

DAVID SONZOGNI

Penning A Revolution In Bringing Sustainable
Value & Innovation To Power Generation
Professionals For A Safe Future



President of Electric Power
Generation division - EMEA & Asia





Meet the multifaceted personality, **David Sonzogni**, who is the **President of NIDEC Leroy-Somer, Electric Power Generation**. The company is a world leader in industrial alternators with power ranging from 10 kVA to 35 000 kVA providing reliable and efficient power solutions to the industry.

Leading the company with utmost expertise and dedication is none other than David. His journey demonstrates his potency as a leader of quality, competence, constant dedication, team leadership and growth. David started his career with Nidec Leroy-Somer and it's been 22 years he hasn't looked back.

Nidec Leroy-Somer has been a market leader in the world of small power and medium power generation through acquisition and expansion for the last 30 years. Additionally, it is also a leader in technology. It's about 10 years ahead of the competition in terms of power-to-weight ratio. The company designs and produces electronic devices, which a lot of its competitors outsource.

Apart from being a highly technical and future-ready company, Nidec Leroy-Somer embraces a family-like management style of people and customers. It believes in empowering people with autonomy and responsibilities from a young age. Just like him, who became a subsidiary manager at 28. The company fosters long-term partnerships, not only with employees but also with customers.

Uncovering David's Long-Established Journey

David's journey has been anything but ordinary. He started as a Junior Engineer in Saudi Arabia in 2001. He

was young, finished school, and geared up for his first multicultural experience as a product specialist with the distributor. He became part of an active learning environment, where he learned so much from his managers, peers, product managers, sales engineers, and more. In his first interaction with customers, he learned mutual respect and worked with different people and perspectives. Saudi Arabia is a place of strong culture, deeply rooted in its traditions and people from all walks of life come together and work in harmony ensuring overall success. And that summons up David's first experience.

Then he was fortunate to go and replace the General Manager in Dubai. It was a small subsidiary when he joined with only five people including him. But he was lucky to take it in 2004 when the country had started booming with massive construction around Dubai. At that time, he had to hire and train several people to take advantage of the wonderful growth that was happening in the region. David stayed there until 2010, so he had his first experience of reducing costs with all the pain, separating from employees after bearing financial crisis of 2008, and overall learning key insights.

But the main thing he retained from his years in Dubai was speed and customer service excellence. He realized that if you were not the best, you are replaced with another supplier in a blink of an eye.

David understands that growth is a slow and steady process hence he remains calm and patient. So, in 2010, he was asked to move to Singapore to revive the subsidiary that was badly affected by the ship construction crisis that followed the 2008 financial crisis. Again, he had to build a team and understand the customers. So, he hired

people in Indonesia, Vietnam, and the Philippines, developing a project pursuit approach to serve the oil and gas industry in the region.

Furthermore, the management asked David to expand his territory to Australia, South Korea, and Japan, where the company needed to organize for fast growth and excellent customer support. South Korean and Japanese customers are nationalistic in their approach to business and coming as a foreign manufacturer from China was a tough challenge. But David continued his route and later took over the sales in China proving to be the most difficult mission he had in his career.

At that time, Leroy-Somer had a fantastic production facility in Fuzhou, China, but they had not found a way to grow their market penetration. When David joined the company, it had a mere 8% of the market. Understanding the customer culture and the history of relationships, the local way of doing business, and ultimately beating an ever-stronger competition proved harder than anything David has ever done in his career.

He adds, *"And if I remember something from China, it's the Chinese customers who have taught me patience, humility but also perseverance because if you want to be successful, you need to be there not only tomorrow but for the next five years. And I took over the plant in 2016 then I had all the cards to develop the products that the customer wanted in the China market at the costs that were allowing us to make money. And I surrounded myself with the high performance and motivated people in my team in China to make China plant a winning machine for the next decade."*

In 2018, David was asked to help the Indian and European businesses. And

again, he had a top-notch management team along with supporting shareholders with investment in capacity and productivity.

Confrontation with Challenges

David's professional journey is marked by his undying 'never up give' approach and exceptional aptitude for navigating complex business challenges and driving holistic growth and success.

When he became the leader for Europe, India, and Asia after 16 years overseas, this was his first job in Europe, and he was replacing a manager that was on the job for 42 years. So, it was not only a humbling experience for David but also to get that opportunity was intimidating at the beginning.

He felt that the management team was way smarter than him. And he started questioning what does he bring to the picture? And like in all of his previous roles, he created his place with his knowledge of the market, customer, and products. Hence, he spent a lot of time creating bridges between people, departments, and regions and dumping the cultural differences.

David adds, *"I think one of my strengths as a leader in this organization is my years of overseas experience dealing with different people, different cultures, different religions, dealing with differences, in general, I think I managed to create more mutual respect between people of various regions to make them work together and create synergies that add value to the business."*

About NIDEC Leroy-Somer

Nidec Leroy-Somer is in the small and medium-sized power generation business. So, it generates electricity

and converts mechanical power from its customer into electricity that is usable by the end user like in houses, industries, and more. It sells its electric alternators to OEMs who assemble the finished product.

The finished product can be a diesel, biofuel, or gas generator, it can be a gas or a steam turbine, a hydro turbine, or in some cases, a wind turbine. Most of the equipment it manufactures is used for backup of electricity from the government grid. These standby generators are there to ensure the security of people in buildings, hospitals, schools, airports, factories, conventional power plants, and more.

