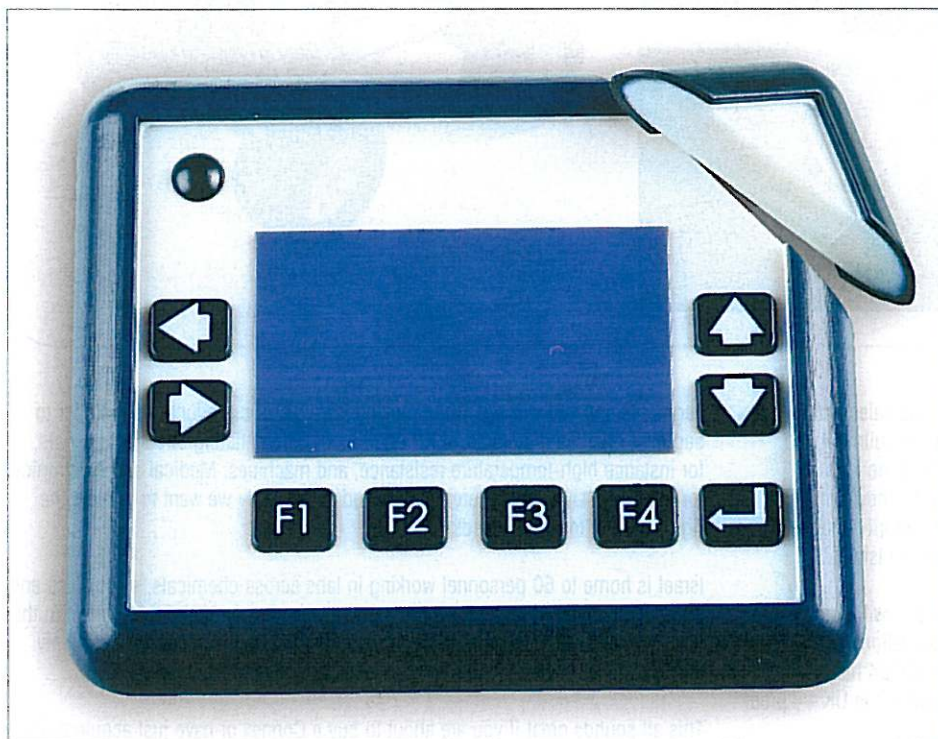


OBJET GEOMETRIES — A YEAR IN THE SPOTLIGHT



Duncan Wood

It has been quite a twelve months for Objet Geometries. Three new machines alongside the introduction of over twenty materials, a new CEO in March and a brand new European Headquarters. In a period of economic uncertainty, the only certain thing at Objet is progress, and plenty of it! Duncan Wood caught up with Andy Middleton, General Manager of Objet in Europe at their new headquarters in Baden-Baden, Germany, to reflect on a busy year and look forward to 2010.

It will not have escaped regular readers of *The TCT Magazine* that Objet has been very active over the preceding twelve months. October last year saw the launch of the Alaris, the Objet offering for the desktop arena. This was followed by the Eden 260V and in June of this year the latest in the Connex range, the 350, which brought PolyJet Matrix technology to market at a new price level. Most organisations would be content with this level of output, but in the background Objet has also been positioning itself for sustained future growth and Europe is key to this plan.

If we rewind back to November 2008 and pick up the story there. Andy Middleton was working as MD at NUR Macroprinters. At that point, the soon to be CEO of Objet, David Reis, was also on the board at NUR and as a result of this working relationship, and in conjunction with the strategic decision Objet had made to establish a stronger European presence, Middleton was approached to take the reins for Objet in Europe. In his own words, "I saw the technology, saw the models, got a feel for the industry and said yes!"

Middleton took up the story, "Until November 2008, most of our 600 European customers were served from Israel with technical service provided from an office in Griesheim, outside Frankfurt. However, these 600 customers represent 50% of the total business of Objet and we were getting to a size where we needed to establish a strong presence for three key reasons. One, so we could be close to existing customers and maintain service levels; two, to capitalise on the new sales opportunities; and three, to employ personnel from the markets we are going to be serving."

The first thing to finalise was the location; the new headquarters in Baden Baden is right at the heart of the user base. With over 230 machines in German speaking countries, it is perfectly positioned. The next step was to transfer all business functions to the new offices. Over the course of the year, the number employed by Objet in Europe has increased from eleven to thirty; finance and administration are at the heart of the set up, but it is in the customer facing roles where Middleton has made the most distinct changes.

Direct sales territory managers have been appointed in the UK (Chris Baker) and Iberia (Francesc Tio), with further appointments to be made in France and Germany. These individuals will coordinate sales and manage the distribution channels and marketing in each territory.

