




Ernesto Domínguez Toyota Material Handling Europe CEO

Introduction to Ernesto


 From an educational perspective, I graduated in law in 1999 and later gained a PhD in law at the University of Barcelona. I hold an MBA from Esade Business School in 1989, and I also graduated in Business Sciences. I started my career at Brilen, a Spanish synthetic fiber and PET bottles producer, and this was followed by a short session as a Lieutenant in the Spanish army.

My first involvement with the logistics industry came when I joined a German-owned company, Eisenmann Española SA, as Financial Director, and later as its Managing Director. They were in the business of logistics solutions, automated systems and AGVs. In the year 2000 I was appointed Managing Director of BT España, which was later transformed into Toyota Material Handling España SA, and that is when my journey with Toyota started.

After fifteen years leading the Spanish organisation, I moved to Paris as Managing Director of Toyota Material Handling France (2016-2020). I was then invited to become President and CEO of Toyota Material Handling Europe.

As Managing Director in both Spain and France, I was in close contact with our customers every day, understanding their needs and challenges. I have maintained this direct contact as a priority in my current role. I believe our activities should always be geared towards understanding the customer's needs and thus providing the best solutions.

Biggest challenge for the industry

 You can answer this question with two words: meeting expectations. However, you need many words to explain what these expectations are.

Firstly, the expectations of the consumer. The role of logistics has changed completely over the past decade. Historically, it was simply a matter of storing and moving goods – a simple necessity based on 'acceptable' performance and minimum cost.

Today it is totally different. Now, logistics is a key differentiator, which can make the difference between sale or no-sale, and long-term customer loyalty. Consumers will choose retailers that are reliable. E-commerce has heightened this differentiation, measuring delivery times in hours rather than days.

Industry Leaders In the Spotlight

Customers will often select products based on 'how quickly I can get it' rather than specific brand loyalty or even price – and subsequent purchases from any supplier will depend on whether they kept their delivery promise the last time. Without doubt, leading on-line retailers like Amazon have set very high expectation levels for others to follow.

There is also – quite rightly – high expectations for sustainability and reduced environmental impact from distribution systems. Dealing with this challenge whilst meeting consumer expectations demands long-term vision from logisticians.

The other important expectation comes from employees. Traditional warehousing roles are becoming harder to fill in today's labour market – once again demanding fresh-thinking.

As a result of these expectations, we must lead with new reliable solutions, collaborating with others to take full advantage of the most appropriate and valuable new technologies.

How has COVID-19 changed the landscape?



I think you firstly must consider the impact that Covid has had on society. The pandemic caused most people to confront a situation never seen before in their lives. They faced uncertainty and insecurity as well as isolation. The eventual outcome has been well-documented: many people leaving the workplace completely and others searching for improved conditions to maximise their quality of life, leading to the so-called 'war for talent'. This of course applies to all industries, not just logistics, but the fact that many traditional warehousing roles have not been seen as the most attractive vocations means the challenges in logistics have been above average.

If you look at specific impacts on our industry, there have been clear consequences. The profile and recognition of the importance of logistics has been raised to new levels. We were seen as an extension of the emergency services, with the job of getting vital supplies into society. Logistics work had to continue whilst other activities were on furlough, and the shift towards e-commerce and home delivery was accelerated dramatically.

However, the main challenge came through the impact on supply chains. Routes, processes, and supply lines that have always been generally reliable and predictable, were suddenly interrupted, resulting in shortages. There was also the problem of goods and containers being stranded in the wrong locations. This caused major disruption during the pandemic and the effect has also been felt for quite some time beyond, no doubt also contributing to inflationary pressures.

Industry Leaders In the Spotlight

How have you as a company adapted to the challenges?



Our first priority during the pandemic was to put all of our energy into support for customers with the most urgent need – those that were on the ‘front-line’ so to say. We mobilised our rental fleet and even moved trucks between customers to ensure vital supplies kept moving. Then, of course, we took all necessary steps to ensure the health and safety of our people.

Looking beyond Covid, I see a keyword in our approach to the future – and that is ‘trust’. We believe that we have over many years earned the trust of our customers and, for that matter, also the trust of our people - and that is a vital foundation for everything we do.

Historically, customers have expected us to be reliable, both in terms of the quality of our products but also the quality of our service support. Looking to the future, we need them to trust us when it comes to innovation and future planning.

We have a team of people dedicated to monitoring trends within our business, and this includes identifying talented partners for us to work with to exploit new technologies. Of course, we are also investing heavily into our own advanced products, including automated solutions and connectivity. In fact, we are leading our industry with over 250,000 connected trucks already in operation. This allows us to share data openly with our customers, identifying opportunities to improve performance and building even higher levels of trust.

The other important area of trust is our approach to sustainability. We embrace sustainability and will not do our business on the shoulders of people or our planet.

What is coming in the next 5 years for you and your company?



Most importantly, I see a much greener future for our industry. We have applied ourselves to this challenge and in the past decade we have doubled our revenue whilst reducing our emissions by 29% - but we have much more to do.

In short, I look forward to the next few years. By serving our customers first, and by listening to them and learning, we have established a leading position in our market. But we cannot stand still. We must continue to grow our products to match future needs – in particular automation. We must continue to exploit new technologies such as AI and digital twinning to help our customers transform their businesses. We also see opportunities to take full advantage of our quality, by extending the working life of our products through upgrade and adoption of the principles of the circular economy.

We will embrace every aspect of sustainability, by exploiting low or no-carbon energy sources and focusing on the safety and support of people. And when it comes to people, we will continue to grow and develop our own teams, as that is how we will deliver for our customers in the future.
