

QUESTIONS

TO KEEP YOU UP AT NIGHT

Sometimes in the pressure to meet deadlines and handle the Crisis of the Day, we lose sight of the forest for the trees. As a partial cure for this syndrome, I recently reviewed the six interviews with gear industry leaders that have appeared in our pages during the last year, trying to get a grasp of a larger picture. It struck me with renewed force how six men, each with a lifetime of experience in this business, see the gear industry forest the same way.

Each phrased it differently or pointed to a different aspect of the picture, but the conclusion in each case was the same—economic, political and technological forces are converging to force a “second industrial revolution.” We are looking at changes in the way we work and do business no less momentous than the advent of the steam engine, and there’s no going back; the revolution is here.

1. In the light of the shake-outs and consolidations of the last 10 years, is there room in the industry for more than a half-dozen gear machine manufacturers? If not, what does that mean for machine buyers and other sellers? Is this an industry in which anyone else can make money any more? What does this shrinking supplier base mean to me as a customer?

2. What am I to make of the “gearless” gear-making machine? How many other “gearless” devices are on the drawing board, and what do they mean for the future of the industry?

3. What is the market for gears going to be like in ten years? Twenty? What is the future of my gear-related business in such an economic environment?

4. What other new technologies are lurking just around the corner that could dramatically change the way I design, produce and sell gears? Could one of them conceivably make my business irrelevant? What am I doing to find out?

5. Can I continue to serve only regional or local markets when the economy becomes more and more global every day? How?

6. What am I doing to find markets to replace those that are dead or dying?

7. How do I attract, train and keep the bright, flexible, creative and highly skilled workers I need in a world where manufacturing is considered a “dead end” job?

8. How do I ready my business to offer 24-hour turn-around, job lots of one, instant customer service, audited and documented quality systems and other demands of the new work world?

9. How prepared am I to meet the demands of customers who want me to e-mail the drawings, give them our catalog and parts lists on CD-ROM and do all the negotiating by video-conference?

10. Have I explored the possibilities offered by the Internet to help generate business, cut costs, exchange information and improve customer service?

11. How do I use the vast quantities of available information to my advantage and not be overwhelmed by them instead? How do I separate the hype from the real things about this revolution?

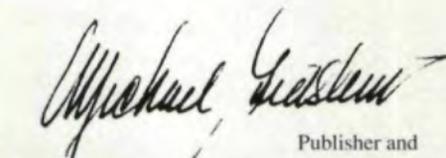
There’s no point complaining or wishing it were different. We’re at the beginning of a whole new ball game. Is the gear industry ready to play? Is your particular gear-related business?

As if you didn’t have enough to keep you up nights, you need to start thinking about the questions in the left-hand column. Ignore them and you could become one of the 8-track tape drive manufacturers of the 1990s.

These are only a few of the questions facing us on the eve of the next industrial revolution. New ones arise every day.

PLEASANT DREAMS.

Michael Goldstein



Publisher and
Editor-in-Chief

