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# MODERN MATERIALS HANDLING

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# TOP 20

## SYSTEMS SUPPLIERS

By Corinne Kator, Associate Editor

**Modern's annual ranking of the largest materials handling systems suppliers shows 2006 was a strong year.**

**T**he materials handling equipment industry grew at a healthy rate in 2006, and that growth is reflected in the revenues of the world's largest materials handling systems suppliers. When *Modern* ranked the top 20 systems suppliers a year ago, only eight companies posted year-over-year revenue increases. This time around, 16 of the listed companies experienced revenue gains, with 10 of them posting double-digit growth.

The minimum revenue for making the list increased from \$135 million to \$157 million—the highest our entry-level figure has ever been.

The top 20 companies made a combined total of \$11.7 billion in materials handling sales in 2006. While that total is actually lower than it was in our last report, the reduction is the result of a shakeup at Siemens (now listed as Dematic with a smaller portfolio and \$2 billion less revenue) and not the result of a softening market. Excluding Siemens/Dematic, revenue among the top companies for 2006 was up 9%.

Siemens Logistics and Assembly Systems topped last year's ranking with \$3 billion in revenue. That division was restructured in 2006 with Siemens keep-

ing its assembly, postal and baggage handling units but spinning off the rest of its materials handling business. Triton, a private European investment company, bought the materials handling business from Siemens last summer.

That business became a private company known as Dematic, which reported \$1 billion in revenue for 2006, placing it at No. 4 on our list. Siemens was dropped from the rankings, as it no longer has a division with materials handling as its core business.

Swisslog Holding, ranked No. 8 last year, was dropped from the rankings for similar reasons. Swisslog began divesting its materials handling equipment divisions in 2003 and is now primarily a systems integrator and software provider.

Australia's Brambles Group, No. 16 on last year's list, has been replaced by Illinois-based United Fixtures/Interlake (UFI). The Brambles Group divested Interlake Materials Handling in 2006, and Interlake then merged with United Fixtures to form UFI, which is listed at No. 17 this year.

Mecalux (No. 5) has announced plans to acquire UFI but can't exercise that option until mid-2008.

Just as divestitures were responsible for the exits of Siemens and Swisslog, an acquisition was responsible for the entrance of the only newcomer to this year's list, TGW Transportgerate of Austria. TGW entered the North American market in 2005 when it purchased Michigan-based Ermanco. The company reported revenue to *Modern* for the first time this year.

### Making the list

To be eligible for *Modern's* ranking, companies must have a presence in North America and must be suppliers of materials handling systems, manufacturing at least two major handling system components. The companies must also employ full-time staffs that design, install, integrate and implement systems that include two or more equipment types. These equipment types include transportation devices, storage and staging equipment, picking units, sortation systems, data capture technologies, software and controls.

Rankings are based on worldwide revenues from materials handling systems contracts during each company's 2006 fiscal year. Because of variances in the fiscal years of the top 20 compa-

