

ABB shares ideas

BY JANA SCHILDER

“When one group of robot musicians plays jazz and another group plays funk, when they jam, what does it sound like? Like junk!” says the smarty-pants robot Fender, played by Robin Williams, in the smash 2005 Pixar animated film *Robots*.

Robots are charmers. Let's face it, who doesn't like robots? Robots are cool. Here's some robot trivia: there are about 200,000 robots in use worldwide manufactured by 100-year-old Swedish giant ABB [formerly Asea, Brown, Boveri]. The oldest robot ABB ever built is still in service - maybe he gets a special cocktail of lubricants and an extra soft cloth to buff him up.

“Yes, we're quite sentimental about him. Our very first robot is a bit of a legend,” says Nick McDonald, business development manager at ABB Canada, in Brampton.

What's equally legendary is ABB's culture of innovation, piloting new ideas, and importantly, ABB's management practices in prototyping a new technology and moving to a pilot phase.

These topics, and more, were the subject of an “Innovate>Forward” seminar for advanced manufacturers held on April 17 in ABB's Brampton plant. In fact, ABB generously sponsored the entire 6-session “Innovate>Forward” series of free seminars to share some of its processes and macro thinking with other Canadian manufacturers to give them a boost.

Nick McDonald shared nine tips with other manufacturers. If it can be documented, it can be replicated and taught to others. The tips are based on ABB's success and used in ABB's seven research centres, by its 7,500 scientists internally, and in collaboration with 70 universities worldwide. These techniques have contributed to more than 18,000 patents in the United States. It all starts with innovation, a fundamental part of ABB's culture. “Each employee is tasked with coming up with new ideas and we make this clear when new hires join the company. And the pursuit of new ideas cannot be delegated,” says McDonald.

Tip one is: Constantly look for new ideas. The big question, of course, is should the new idea or ideas be pursued?

Each new idea is screened through a filter of five concepts, and a bad answer for any could derail the idea, preserving resources for the next idea. The five screener concepts are: Does it align with our existing products/services? Have you identified customers' needs? What benefits and customer values will it deliver? Competitors? What is the key competitive advantage (catch up or new)?

Tip two is: Have a formal plan to implement the idea. Here's some of what ABB looks at: What are the objectives, deliverables, value to customers, and value to ABB? Why are we implementing this idea, which product line and market segment does it belong to, what is the expected market volume, and valuation? ABB makes careful notes of technical descriptions of all parts of the process. And project organization, milestones, duration and costs.

Tip four is a biggie: “Test the hard parts first, in the easiest way possible,” says McDonald. He made the point that often there are lots of computer programs available today that can provide virtual component testing, helping designers choose what components to put into a physical model. Software allows simulations and you can use computers to build on-screen virtual prototypes. Tip five from ABB is to build the prototype. “It's all about proof. What are you trying to prove and are you going to love it?” he says.

2 more free sessions for manufacturers

The series of six sessions were organized by The Peel Region RIC Centre, which stands for Research, Innovation, and Commercialization. There are still two more free sessions to come. “Channel Development” will be held on May 15 at ABB's facility at 201 Westcreek Boulevard, in Brampton, in the Brampton Conference Room. The last of the free sessions is “Innovation Collaboration” and will be held on June 19 at the Centre for Advanced Manufacturing and Design Technologies, Room C131, C Wing, Sheridan College, Brampton.

NAIOP holds court

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That will continue to fuel the need for more employment areas, more highways, and more urban nodes in the suburbs.

There's a big challenge for retail over this period, he said, and it's all related to the geographic pattern of population growth. This development will be concentrated primarily in developed urban areas like Mississauga, Brampton, Vaughan and even the outskirts - Milton and centres north and east of Toronto.

He also touched on a new phenomenon: a shift to more compact retail forms. The days of the big box power malls might be ending.

Lorius is an associate partner at Hemson with expertise in the areas of long-range planning and growth management, employment land analysis and market and economic impact studies.

He says realtors and developers should see “more friction” in the approvals process “than they've been used to in the past,” and some of the “new industrial frontiers (like Waterloo Region)” will continue to attract business in the future, despite the recent downturn at Research in Motion (RIM).

He admits that “putting new land designations into place” is definitely more difficult under the province's growth plan, but at least there is a “clear direction in how growth will be accommodated,” and defining the urban envelope will evolve over the next generation.

Lorius is bullish on the GTA and calls it the “most industrialized economy in Canada and the United States.”

Even if manufacturing continues its dramatic slide, there will be no reduced demand for industrial land.

“We'll still need the space to make and move the stuff that is needed,” he said.

From an economic development perspective, he calls the GTAH “one of the best planning systems in the world.” There should be lots of optimism and opportunity, he said.

Cutting noted that “there's not a lot of space out there [in the 905]. He believes developers have shown a lot of discipline in dealing with the banks and the economy.

King agreed. “We haven't overbuilt,” he said.

Orlando sits on 40 million square feet of development over its illustrious history and will celebrate the 25th anniversary of the giant Heartland Centre next month.

King predicts that spec development will continue in the industrial market, but probably not in office. Orlando has “four or five” spec buildings currently under construction, at the 200,000 to 500,000 square foot size. “We build just what we need,” he said.

There will always be risk associated with spec building, said Cutting, “but I think [in this business] you get paid for risk.”

The talk eventually turned to what most predict will be dramatic jumps in the development charges by municipalities in the near future.

The panelists also think there will be more intensified development on brownfield sites, which is already happening in the GTA. Trying to jam more people into smaller spaces might work for retail and office, but it won't at the industrial building level, said King. “There might be more people in office buildings than five years ago,” he said, “but the opposite is true in industrial.”

King said building LEED certified will continue, but it's a moving target. Are excessive LEED costs to build outweighing the savings in operating costs?

It depends on the development, he said. What savings might work in an office environment, won't necessarily be the same in an industrial building.

The next NAIOP event is The Changing Face of Urban Retail in Toronto, May 3rd at Arcadian Court (401 Bay Street, 8th floor). It's also a breakfast get together.

Check out www.torontonaio.com. The commercial real estate development association (NAIOP) has 50 chapters in North America, acting as an extensive network that represents the interests of developers and owners of commercial real estate.

The 905 Chapter is relatively new. David Ward, director acquisitions for Morguard Investments Ltd., is president of its Greater Toronto Chapter.

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