
**INTERVIEW WITH A.N. KOVALCHUK,
DIRECTOR OF PSJC
«KHARKIV MASHINOSTROITELNII ZAVOD
«SVET SHAKHTYORA»**



PJSC «Svet Shakhtyora» is a structural unit of CORUM GROUP Company, producing equipment for mining industry: scraper conveyors and reloaders, cleaning and tunneling combines, mine substations, mine crushers, safety hydraulic clutches, head explosion proof battery lights, and methane analyzers.

Products are operated at different mining and climatic conditions in coal, shale and potassium mines.

Products are certified in keeping with the requirements of DSTU ISO 90010–2001.

Mr. Kovalchuk, your company has been successfully developing during the last three years. It increases the output of mining equipment, where welded structures make up a considerable proportion. Under the conditions, when the market of independent Ukraine has declined, how can you explain intensive development of your company?

Yes, indeed, internal market of mining equipment in Ukraine is limited, and the share of sales in the internal market has decreased. The issue of entering foreign markets became more acute, so that individual approach to each order, promptness of its fulfillment and constant communication with users are becoming ever more important.

Despite all the difficulties, we increased the range of products manufactured by our company; mastered production of cleaning and tunneling combines, and stable-hole complexes. We also started manufacturing products, earlier untypical for us, namely explosion-proof transformer substations. We are working in the field of high-potential developing plow dredging that will allow us even more expanding the niche occupied by us in mining equipment manufacturing.

During 2017, our plant manufactured 17 conveyors of different type, 15 cleaning and tunneling combines, 50 transformer substations, a large volume of spare parts for mining equipment; export accounted for 18 % of product output.

Quality, reliability and safety of our products are confirmed by the respective certificates that make them competitive in supplying both the domestic and foreign markets.

Reconstruction of production facilities has been performed under your leadership. What has been done to ensure manufacturing competitive products?

One of major investments into the equipment of «Svet Shakhtyora» plant in 2014–2017 was purchase of wire EDM machine tool Mitsubishi MV2400S+ and processing center DOOSAN DBC160 (South Korea) with Fanuk 31i-B control system (Japan). The cost of introduction of

these projects was 4.5 and 25 mln hryvnias, respectively.

With purchasing and putting into operation modern high-efficient equipment, the enterprise was able to master new technology of processing complex surfaces, improve the quality of manufactured products, reduce enterprise dependence on outsourcing, as well as create new workplaces for operators of CNC machine tools, programmers, technologists.

High-performance tools of proven manufacturers, namely Walter (Germany), Sandvik (Sweden), Taegu Tec and Korloy (South Korea), etc. are used for operation of modern equipment.

Alongside EDM machine tools, what other modern welding equipment is used?

«Svet Shakhtyora» enterprise uses equipment for automatic submerged-arc surfacing of crane wheels. Replacement of semi-automatic welding by automatic and robotic welding in fabrication of some structures of mining equipment is planned.

The achievements of your company are related to the conducted personnel policy. It is known that young people are eager to work at your company. What are the working conditions at your enterprise? What is the personnel policy?

Our philosophy is extremely simple — work so today, as to secure your future. And we are successful in many respects here. We are known, we give an opportunity to everyone who wants to get a decent, highly paid, stable job in Kharkiv.

We pay salaries in time and do not have debts. In 2017 we increased piece-rate tariffs for the basic production piece-workers by 40 % in order to achieve a competitive salary level in the labour market. For additional motivation, salaries of other personnel categories were also increased. On the whole, average salary in 2017 was increased by 35 % from 2016 level, and was equal to 9000 hryvnias.

How do you solve the issues of personnel training and development?

At the enterprise one can have professional training and retraining, and get a second profession on the job, and become a qualified professional. Due to internal resources of the enterprise 309 employees were trained, 87 workers got a related profession and 108 persons learned new professions. Total cost of investment into education and vocational training of enterprise workers for 2017 amounted to 469,544 hryvnias.

We have a mentoring system allowing newly hired employees to adapt to the workplace. Special attention is paid to young specialists. Special-purpose courses are always conducted that enable employees to develop and improve their professional level. Each employee is able to realize his potential and build a promising career.

How much attention is paid to the social sphere at the enterprise?

Our company employees are provided with an almost full social package. This, primarily, is 100 % medical insurance. We





have organized free transportation of employees by buses from the metro to work; there is a dining room and a buffet, where workers can have a full dinner.

The enterprise management provides sponsor and charitable assistance to school and preschool institutions. Every year we congratulate the first-graders of our employees on the Day of Knowledge, we give them portfolios and stationery as a start to a new life stage.

Plant management and trade union committee take care of the rest of plant workers and their families. Employees have the opportunity to stay in holiday hotels, health centers, and children — at children's health camps.