David elaborates, *"When you transform a product like food and beverage, etc where if the power goes off, you can lose all your production. Or worse, you can lose the equipment that manufactures this chemical process that solidifies inside the machine. Then you will have to replace your entire equipment. But we are also working as a backup of nuclear power plants or power plants where our generators can help the entire power plant to restart after shut down or to provide emergency power in case of the main power generation, the main turbine is down for some reason."*

And finally, NIDEC is also supplying or ensuring the security of data in telecommunication- the mobiles need to have a constant availability of the service and data center, which protects all the data it has.

Further, he adds, *"But the strength of Nidec Leroy-Somer and the difference with our competitors is that we are also very strong in small to medium main power generation when we create the electricity for our customer. And there you need to deliver performance & reliability. And of course, you have a*

supplier that can service the machines to ensure that they can last longer. So, there we are powering or providing electricity to remote communities in the desert or islands in distributed power generation. What we call distributed power generation is when besides a massive power station from the government, you also have smaller power generation units that ensure peak shaving. When you have a small

peak each day for one or two hours, you need to make sure that you have the availability of this electricity through a smaller power generation rather than investing in much larger equipment.

But we are also great in the field of power quality. When some of the main power generation, for example, the alternative power, wind, and solar,

which are a bit weaker or that are not able to produce continuously, then our product can support the grid, the main electricity for the missing hours. We are also providing heat and electricity for hotels, and spa industries that not only need electricity but also need steam or hot water. And apart from wind turbine generators where we are not playing much, we are the largest generator maker."

Additionally, NIDEC Leroy-Somer plays a role in the field of green power, when its alternators are used on engines running with natural gas, biofuels, ammonia, ethanol, hydrogen, and more that are coming up reducing the carbon footprint of the generators, but also the company recycles the waste with biomass. Hydro energy is also an added benefit and resource creating electricity from the power of water, rivers, and springs.



And finally, one of the main differentiators that set Nidec Leroy-Somer apart from its competitors is the service of its install base around the world with experts, with know-how and products that only a manufacturer has to extend the life of the products. It is using a network of service centers around the world to support its people with services in Indonesia, Peru, Nigeria, and places where the electrical grid is still developing or where people face issues to access the electrical energy. The company joins hands with local people who help them support the install base.

Prospering in the Times of Pandemic

Fortunately, NIDEC wasn't affected by Covid-19. The business has been meeting the pandemic challenges with exceptional resilience. This has happened due to the diligence of the team, its unwavering determination, and its attitude of serving the customer in every given situation.

David adds, *"The team has been exceptional in bringing the response to the challenges it has seen. But for us during the covid period, we have managed to keep our sales flat in 2020, which is a fantastic performance compared to a lot of our competitors. We are in a very consolidated industry, so it's relatively easy to verify the information."*

David also acknowledges his team and their efforts as he believes a leader alone cannot steer a larger organization without a robust team. At the end of the day, people are the heart and soul of a business. To serve the customer, one needs to have a strong company culture, which comes from the people, and the team.

In times of crisis, it's the people that make up for the lack of processes, because often these are situations that are never seen before, for instance Covid. In the first weeks of Covid, the

management was working on organizing the work to keep people safe and trying to gather knowledge of what one should do.

David adds, "I think our plant operators have consistently shown up for work trusting that we were doing the best we could to keep them protected. And with everyone's help, we have managed to quickly organize ourselves, to continue delivering to customers on time. Also, we have managed not to close a single day in Europe."

Innovation and sustainability: A Focal Point of Future

With the world becoming more dynamic by the day, innovation is the only thing that ensures a business will survive for the next generation. So, one needs to keep up with innovation at all costs, enabling competition to be swept away.



With the short-term advances in design improvement, procurement, automation, lean efforts, and productivity, organizations need to be performant in every aspect of the business. Meanwhile, the innovation processes should bring new technologies and reduce the product costs more significantly in a midterm manner.

David continues, *"The way you rethink the value chain and the positioning of your company in the market, if you want to remain relevant, you need to seek adding value to the offering or reducing the total cost of ownership to the end user. This is what makes you stay relevant and that the end user asks for your product."*

And that is what NIDEC Leroy-Somer is busy doing at this moment. It is working on its the fourth generation of products. It has been existing for 104 years, but it has only been making alternators for 70 years. It plans to release its fourth generation of

products saving 30% of active material purchases, adding additional features while improving the product performances. So, it's not a 30% material reduction, but the company will use the material in a way that helps reduce its purchasing of magnetic steel by 20,000 tons a year. It's a massive number helping its journey towards carbon zero by 2040, as per the guideline.

David states, *"We have to do our part to make sure that the overall carbon footprint of the generator, so alternator plus engine is at the minimum to compete with battery storage, with the hydrogen fuel cells, with solar which have their advantages in term of reducing the emission locally, but which also have drawbacks of the mining of material for batteries today is made in countries where the transformation is done using coal."*

And if you look at the overall carbon footprint, I think our customers are fighting for the right of being present in

the future business through the use of low carbon fuels. And we must help them by reducing the carbon footprint of alternators too as well as limiting the redundancy of some system functionalities."

Moreover, Nidec Leroy-Somer is also working on the development of electronics controllers that help them improve the engine response and allow its customer to use smaller engines for the same load but also to protect this engine and extend its life throughout with condition monitoring that is doubled with predictive algorithms that will help solve end-user pain points. Each industry faces different problems. *"From co-design to alternatives, we want to see what we can do to reduce end-user's pain and ensure that the generators will last longer because it makes them more sustainable. This is part of the zero carbon footprint journey that every one of us has to go through,"* concludes David.

