

MiCROCUT
Your Reliable Partner

AXILE
agile smart machining



CNC SYSTEM SALES, INC.

R. Kent Baker
President

(317) 251-2770 Office
(317) 251-2888 Fax
(317) 431-7191 Cell
kbaker@cncsystemsales.com

BUFFALO MACHINERY BRIEF PROFILE

Presented By: **Dr. Paul Chang**

THE GLOBAL PREMIUM METAL WORKING EQUIPMENT & SERVICES PROVIDER

Microcut HQ building

OUTLINE

- **OVERVIEW**
- **CORPORATE MANAGEMENT**
- **PRODUCTION & TECHNOLOGY**
- **GLOBAL SERVICE**

An aerial photograph of a dense urban landscape, likely a major city like Tokyo, with numerous skyscrapers and buildings. The image is partially covered by a large, semi-transparent blue geometric shape that frames the central text.

OVERVIEW

WHO WE ARE



Established in 1979



Located in central Taiwan
The world's biggest cluster of
machine tool builders



Total 8 plants, occupied
44,800m² land space



Around 290 employees



Global CNC metal working
machines and services
provider



Technology-oriented
machine tool manufacturer



Completed product lines of
CNC lathe, VMC, HBM, and
5-Axis



TW most 5-axis MC exports
to Europe market and HBM
to global market

OUR BRANDS

Definition



The generalist

- Wide range of products
- Standard technology
- Price oriented
- Commodity competition



The specialist

- Specific products
- State-of-the-art technology
- Performance oriented
- Premium competition



BRANDS IDENTITY

MICROCUT

- Little difference with competitor's products
- Focus on **dealer**
- **added value**
 - delivery, stock in Europe
 - range of products
- **best price/quality ratio**
 - quality, reliability
 - price to market
- **service**
 - after-sales service
 - spare parts in Europe

AXILE

- Adoption of state-of-the-art technology
- Focus on **product**
- **product performance**
 - Dynamic: **Agile**, high-speed
 - Accuracy: own **Smart** technologies: AAC, TPC
- **product reliability**
 - Adoption of Industrie 4.0 technologies, **smart** machines
- **lower cost** than competitors

OUR MISSION & VISION

Value

Quality and Service Build our Business

Mission

- Theoretical knowledge implementation
- Total quality management activation
- Enterprise sustainability

