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Semcon and Ericsson sign strategic partnership agreement

Semcon has signed yet another strategic partnership agreement with the Ericsson Group. This makes Semcon one of a small number of companies chosen as "Active preferred suppliers" for the Ericsson companies of Western Sweden*. This agreement will also serve as the basis for a well-developed long-term partnership between Ericsson and Semcon.

This agreement is a sign of Ericsson's interest in developing and enhancing strategic co-operation with a number of specially selected primary suppliers. For Semcon, the agreement means that not only will the company supply technical development services, with emphasis on IT and electronics, but also, that Semcon will participate in development projects in mechanics, technical information and education and training. For the Ericsson companies, the agreement with Semcon will mean a long-term partnership that will lead to an important infusion of resources and expertise.

"Because the purchase of consulting services is an every day aspect of our business, we want to expand and develop our relationships with a small group of consulting companies. A closer and long-term partnership will mean a good many advantages for both parties," says Eskel Egeröd, Director of Finance and Administration at Ericsson Microwave.

"The Ericsson companies of Western Sweden will enjoy both more efficient consulting services and lower fees, and the more frequent exchange of information will create a better understanding of the business. The consulting companies chosen will achieve a higher utilisation level, be better able to plan on a long-term basis and receive more advance information about the services the Ericsson companies will require."

"This agreement is based on the concept we call the "active preferred supplier." This term emphasises the importance of a regular, ongoing relationship with a consultant," explains Jonas Carlsson, a purchaser at the Microwave Solutions product unit at Ericsson Microwave, and one of the initiators of the strategic partnership agreement.

"We are very much in favour of the Ericsson agreement, which we see as a basis for a well-developed long-term partnership involving a number of development projects," concludes Thomas Ohlson, the Deputy Managing Director of Semcon Engineering West AB.

*) The Ericsson companies in Western Sweden that are covered by this agreement are Ericsson Microwave, Ericsson Hewlett Packard, Ericsson Mobile Data Design, Ericsson Telecom, Ericsson Compitex and Saab Ericsson Space.

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Semcon is one of Sweden's leading industrial consultancy companies. Turnover during 1998 amounted to SEK 708.9 million, and our staff currently numbers more than 1000. Semcon is active in three business areas: product and production development, industrial information technology and competence and process development. We are certified according to ISO 9001 and ISO 14001. Semcon AB (publ) is listed on the Stockholm Stock Exchange O-list.