

CASE STUDY

GU-General Utility Ltd. – A Perfect Partnership

Korea
Test & Measurement
LDS Shakers

GU-General Utility Ltd. provides advanced test and measurement solutions. It is the exclusive representative of LDS in Korea and was founded by Sung-Hak (Simon) Kang in 1999. Sales of LDS products, which range from very small to very large solutions, make up 55% of GU's revenue and its main markets include automotive, governmental bodies, aerospace and defence and electronics. GU has also had a great deal of success as a supplier to automotive electrical battery vehicle manufacturers with customers including SB LiMotive, LG Chem, SK Daejon, Hyundai Namyang Research & Development Facility and Sepang.

Photos courtesy of GU-General Utility Ltd.



The Company

Fig. 1
GU-General Utility was
founded in 1999



GU-General Utility Ltd. provides advanced test and measurement solutions and is the exclusive representative of LDS in Korea. GU was founded by Sung-Hak (Simon) Kang in 1999. A Bachelor in Physics and with a Masters degree in sound and vibration from Bookyeong University, Korea, Mr. Kang worked for Brüel & Kjær for ten years as a sales engineer primarily involved with automotive, electronics and education segments before fulfilling his dream of starting his own company. With more than 400 customers from the world of testing, GU has a total of fifteen employees divided as follows – five in Sales, six in Service and Engineering, two in Administration and two Design Engineers for customised solutions. GU's services include:

- Vibration Testing
- Shock Testing
- Climatic and Environmental Testing
- Static and Dynamic Measurement

Fig. 2
The founder, owner
and Managing Director
of GU General Utility
Ltd., Mr. Simon Kang

With the full backing of LDS, Mr. Kang decided to take the risk. Of his decision he says, "It was a combination of time, opportunity and destiny". GU has now been running successfully for ten years and has had a turnover of US\$ 6 million annually. Mr. Kang says, "There was very rapid sales growth for the first five years, but of course the potential for shaker sales is limited. The life of a shaker is 15 to 25 years, so in addition to new sales opportunities, the company focuses extensively on service and repair, customer support and customer training. We hold more than 10 training seminars a year".



Sales of LDS products, which range from very small to very large solutions, make up 55% of GU's revenue and its main markets include automotive, governmental bodies, aerospace and defence, and electronics. Revenue from consulting services is only 3%, but GU has a deliberate policy of not competing with customers who also provide testing. So GU's offer of consulting is not pro-active and is offered as a service to existing customers when they need it. The GU Laboratory was commissioned five years ago.

Fig. 3
Mr. Chang-Hoon Lee



Customer Support Engineer Mr. Chang-Hoon Lee says, "Our laboratory now has three shakers. We can also provide vibration testing under controlled climactic conditions and currently the lab is used more than 100 days a year".

Repair and service form 15% of GU's sales and they provide this for other makes of shakers. Simon Kang explains, "A major part of our work, in addition to the outright sale, is to provide installation including utilities, foundations, even extending to design and construction of buildings". He continues, "In fact, more than 60% of shaker sales actually request such services and that includes the provision of climactic chambers for durability testing".