Vision

The major high-end machine tool manufacturer in Taiwan

OUR HONORS



2008 National Award of Outstanding of SMEs



2015 Grand Champion Award of Research & Innovation in the Taiwan Machine Tool Industry Awards



2016 The first Taiwan Excellence Service Award winner



2016 Taiwan Excellence Gold Award of 5-Axis Machining Center MCG-5X



2017 Taiwan Excellence Awards of 5-Axis MC MCU-5X and Horizontal Boring and Milling Center HBM-140RT



2017 Three-star Medal Excellence Management Quality Award for Excellence Quality Management

OUR MARKET POSITION

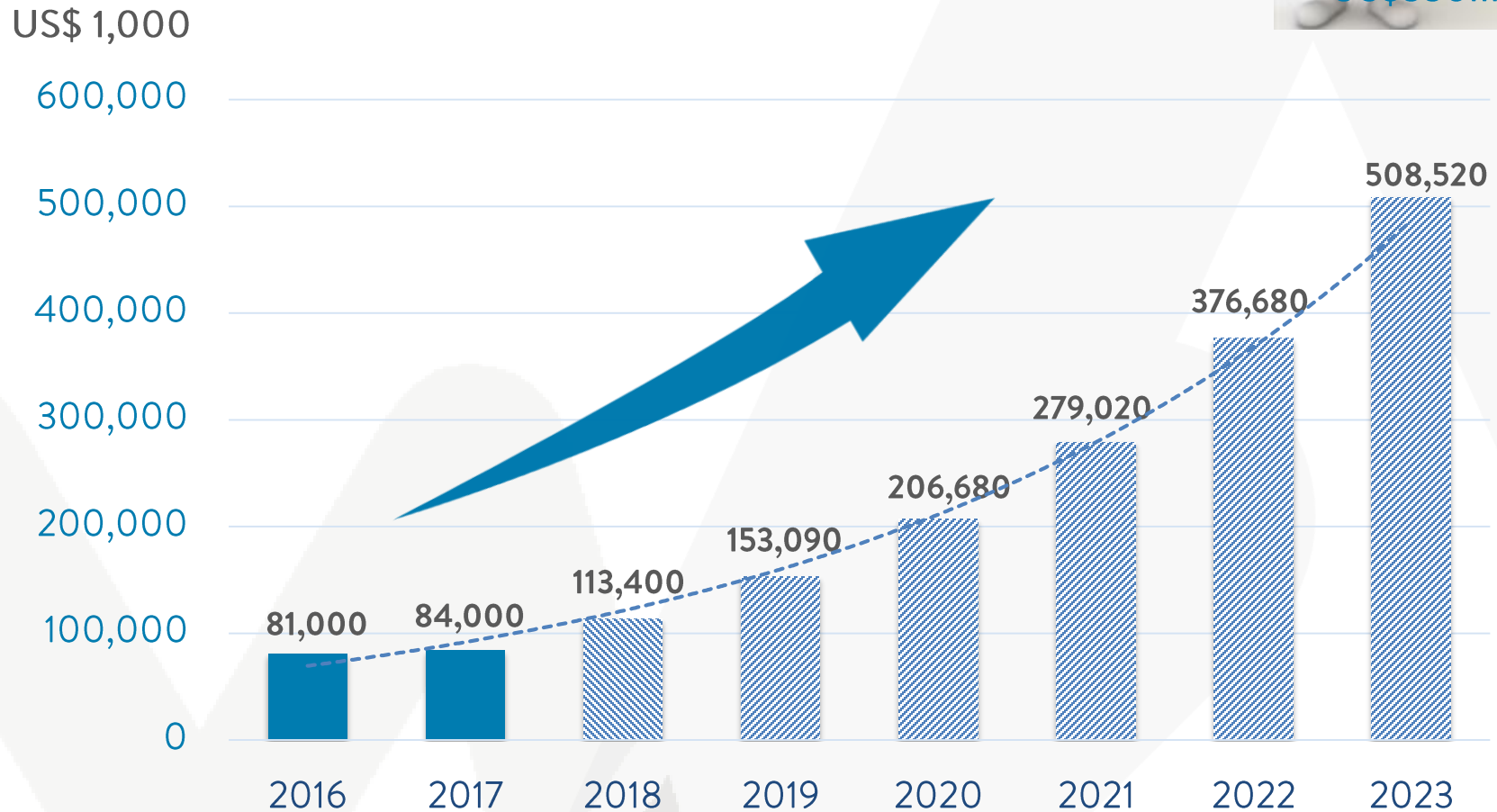
Top 6 Machine Tool Provider in TW

2016 Top 10 Metal Cutting Machine Industry Ranking

Rank	Company	Note	Sales Rank	Turnover US\$ 81M		Employees Person	Productivity US\$ 27K/PP	
				Sales NT\$: M.	Change in Sales %		Net Income Per Employee NT\$1,000	
1	Victor-Taichung Machinery Works Co. Ltd	M		5,118	24.85	843		-
2	Tong-Tai Machine & Tool Co. Ltd	SM		4,896	4.5	940		60
3	Yeong Chin Machinery Industries Co. Ltd	M		3,691	-9.38	768		-
4	She Hong Industrial Co. Ltd	M		3,107	-14.30	367		151
5	Awea Mechantronic Co. Ltd	SM		2,754	-11.87	494		368
6	Buffalo Machinery Co. Ltd	M		2,452	-2.5	198		875
7	Wele Machatronic Co., Ltd	M		2,424	-8.66	490		-
8	Kao Fong Machinery Co. Ltd	CM		2,128	11.26	325		260
9	Goodway Machine Corp.	SM		1,973	-32.16	381		858
10	Litz Hitech Corporation	M		1,939	-15.71	242		-

OUR MARKET POSITION

Top 6 Machine Tool Provider in TW



OUR STORY

More than 40 years marketing and manufacturing experience

TRADING COMPANY

Export of metal working machine to global markets



1979 - 1996

MANUFACTURER

Transformed to a machine tool builder with R&D team



1997 - 2011

SMART MACHINE PROVIDER

Technical capabilities enhancement to a high-end machine tool provider



2012 – toward smart future

COMPANY TIMELINE

Over 50,000 machines in the global markets



Established by Dr Paul Chang
as a metal working machines
export trading company to
America market

1979

1983



MICROCUT as a brand name
for trading products to Europe
market



**Microcut
Challenger**

Successful transformed to a
Manufacturer

CHALLENGER represented
self-developed machine

1997

2001
~
2007



Plants developing
HT/LT/VMC/HBM
production developing



ISO 9001:2008
FM 538421



ISO 14001:2004
EMS 546518

ISO 9001 (Quality)
ISO 14001 (Environment)
accreditation

2008

2009



Introducing SMT
'The Challenger' Journal
publication
TW top 1000 M. enterprise

2011

Fast growing



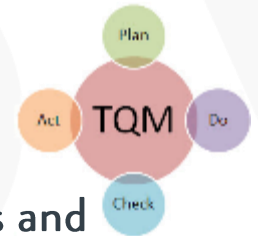
Best
Performance



25th of top 50 fastest growing
manufacturer / 14th of top 50
best operating performance
enterprises (C. W. Journal)

