atlanta, Georgia, will quickly send what's needed directly to the dealer or customer, often within 24 hours. Service repair parts will ship for free.

In the event that a customer chooses to service a wheel loader themselves, SDLG will not only quickly ship the needed parts, it will also provide information to assist on *how* to perform the work. The method has its roots in the open-source internet world where companies release their software coding to the public. SDLG seeks to empower its customers, letting them choose when and how their wheel loaders are supported.

Alan Quinn, director of SDLG North America, said the company is building its business model for the modern era.

"If you look at what's driving business in the 21st century, it's logistics and information," he said. "It takes the power of computing, the internet, shipping and logistical expertise to provide customers with the products and support they want, when they want it. We're giving SDLG customers the freedom to maintain their machines on their own terms."

This business model works well for typical SDLG customers. Many are used equipment buyers that are used to the freedom to service their machines how they choose. They might have purchased a used wheel loader in the past, but now they have found value in purchasing a new SDLG machine with a great warranty and a support strategy that meets their needs.

"Essentially, they are buying simplicity – and that's what SDLG's parts shipping and warranty policies offer," Quinn said.

SDLG has taken significant steps to ensure this model will work. At the central parts depot, not only are critical parts stocked, but the same location acts as the central North American machine depot. In the rare event that a part is not in stock at the depot, the parts staff has prior approval to remove a part from an existing machine to ensure a customer's machine gets fixed as quickly as possible. The savings from not stocking the components across the country on dealer shelves allows SDLG to apply these savings to immediate support and emergency shipping.

Mike Mathews, who represents SDLG dealers in the west coast region, said SDLG's model for

parts and maintenance service is well-suited to the types of customers that purchase SDLG wheel loaders and that it saves his business money by not having to invest in capital stock that will only sit on the shelf.

“This model empowers the end user and is advantageous for both the customer and the dealer,” he said. “It allows customers to control their own repair process by being able to work through a local branch, service the machine themselves or visit the official dealer. They can get the parts they need where they are needed. And the fact that the freight is free is a critical component to this model.”

Mathews added that the nature of SDLG wheel loaders lends itself to this model.

“SDLG wheel loaders offer a simpler platform than premium-priced machines with lots of electronics,” he said. “Customers can troubleshoot them more effectively and perform their own repairs, saving them time and money.”

When customers do need parts or service from an SDLG dealer, each location is home to experienced, trained technicians that can work on the machine from front to back. And that network is continuing to expand across the country, recently adding Flagler Construction Equipment in Florida with many more locations to be announced in 2014.