Fans of football, volleyball, darts and other sports take part in sports events organized by the enterprise.

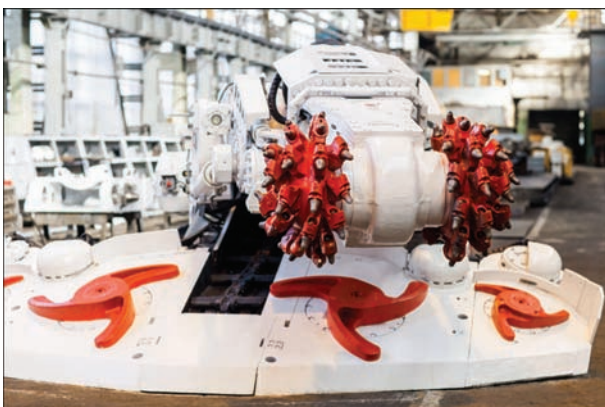
Corporate culture at our enterprise is supported by various events timed to the holidays: Day of the Machine Builder, Company Day, Knowledge Day, New Year, etc.

A youth organization was created at «Svet Shakhtyora» enterprise, which conducts intensive sports and cultural activities, and which all the interested persons can always join. In addition to fulfillment of basic guarantees, compensations and privileges provided by the Legislation and the Collective Agreement, the enterprise has a compensatory housing policy, according to which workers receive compensation payments to cover accommodation rent.

Thus, we have successfully established ourselves in the market, while maintaining the best traditions and formed new methods of work. We boldly demonstrate the ability to meet time challenges, to adopt and implement ambitious strategic objectives.

Mr. Kovalchuk, your company has expanded the geography of equipment supplies. To which countries do you supply your equipment? How do you see the company when compared with similar enterprises in the EU, China, and the USA?

In addition to the domestic market of Ukraine, CORUM GROUP Company supplies mining equipment for coal mines in Kazakhstan, and Poland, potassium mines in Belarus and shale mines in Estonia.



We are working to enter the markets of Bulgaria, Turkey, Romania, and Bosnia.

The market for mining equipment is now highly competitive. To be a competitive enterprise at the level of producers from the EU, the USA and China we have to perform a tremendous amount of work.

This is due not only to the high technical level of the equipment supplied, which must comply with the requirements of the European safety direc-

tives, harmonized standards of the EU, China and the USA, but also with logistics of delivery, and organization of service maintenance of the equipment during operation. These high requirements should be also transferred to the domestic market for its retention under the conditions of severe competition with foreign producers.

It is known that manufacturing competitive products requires scientific support. Do you plan to cooperate with the PWI, NTU «KhPI» and other organizations?

Production of competitive mining equipment requires application of modern wear-resistant thermally strengthened materials of both domestic and foreign manufacturers. Accordingly, for their successful application, it is necessary to use modern technologies that provide quality welded joints. In most cases, such information can be found in scientific papers of specialized publications, such as «Avtomaticeskaya Svarka» and «Svarshchik». When the necessary information is not there, we seek advice directly from PWI specialists.

Our company actively cooperates with various educational institutions of the city. We provide production and technological practice training at the facilities of PJSC «Svet Shakhtyora». In 2017 we had 282 students pass practical training at our enterprise, who were supervised by the staff members from high-level skilled workers.

Our company also cooperates with the National Technical University «Kharkiv Polytechnic Institute» (NTU «KhPI»). Students of the Department of Welding conduct pre-diploma practical work at our enterprise, study materials and equipment for fabrication of metal structures, i.e. get «hands-on» experience of welding production.

What makes your equipment competitive?

A long-term operational experience of the enterprise served as a basis for formation of a highly skilled group of managers and technical specialists who solve any tasks related to design, production, implementation, and service support of mining equipment.

The main components of competitiveness of mining equipment, produced by the machine-building plant «Svet Shakhtyora», are the minimum production time, product quality at the level of the European competitive price, warranty coverage, service support for the manufactured products, as well as the availability of consignment warehouses, that enables supplying equipment to the customer in a short time, and performing its maintenance.

Your enterprise can serve as an example of effective development of production. What are the main principles of organization of company production under modern conditions?

Modern market dictates its conditions and now, in order to effectively develop, it is necessary to have a flexible production, which allows mastering new products types in the shortest term.

At the enterprise, introduction of electronic document circulation and straight-through design is going on, which allows accelerating the processes of development and approval of the design and technological documentation, as well as finished product output.

Special attention is paid to improving the skills of employees, and development and support of rationalization and inventive activities. Financial interest of the team in the timely release of quality products is supported.

One of the main principles also is investing in modern high-efficient and energy-efficient equipment, as well as application of modern materials and tools in production, that enables manufacturing products within the terms, required by the customer.

Interview was recorded by V.V. Dmitrik