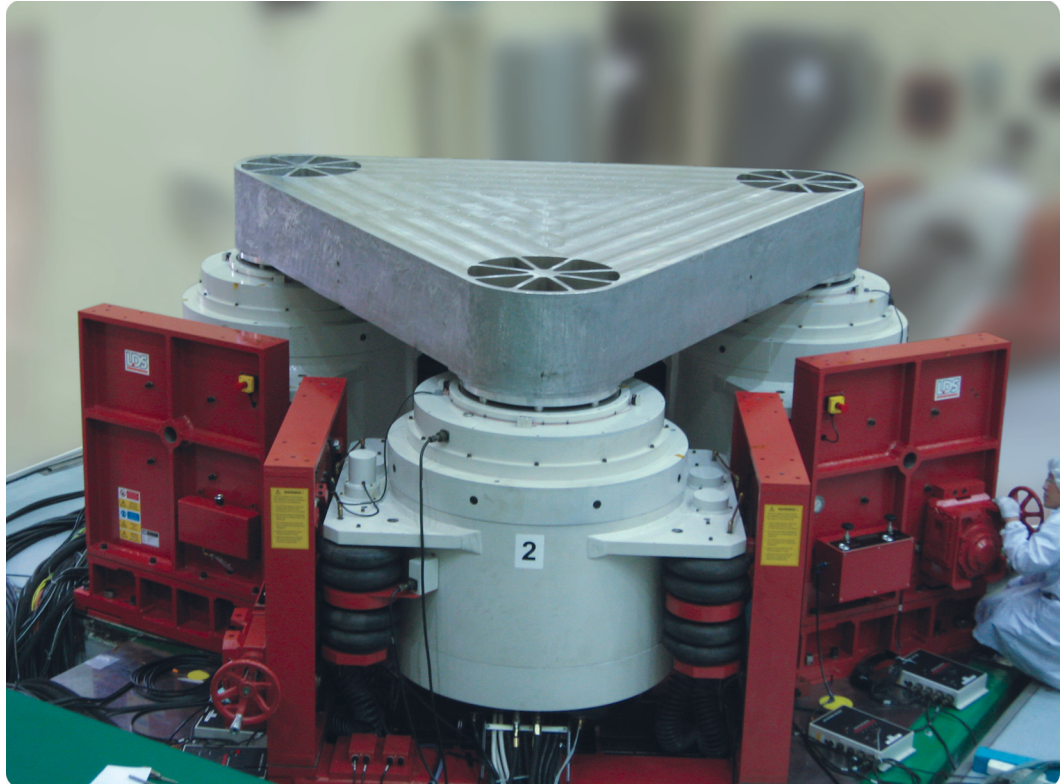
Fig. 4
Very large objects can
be tested

In the last 10 years, GU has sold more than 250 shakers. Simon says, "Customers contemplating the purchase of a shaker are sensitive to both price and quality and applications can range from shaking of packaging to high-level applications such as aerospace and defence including satellite testing".

When asked why he was so successful with LDS, his reply was, "Brand name and image, excellent reputation in the market and terrific product quality". To ensure customers' maximum uptime, Simon says that 99% of all service issues are handled locally and GU holds extensive stocks of spares. In addition, Simon Kang visits important customers himself.



Fig. 5
Several LDS shakers can be physically connected and driven in phase to provide increased force



Simon Kang would very much like to expand his business and take market share and dominate – in fact own – the shaker market in Korea. He would also like to develop ongoing cooperation with Brüel & Kjær and supply the complete measurement chain from transducer to data acquisition system. When asked about his success, Simon Kang says, “A major factor is having a very stable and highly motivated workforce and most employees have been with me for more than five years so they’re very loyal and we all work in a very happy and enjoyable atmosphere”. He concludes, “This leads to a high service quality and a stable workforce inspires our customers with confidence. This differentiates us from our competitors who have a reputation for a much more frequent staff turnover”.

The partnership between LDS and Brüel & Kjær is, in Simon Kang’s opinion, “A win win situation for all parties from GU and our customers to the LDS business unit and ultimately Brüel & Kjær. Brüel & Kjær is a fine company with strong marketing, a good brand image, is highly professional and very quality oriented”.

Major Supplier to Automotive Electrical Battery Vehicle Manufacturers

GU has had a great deal of success as a supplier to automotive electrical battery vehicle manufacturers. Customers include SB LiMotive, LG Chem, SK Daejon, Hyundai Namyang Research & Development Facility and Sepang. When asked why he was so successful in this area, Simon Kang replied, “The first customer was Hyundai and this was an excellent reference and thus influenced the decision making of other customers”. He continues, “In addition, we have excellent references from the major electronic companies such as LG and Samsung and this greatly helped us in promotion of our solutions to the automotive industry.”