2012

MiCROCUT
THE CHALLENGER



Innovation: products and
technology upgrading
Enhancement of the theoretical
knowledge
TQM implementation

2015



MICROCUT EUROPE establishment



Updated ISO 9001,
14001 (2015), new
ISO 50001 (2011)

2016



High-end product
acknowledged by TW
government (MCG-5X)

2017

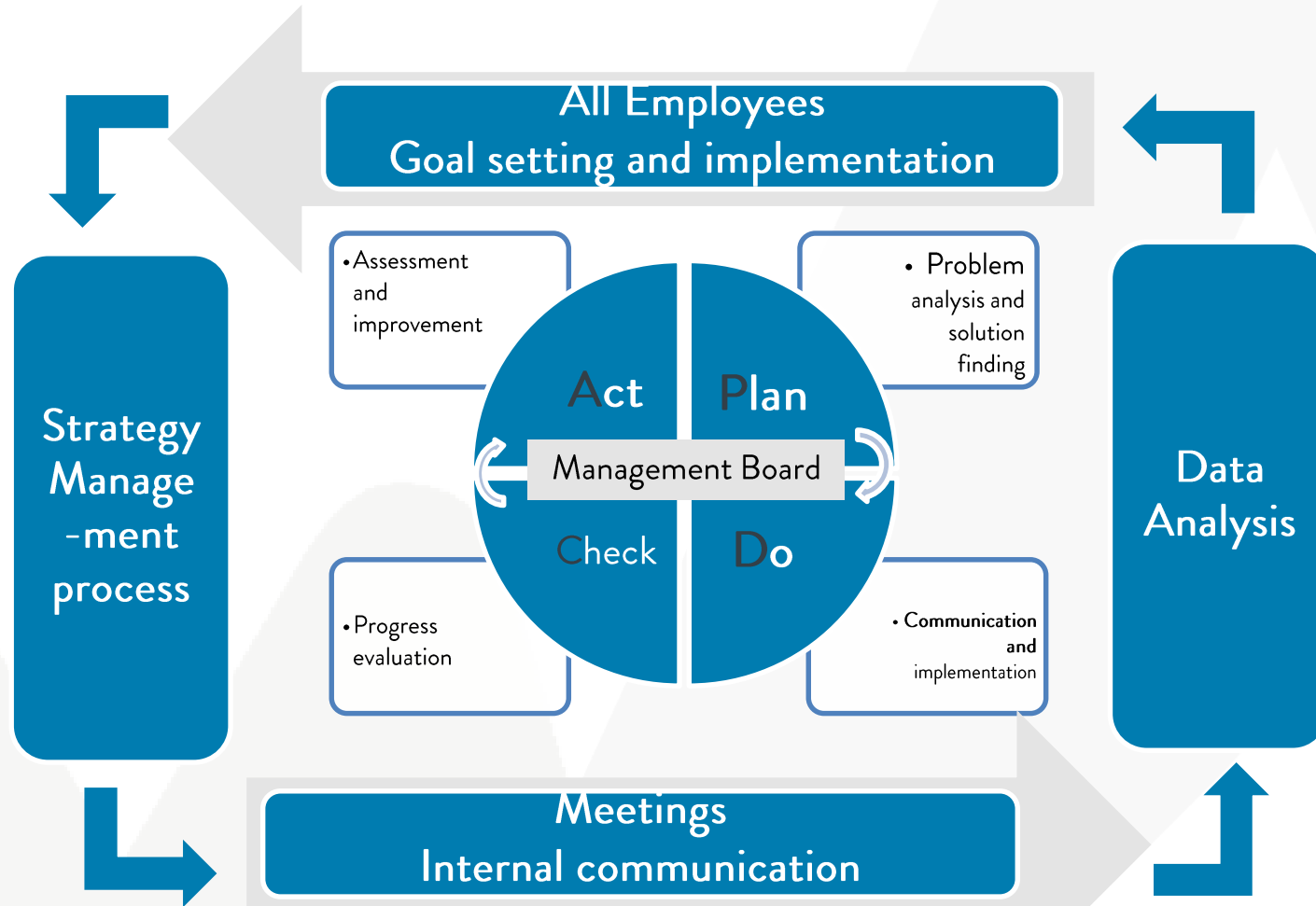
AXILE
agile smart machining

BREAKTHROUGH
Launch of AXILE brand and
I4.0 technology ART



CORPORATE MANAGEMENT

TOTAL QUALITY MANAGEMENT



MEET OUR TEAM

Trust on our professional team

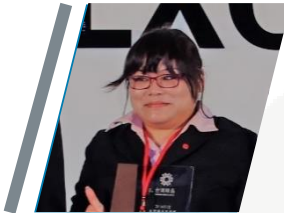
ANDY LIN
Vice General Manager
Production



