

AirFaas – Q&A

What is AirFaas?

Combi Works' AirFaas is a portal that allows companies to manufacture their machines and components without owning factories, production equipment or having production workers. It enables manufacturing in existing production plants globally through the AirFaas portal, like Airbnb offers accommodation, but in manufacturing.

AirFaas allows both small and large companies to become global manufacturers bringing manufacturing close to market demand. No longer will it be necessary to manufacture large batches into stock and ship it through a vast logistics chain all over the world.

The manufacturer can use the capacity available closer to the different markets in EU, Asia, the USA and so on.

AirFaas is already today used for manufacturing tractors, landfill compactors, waste shredders, windmill components, solar panels and so on, being part of the 5 year piloting program.

How will AirFaas scale?

The business model restructures the manufacturing field and allows companies to take a much more lean organization structure. It gives the customers access to manufacturing capacity, quality assurance tools, financing and logistics - all through digital tools. AirFaas is fully scalable as a business model with very few limitations to the size of its growth. The best part is that much of the growth comes through a snowball effect. Every factory that starts using it, takes it to all of its customers. Similarly, any customer starting to use AirFaas takes it also to its suppliers. And the scalability and financing tools leads to both customer and suppliers having a stronger balance sheet with higher gearing rate.

When AirFaas grows from the current 11 mEUR to 100mEUR and then 10 BnEUR, the operating costs grow slowly whereas operating profits rise steeply. Most of AirFaas costs are in development and server space. Server space is a variable cost whereas development costs as a fixed cost are not growing in relation to turnover. The company has thus far been able to finance all of its several million IT development costs through cashflow.

What makes your company innovative and unique?

AirFaas is the only platform business in the manufacturing world that combines several automated platforms for RFQ, purchase transaction platform, logistics platform, financing and insurance platform. It completely revamps manufacturing, allowing both small and large corporations to rethink their manufacturing and procurement divisions. The AirFaas model is simply a more efficient way of handling manufacturing on a global scale.

The mother company, Combi Works, has been working in sourcing and has its roots in the 1980's - the knowhow has then been used to develop a digital way of handling all aspects of subcontracting and digitalizing to solve bottlenecks in supplier, factory, procurement and customer ends. It sees the whole supply chain as a single organism and can therefore combine and handle the whole process in order to achieve a unique level of efficiency. This



is the next revolution combining the small achievements of IoT and Industry 4.0 with a much more comprehensive Industrial cloud solution. Faas stands for Factory as a Service.

When asking for investments or communicating your business case, what are your winning arguments?

1. AirFaas is fully scalable as a business model with global implications. The model is the single largest manufacturing revolution since Henry Ford and mass production. It solves bottlenecks on every level of the supply chain and leads to better profitability for all actors in the chain. It is therefore set for rapid growth and high profitability as a company.
2. It not only solves the manufacturing and subcontracting aspects of the supply chain, but restructures the financing part of manufacturing as well. For this there are strong international partners, such as Euler Hermes that supports in development and scaling up.
3. We are not just a software company started in basement thinking to solve manufacturing. And we also dont have years of huge losses and little results. Instead we are, through our mother company Combi Works, a company active in the subcontracting field for nearly 20 years and history dating back to 1980's and have been developing and spending several million euros in development for the past years but still remaining profitable. And we can showcase strong European customer's as well as being a manufacturing company producing for example solar panels and street lights in China that we transport to Uganda and sell back to Chinese construction companies seeking European quality products. We are a true showcase of globalization and we are able to take actual advantage of the possibilities presented by globalisation through a digital platform business model.

What are the main challenges faced trying to grow?

Diverging customs procedures and decisions in different EU countries. Depending on into which country you import products from outside EU, we face differing decisions. Tax and VAT procedures in different countries differ and therefore is time consuming and costs money.

For more information:

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