

**Dating back to the late 1930s, Finland-based Levanto is the oldest manufacturer of diamond consumables in Scandinavia. In almost 80 years the company has gone through many metamorphoses to become a major force in the Scandinavian market. Andrei Bushmarin reports.**



# LEVANTO: DUE NORTH

When an enterprise stays on track for 80 years it is a sign of its resilience and longevity. Running a business is always a roller coaster and the ability to adapt to the ever-changing economic climate, while maintaining product quality and after-sale service, is a prerequisite to survival and prosperity. In the course of its long history, Levanto has repeatedly proved this ability.

### **Rooted in mining**

Levanto was founded by Lauri Levanto in 1937 to service the needs of Finland's first mining company Suomen Malmi, established a year earlier. Its main product was diamond tipped core bits, produced at its factory in Munkkiniemi, very close to the capital Helsinki. For the first few decades mining was the driving force behind Levanto's growth. Having consolidated its position in the domestic market, Levanto went international in the 1950s by supplying diamond tools to Canada, Australia and Africa.

In 1978 when Levanto was going through a generation change, it was sold to another Finnish company Mancon. It was one of the country's largest industrial firms at the time with a history of over 100 years. It went bankrupt in 1989 and Levanto was taken over by Ekström, which specialised in various products and repair and maintenance activities.

### **Levanto reinvented**

A new chapter in Levanto's history began in 1997 when Patrick Sandman, Martti Erkinheimo and Mikael

**Levanto's HQ and production facilities in Kauniainen – a small town near Helsinki.**



Widholm joined forces for a management buyout of the company. This was a pivotal moment for the Finnish manufacturer and defined the modern Levanto. Patrick Sandman, who came to work for Oy Ekström Ab a year earlier, was an experienced manager with 11 years in the diamond tooling industry under his belt. He became Levanto's CEO and public face. Mikael Widholm (who holds a master degree in engineering) was appointed chairman of the board. The new management decided to shift focus to construction and chose Scandinavia, the Baltic States and Russia as target markets. In line with this strategy, Levanto launched a series of expansions and acquisitions aimed at strengthening its position in these countries.



### **Building up Levanto Group**

The reformed Levanto's first foray outside Finland was into neighbouring Sweden. In 2001, it registered a daughter company Levanto Diamond Tools in Gothenburg and opened a sales and service office in Stockholm. From that moment Sweden has been one of its key markets. Its importance is reflected in the fact that all Levanto staff are required to speak fluently Finnish and Swedish languages.

A few years later Levanto established a foothold in Norway by acquiring a majority stake in two Norwegian companies Scan-Diamant and Constec. Well-established players with proven track records and extensive customer bases, they provided Levanto with direct access to Norwegian clientele. Both companies were merged



Mikael Widholm (left) and Patrick Sandman (right) - Levanto's Chairman of the Board and Managing Director respectively.



Being a mid-sized customer-oriented company, Levanto produces a lot of tailor-made tools.

Levanto takes a special pride in the fact that all its diamond consumables are "made in Finland" from start to finish.



Historically, Levanto's main expertise lies in making core bits for construction and mining applications.

in May 2015, forming a new business unit Constec Scan-Diamant under full control of Levanto Group.

In Denmark, trading company Diatool APS distributes Levanto products under an exclusive dealership agreement while St. Petersburg-based LDS represents the Finnish manufacturer in Russia and the Baltic countries.

**Proudly made in Finland**

Levanto's headquarters and production facilities are located in Kauniainen - a small town in the vicinity of Helsinki. In a situation when many players in the diamond tooling business have outsourced most of their production to third parties, Levanto takes a particular pride that all its consumables are made in Finland.

Out of the 28 staff at the Finnish headquarters, 12 are involved in the manufacturing process.

Historically, Levanto's main expertise lies in making core bits for construction and mining applications. Diamond blades, along with grinding and polishing pads, constitute the second biggest group in its product range. Levanto also produces a lot of tailor-made tools. Apart from its own production, Levanto has a long-term partnership agreement with Korean company Shinhan Diamond to distribute Arix blades in Scandinavia. Although the company positions itself as a manufacturer of diamond consumables, it also sells a few brands of cutting and drilling machinery, such as Pentrunder and Shibuya.

Last year the Levanto Group reported a turnover

of €9M, with construction tools accounting for roughly half. As far as construction is concerned, Levanto has no immediate plans to expand into any new territories, preferring to stay close to its Scandinavian customers. However, on the mining side, Levanto keeps expanding, focusing in particular on the Canadian market. While acknowledging the old-fashioned ways of the building and demolition industries, where much still depends on personal contacts, Levanto is not afraid of embracing modern sales and marketing techniques. Plans to launch an online shop that will be offering a full range of diamond consumables and concrete processing equipment have been announced. The launch is slated for this spring.

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