Value Creation Feature

Solid global network

Technological and innovation initiatives through global alliances

Initiatives at Geico S.p.A., Italy

In May 2011, Taikisha formed a strategic global alliance with Geico S.p.A. in Italy. This alliance has created synergies, enabling each company to enhance its respective strengths in technology and markets, and has led to stronger engineering capabilities in paint technologies, and business expansion. Geico S.p.A. is an important partner in Taikisha Group's global strategy. Through this alliance, the Group aims to be an increasingly necessary part of global society.

About Geico S.p.A.

Geico S.p.A. is an engineering firm engaged in the paint systems business from its base in North Milan, Italy. With a company history spanning more than fifty years, Geico has always carried out a policy of constant research, development and innovation, which has allowed it to provide its clients with the most competitive technology solutions.

A strong ethical sense affects the behavior, both internal and external, of the company and together with its values they have allowed Geico to meet the key expectations of clients in the respect of people, communities and the environment.

People are considered the most important resources of the company, therefore it has always carried out several initiatives for their development and for the creation of a pleasant working environment, leading to being awarded in the Great Place to Work ranking.

Important points of Geico S.p.A.'s corporate strategy

- Strong human resources development
- Sustained technological, process and product innovation
- Proactive investment in technology and expertise
- Global expansion and new clients acquisition
- Global-level sales and technological alliances
- Further enhancement of project management
- Systematic management of fixed costs

Aims of the alliance between Geico S.p.A. and Taikisha

- Sustainability and financial stability
- Competitive solutions combining delivery time and price
- Vertical orientation of technical organizations and global infrastructure
- Innovative approach to product development and project management
- Sustainable solutions in the ecology and energy conservation fields

Research and development initiatives — Pardis Innovation Centre

The auto body painting industry's most important worldwide research and development center is the Pardis Innovation Centre, the Alliance's flagship facility, born in 2009 and expanded in 2013 in Geico's new Headquarters. This facility is a global research and development base for the Taikisha-Geico alliance, undertaking technological development for automobile paint finishing plants. It develops paint technologies to reduce environmental impact.

More than 40 practical prototypes for solving a range of technical issues are displayed across the 3,600 m2 floor space, which is twice as large as the previous facility. Clients and business partners can inspect and learn about new technologies at each stage of the paint finishing process.

Utilization as a forum for communication with clients

The Pardis Innovation Centre hosts events called "Experiment Days." Days dedicated entirely to an individual client, supported by a team of experts, with the aim of designing tailor-made solutions, prototyped and tested based on their specific needs and expectations. The subsequent event with each client, half a year or one year later, includes dialogue based on the results of these discussions, and updates on the progress and details of development.

Geico S.p.A. has held more than 150 Experiment Days with over 60 automobile manufacturers. It has witnessed a marked improvement in communication with clients thanks to the creation of these opportunities for discussion.



Experiment Days





The Pardis project: achieving an entirely energy self-sufficient paintshop

The Pardis project launched by Geico S.p.A. in 2005 aimed to design an "entirely energy self-sufficient paintshop" with zero CO₂ emissions. The project's completion was initially scheduled for June 16, 2020, the so called Energy Independence Day, but the world's first entirely energy self-sufficient paintshop was actually achieved in 2017, three years ahead of target.

Geico S.p.A.'s paintshop reduces the amount of energy needed to paint each vehicle by 70%, from the 900 kWh required in 2005 to only 270 kWh. Electrical power is sourced from renewable energy.

The Pardis Innovation Centre played an important role in achieving the project targets.



Geico S.p.A.'s initiatives for energy consumption management

	Targets	Main initiatives	Results
2005- 2012	Introduce a technological production cycle that pursues the optimal combination of new paint technology utilization, enhanced technological innovation quality and energy conservation	Increase the efficiency of paint transfer, respond flexibly to fluctuation in production volumes, introduce compact technology cycles, ensure zero emissions from water circulation in the paint finishing process, and reliably meet the standards specified in emissions regulation	Halved energy consumption From approx. 900 kWh to approx. 460 kWh (energy required to paint one vehicle)
2012- 2015	Maximize the energy efficiency of paint finishing by utilizing energy conservation technologies from other production processes	Phased energy recovery (cascade utilization) and the reduction of energy loss	Halved energy consumption From approx. 460 kWh to approx. 270 kWh (energy required to paint one vehicle)
2015- 2019	Utilization of renewable energies in place of conventional fossil fuels Pursue the best mix of energy	Create tools to enable analysis of energy consumption, visualization of the impact of weather conditions etc., and optimization of energy allocation	The development of the software below enables optimization of energy allocation and management of consumption. J-Power: calculates the optimal mix of renewable alternative energy sources for each production site GEM (GEICO ENERGY MANGEMENT): monitors the energy vectors of production lines, and manages energy consumption

Initiatives for the future

Going forward, the Pardis project will engage in the further pursuit of flexible solutions to respond to fluctuation in production volumes (suppress fixed energy consumption), and new production processes and technologies, such as electric vehicles and hydrogen vehicles. At the same time, Geico and Taikisha plan to continue to use the Pardis Innovation Centre the Group's most important testing and prototyping Centre to present software innovation and its advanced control and automation systems, responding to customer demands for shorter project time frames.

From Geico S.p.A.



Daryush Arabnia Chairman, President & CEO Research and development are the motive forces behind Geico S.p.A., and are the keys to unlock our future.

The Pardis Innovation Centre was established with the purpose of clearly expressing Geico's identity to our clients. It provides a forum to communicate not only our technological dominance, but also the spirit and culture at Geico's core. Clients can come into contact with advanced technologies in a calm, warm, boutique-style environment.

In addition to functioning as a research and development facility for testing ideas and commercializing prototypes, the Pardis Innovation Centre also serves an important role in strengthening relationships with our stakeholders, including customers, financial institutions, academic institutions and others.

In the future, we want it to be a showcase not only of Geico's technologies, but also of the technologies of the Taikisha Group.