GUS CHANG
Vice General Manager
Customer relation



ANGIE TSENG
Vice General Manager
Business



PAUL CHANG
President &
General Manager



SCOTT TSAI
Vice General Manager
R&D



JUAN MARTIN
Regional Manager
Europe sales and marketing

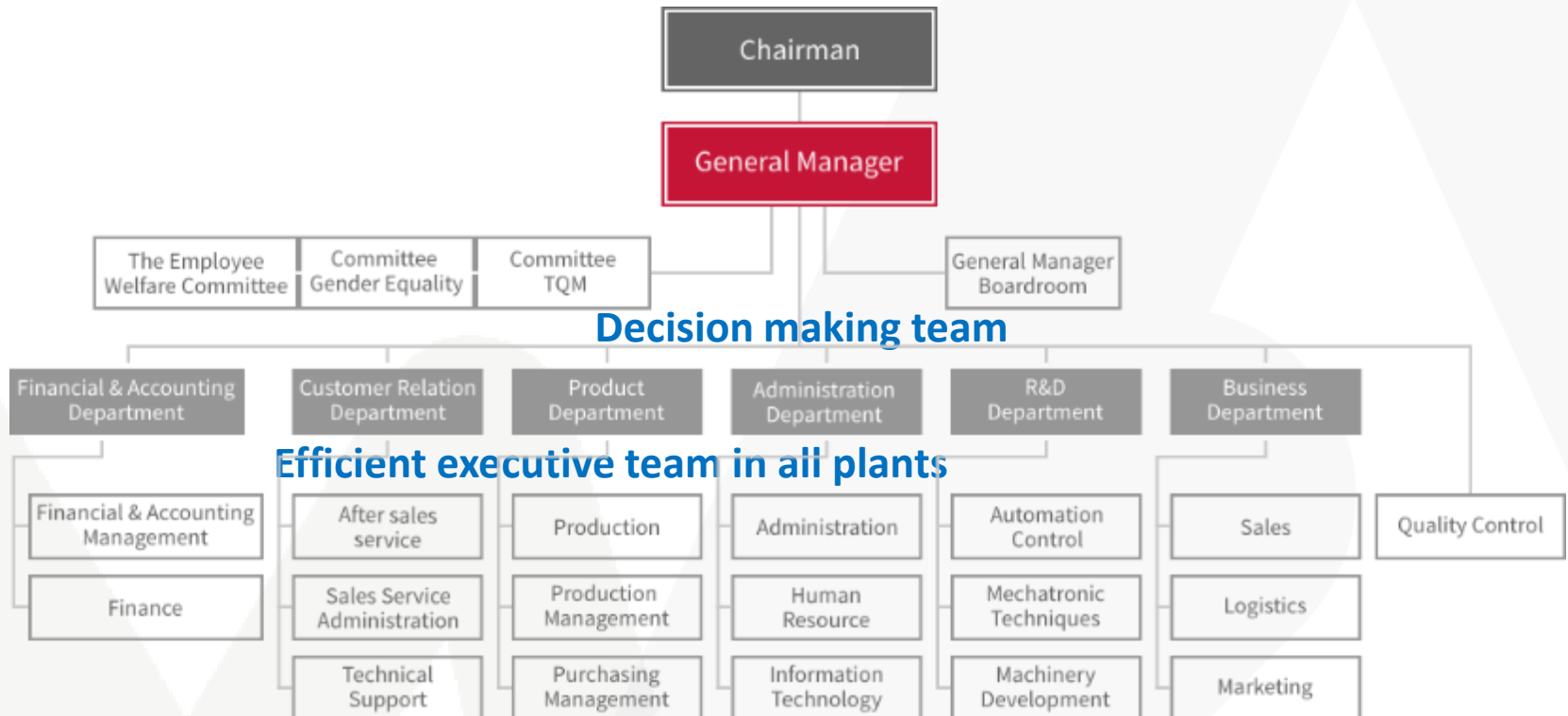


JOAN HUANG
Vice General Manager
Finance & Administration



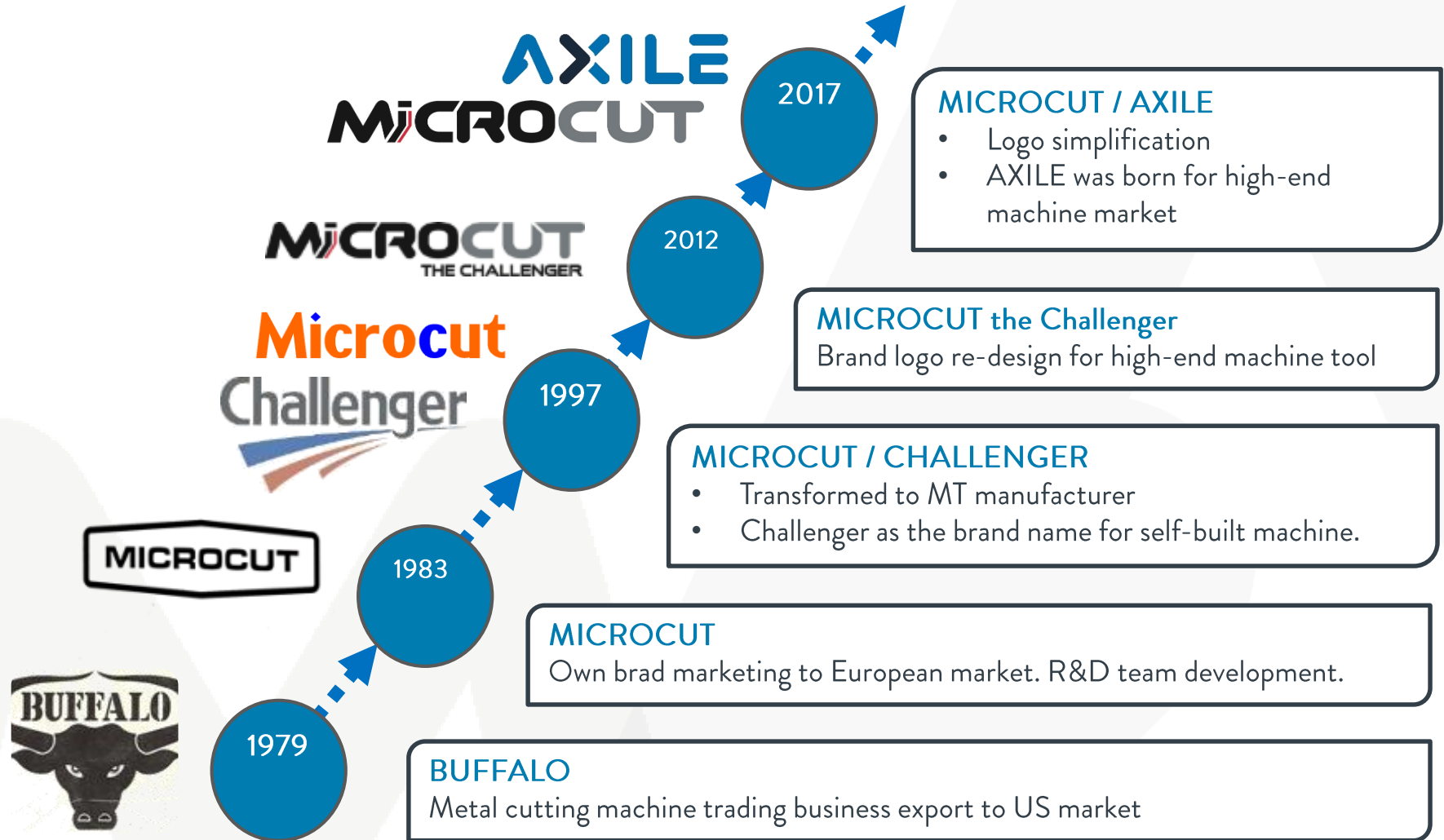
OUR ORGANIZATION

We believe in our team



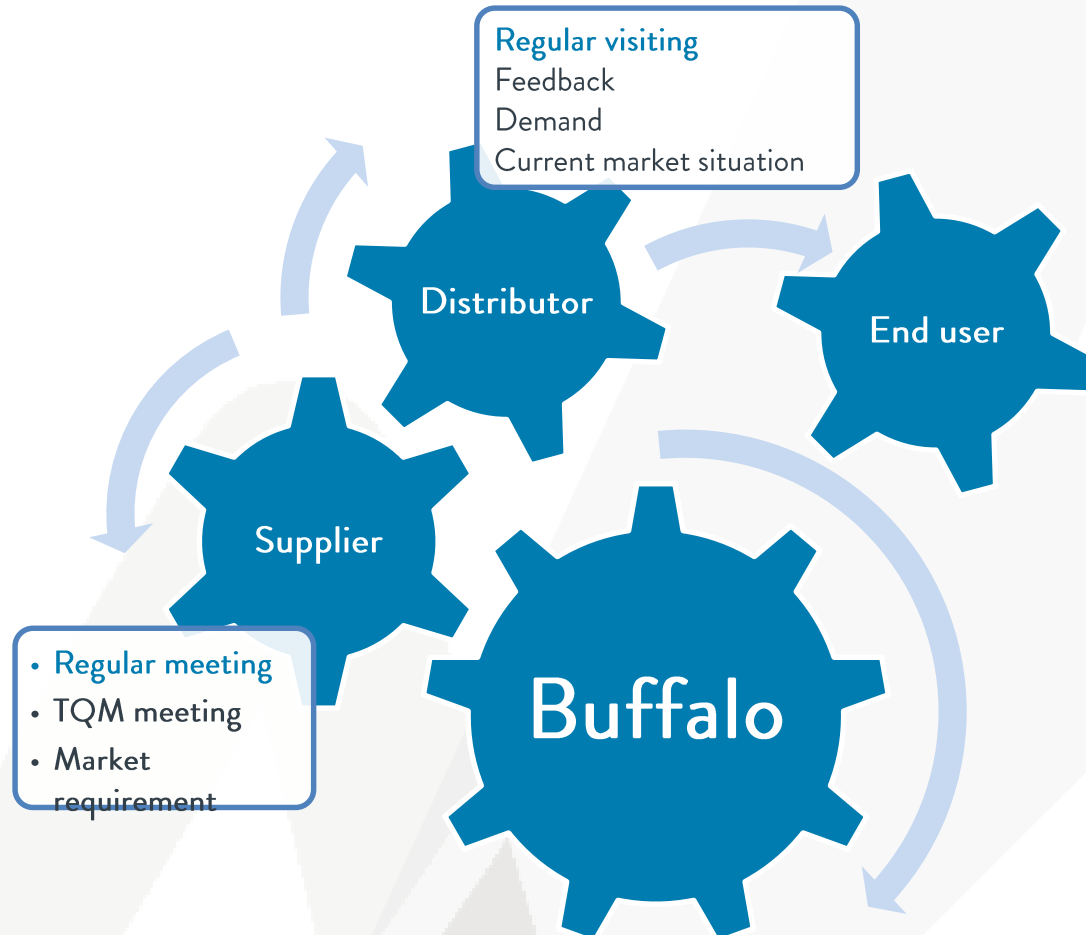
Parallel management structure

BRAND MANAGEMENT



BUSINESS MODEL

Industrial status – the relationship with upstream and downstream



An aerial, high-angle photograph of a large industrial manufacturing facility. The floor is a light-colored concrete with yellow safety lines. Several large, complex industrial machines, likely CNC lathes or mills, are arranged in rows. Some machines have red accents. Workers in dark clothing are visible near the machines, some appearing to be operating or inspecting them. The overall scene depicts a busy production environment.

PRODUCTION

COMPLETE PRODUCT LINES

One-stop service for all customers demand

MiCROCUT
Your Reliable Partner



Product Ranges

- CNC Flat-bed Lathe
- CND Slant-bed Lathe
- Vertical Machining Center
- Horizontal Machining Center
- Bridge Mill
- 5-Axis Vertical Machining Center
- Horizontal Boring and Milling Center