## Top 20 materials handling systems suppliers

Rank	Company	Rank last year	Worldwide 2006 revenue (US\$)	Headquarters	U.S. business units
1	Schaefer Holding Intl, GmbH	3	\$1.986 billion	Neunkirchen, Germany	Schaefer Systems International – Charlotte, N.C.
2	Daifuku Co. Ltd.	2	\$1.95 billion	Osaka, Japan	Daifuku America Corp. – Columbus, Ohio; Salt Lake City, Utah
3	FKI plc	4	\$1.4 billion	Loughborough, UK	FKI Logistex – St. Louis, Mo.
4	Dematic GmbH	1*	\$1 billion	Offenbach, Germany	Dematic Corp. – Grand Rapids, Mich.
5	Mecalux	7	\$686 million	Barcelona, Spain	Mecalux USA – Melrose Park, Ill.
6	Columbus McKinnon Corp	6	\$575 million	Amherst, N.Y.	Gaffey, Inc. – Marietta, Ga. American Lifts – Greensburg, Ind. Lift-Tech Intl. – Muskegon, Mich. Positech Corp. – Laurens, Iowa Abell-Howe Crane, Inc. – Bolingbrook, Ill. Clester Hoist – Lisbon, Ohio Coffing Hoists – Charlotte, N.C. Duff-Norton Company – Charlotte, N.C. Washington Equipment Co. – Eureka, Ill. Dixie Industries – Chattanooga, Tenn. Midland Forge – Cedar Rapids, Iowa
6	Vanderlande Industries	10	\$575 million	Veghel, Netherlands	Vanderlande Industries – Marietta, Ga.
8	Kardex AG	5	\$570 million	Zurich, Switzerland	Remstar International – Westbrook, Maine
9	Murata Machinery Ltd.	9	\$524 million	Kyoto, Japan	Murata Machinery USA – Charlotte, N.C.; Salt Lake City, Utah
10	Eisenmann GmbH	11	\$300 million	Boblingen, Germany	Eisenmann Corp. – Crystal Lake, Ill.
11	Witron Logistik + Informatik GmbH	12	\$260 million	Parkstein, Germany	Witron Integrated Logistics Corp. – Arlington Heights, Ill.
12	H.K. Systems, Inc.	13	\$250 million	Milwaukee, Wis.	Material Handling and Logistic Software Systems – Milwaukee, Wis.; Salt Lake City, Utah RFID Test Loop and Unit Handling Systems – Hebron, Ky. RFID Integration Lab – Milwaukee, Wis.
12	TGW Transportgerate GmbH	N/R	\$250 million	Wels, Austria	TGW-Ermanco – Spring Lake, Mich.
14	Knapp Logistik Automation GmbH	14	\$245 million	Graz, Austria	Knapp Logistics & Automation – Kennesaw, Ga.
15	Jervis B. Webb Co.	15	\$220 million	Farmington Hills, Mich.	Jervis B. Webb. Co. – Farmington Hills, Mich.
16	Tomkins Industries	20	\$206 million	London, UK	Dearborn Mid-West Conveyor Co.– Taylor, Mich.; Fairway, Kan.; Greenville, S.C.
17	United Fixtures/Interlake	16**	\$200 million	Naperville, Ill.	Interlake Material Handling – Naperville, Ill. J&D Associates – Middletown, Pa.
18	Beumer Maschinenfabrik GmbH	17	\$195 million	Beckum, Germany	Beumer Corp. – Branchburg, N.J.
19	FlexLink AB	17	\$173 million	Gothenburg, Sweden	FlexLink Systems, Inc. – Allentown, Pa.
20	Sandvik Sorting Systems AB	19	\$157 million	Sandviken, Sweden	Sandvik Sorting Systems – Louisville, Ky.

\* listed last year as Siemens Logistics and Assembly Systems

\*\*listed last year as The Brambles Group; revenue figure is an industry estimate

nies, some of the 2006 sales figures are estimated.

### Taking a closer look

European companies continue to dominate our top 20 list. Fourteen of the top systems suppliers have headquarters in Europe, while four of the top companies are based in the United States and two in Japan.

Japan's Daifuku is the only non-European company among this year's top five systems suppliers. Barcelona-based Mecalux is among the top five for the first time this year thanks to a 35% revenue gain that launched the company from No. 8 to No. 5.

Two other companies posting impressive gains are Holland-based Vanderlande Industries and London-based Tomkins.

Vanderlande reported revenue growth of 43%, gains that raised the company from No. 10 to No. 6. Vanderlande's business grew across the board, according to spokesman Frans van Duren.

"The company showed growth in all segments and geographical areas in which it is active," he says. "Major parts of the growth are the result of a substantial growth in Europe and from countries like Russia, Turkey and Canada."

Tomkins reported a 53% revenue increase, lifting it from No. 20 to No.

16. Tomkins's primary materials handling division is Dearborn Mid-West Conveyor, which has headquarters in the United States. Spokesman Jack Allor says strong sales in the energy sector accounted for much of the company's growth.

The Materials Handling Industry of America has projected 6.5 to 8% growth for the U.S. materials handling equipment market in 2007, and the Freedonia Group projects similar numbers for automated materials handling equipment sales worldwide. These projections bode well for our top 20 companies, and *Modern* plans to report on their progress again next year. **MMH**