In addition to this, a technical centre has been opened within the Baden Baden office and applications engineers employed to advise and guide prospective customers which Objet solution is best for them. Another new arrival is a Field Sales Manager, Thomas Hofmann, who ensures that as Objet continues to grow the response times are as prompt as they have always been.

Middleton explained in more detail, "We have a highly satisfied customer base. I have never been in a company with such a satisfied group of customers and we must maintain this level going forward."



Reflecting on 2009, Middleton was happy to say that whilst the sales activity was a little lower than normal, it was the perfect time to invest in recruitment and training. Every new member of the team has spent substantial time in Israel, soaking up the key Objet values that are clearly important to the new European operation. There is an obvious commitment to maintain the integrity and core values that have been established over the previous ten years by Israel.

Middleton was open and honest about the 2009 sales figures. It will come as no surprise to anyone that on both parts printed on existing installations and machines sold things have been hard. Interestingly enough, Q3/Q4 has seen a return to 2008 levels with significant installations taking place in the UK — proof that things are starting to regain some momentum.

Unsurprisingly, the number of machines sold to automotive and consumer electronics have declined this year, but this has been balanced by strong uptake from the education/research sector and also from the medical arena.

Middleton explained how this has come about, "This year there is a lot of European government money that has been set free and many universities and research institutes have been able to take advantage of that. Our desktop machine, Alaris, has helped with this, but the key driver in these new sectors for Objet has been the fact that word is now out on the Connex, there are plenty of success stories and people are getting to grips with it, particularly in the medical sector. The penny is dropping that the Connex is the only machine in the world that can do what it does."

This brings us up to date with the Objet Europe story, but with the foundations in place, I wanted to know what the future holds, what can we expect from Objet in 2010?

Middleton expanded, "Connex is the future platform for Objet and is the key to long-term growth. We'll work on this in two ways. Firstly, by raising awareness of the Connex using real applications and showcasing real value for clients. The second, is our R&D ability to work towards a palette of materials that open the applications up to an even wider range of industries."

Interesting choice of word, palette. I quizzed Middleton on this in terms of colour. He quite rightly pointed out colour already exists on the Connex (black, white, range of blues), but he gave an insight that more than alludes to the future.

"Technically RGB colours are not a huge challenge for the Connex technology, so RGB colours are not out of the question, should the users want them. Our R&D priorities remain fixed on what materials are demanded from the market

segments and you will see Objet moving from generic product line provider to segment orientated provider of RP equipment differentiating through materials, for instance high-temperature resistance, and machines. Medical and electronics, for example, have very different needs and accordingly we want to provide the right solution for those needs."

Israel is home to 60 personnel working in labs across chemicals, electronics and future technology. With an R&D budget that was already one of the highest in the industry, up by over 20% in 2010 compared with 2009, you can expect plenty more launches, materials and groundbreaking kit to follow in future years.

This all sounds great if you are about to buy a Connex or have just acquired one, but what about the Objet Eden users? Middleton was animated on this point, "Anything we do long-term will enable Eden users to come along with us. Connex is our future direction, but Eden is what our success is built on, so we must maintain it. We will develop it and ensure all users are looked after. One key innovation here is the Objet trade-in plan, allowing Eden users to trade up to Connex. Times are tough, so we are keen to make it easier for our loyal users to adopt the cutting edge technologies we have developed. It also has a secondary benefit of allowing us to control the pre-owned market and ensure machines are fully serviced and properly installed second time around."

This focus on controlling pre-owned machines and therefore the quality of machine gives a good insight into the way Middleton has embraced the Objet way, and interestingly enough he has also enticed a number of previous colleagues to Objet. Both Chris Baker (UK Territory Manager) and John Jones (European Marketing Manager) worked with Middleton for a number of years at HP. I asked Middleton about this, as there is always a degree of responsibility when you ask people to come and work for you at a new organisation, and he said, "All of the people I have encouraged to join me have huge experience and this coupled with acumen, inspiration and integrity, makes them the perfect people for Objet. I have a fundamental underlying belief that Objet will be successful and my colleagues, trusted lieutenants if you like, are equipped to accelerate this process."

From my own perspective, it is interesting that this business is now in the hands of a team who have experience of distributing, marketing and selling volumes of capital goods into a sector driven by creativity — this experience might be what the sector needs to finally start to become less niche and more mainstream.

It always helps when you have great technology to work with as Objet clearly does, but the key is what you do with it. Having seen the foundations and heard the plans, I'd venture to suggest that 2010 might well be the year of the Connex!