MiCROCUT AXILE

PREMIUM PRODUCTS

FOR HIGH-END MARKET

Specs apply for 75% application in high end market



5-Axis
Gantry
Type
VMC



3-Axis
High-Speed
VMC



aerospace



medical



die &
mold



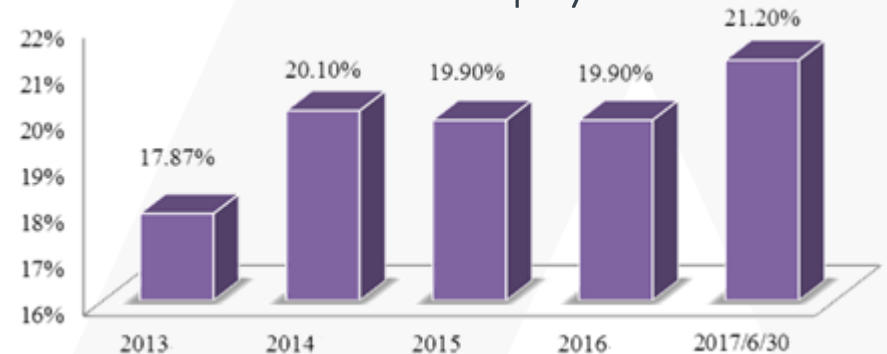
LEADING TECHNOLOGY



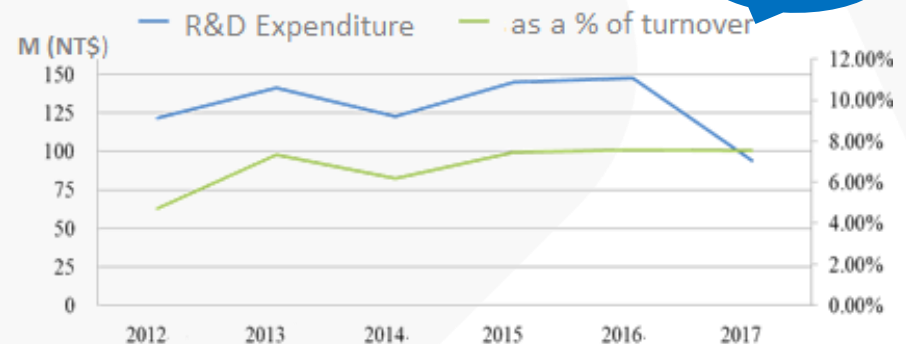
THE STRENGTH OF OUR R&D TEAM

- 21% professional engineers
- 8% R&D expenditures of turnover
- 3~4 new projects yearly
- Mechatronics specialist
- Industrie 4.0 application center
- Global patents management
- 24 innovation patents (TW:15, USA:8 China: 1)

R&D staff ratio of total employees



R&D investment



INDUSTRIE 4.0 PRODUCTS & SERVICES PROVIDER

- Reliability
- Predictability
- Automation

Smart Machining Technology (SMT)



Axial
Accuracy
Control



Spindle
Vibration
Supervision



Tool-tip
Positioning
Control



Metal
Removal Rate
Optimization



Straightness
Compensation
Technology



Vision
Technology

BENEFIT

- self-learning technology
- up to 15% energy saving
- 5~6 times accuracy improvement
- 85% thermal error improvement
- Pro-long spindle lifetime

INDUSTRIE 4.0 PRODUCTS & SERVICES PROVIDER

- Reliability
- Predictability
- Automation

AXILE Reliability Technology (ART)



Reliability
Maintenance



Energy
Management



Manufacturing
Process

static and dynamic
modeling for finite
element simulation

BENEFIT

Production

- Machine production status transparency
- Increased machine utilization and accessibility
- Increased machine productivity
- Abnormal condition notice for rapid maintenance and service

Maintenance and Service

- Error message prior to broken
- Lower service expense and increase service efficiency
- Reduce inventory of spare parts
- Flexibility of equipment operation



GLOBAL SERVICES

GLOBAL SALES ANALYSIS

89 distributors (2017)

Europe

72%

Russia

8%

China

5%

Asia

4%

Oceania

2%

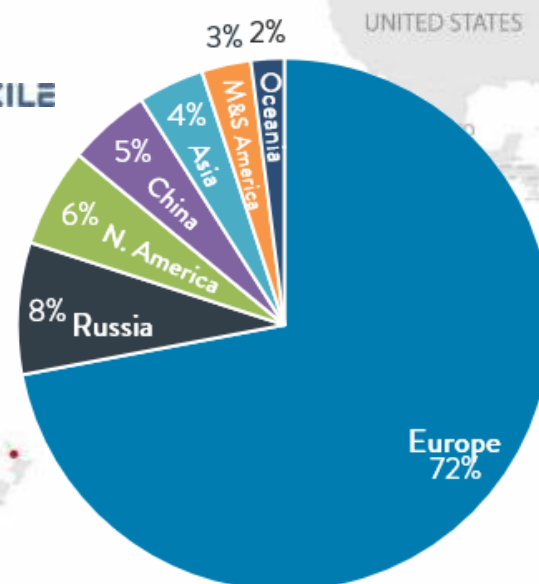
North America

6%

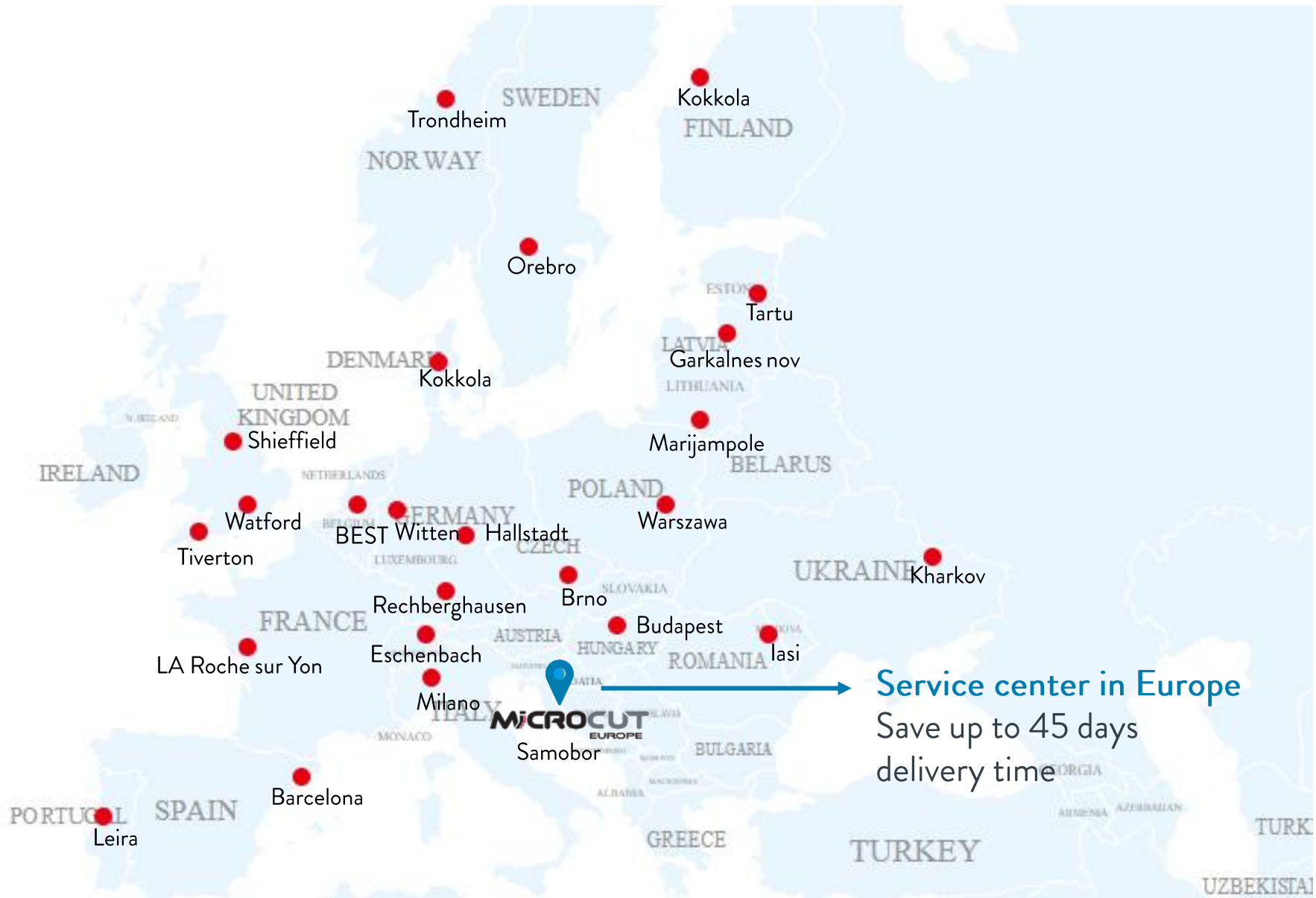
Middle and South America

3%

2017



DISTRIBUTION NET IN ERUOPE



SERVICES WE OFFER



Guaranteed within
24H response



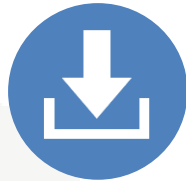
Remote control
service



Service center in
Europe for quick
delivery and service



Technical training
for distributors



On-line technical
documents
available



Supportive local
exhibition



Supportive sales
manual



Annual technical
seminar



Supportive
marketing publicity
material

WHY BUFFALO MACHINERY?

- ✓ Quality products and excellence services
- ✓ Leading technology to optimize your business
- ✓ Care for regular maintenance
- ✓ Considering customer satisfaction
- ✓ Your reliable partner

THANK YOU FOR YOUR ATTENTION



www.buffalo-machinery.com

info@mail.buffalo.com.tw

56, Lane 318, Desheng Road,
Daya district, Taichung City, TAIWAN