

# “Eurotire is dedicated to the mining industry.”

“The combined product and services capability of Gmmco-Eurotire allows us to provide our Indian customers with world-class OTR tyres and service,” says **Kent B Henschen, Vice President, Marketing Communications, Eurotire Inc**, while speaking about the company and its strengths to EQUIPMENT INDIA. Excerpts from the interview.

**How do you look at the potential of off-the-road tyres, especially for large-sized tyres?**

Eurotire’s focus is on supporting OTR tyre customers in the world’s emerging mining markets and we believe India holds a huge potential for our products. Our products include not only OTR tyres but also our unique approach to providing service and support for large OTR tyres that we call EuroCARE. Our total focus is on creating and supporting large-sized tyres for the mining industry. As a result, we have the knowledge and expertise to help our customers maximise the value they receive from their large OTR tyres.

We believe that the potential for our products is growing and will continue to grow. There are many in the industry who also believe that it is only a matter of time before there are widespread global tyre shortages again as there was just a few years ago. Many large OTR tyre manufacturers, including Eurotire, have increased manufacturing capabilities in preparation for this next increase in demand. There has been consolidation in the supply side as well. Whether the net increase is sufficient to meet that next round of high demand is yet to be seen.

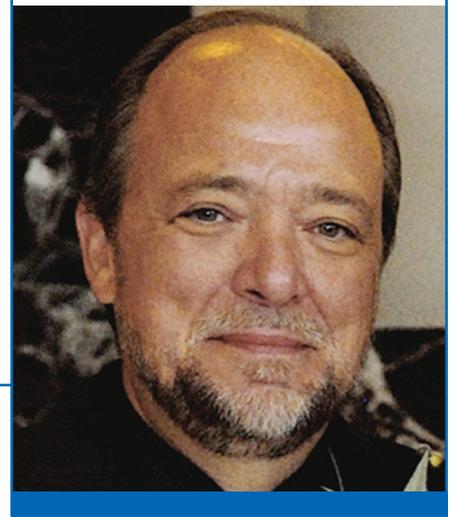
**Tell us about Eurotire, its global footprint, and your tie-up with Gmmco?**

Eurotire is focused on the support of

the world’s emerging markets and can be found on six continents. We have recently opened an office in Kolkata and have partnered with Gmmco to form GmmcoEurotire. This partnership combines high quality Eurotire products with Gmmco’s expertise for providing service and support and includes more than 40 Gmmco locations strategically located throughout India’s mining regions. The combined product and services capability of GmmcoEurotire allows us to provide our Indian customers with a world-class OTR tyres and support programme.

**Could you brief us about the investment part?**

Eurotire has taken substantial actions over the last few years to ensure that we are able to support the growing global demand for our products. We have invested over \$70 million in major upgrades and expansion of our bias tyre plant in Ukraine. The increased capabilities of that plant will certainly help us in continuing to meet growing customer demand for bias tyres.



**Kent B Henschen, Vice President, Marketing Communications, Eurotire Inc**

**How strong is Eurotire’s presence in radials?**

We have invested over \$300 million and nearly three years in building a ground-up, state-of-the-art radial tyre design and manufacturing facility in Romania. In fact, the plans for the new facility were expanded while in process to further increase our capabilities for meeting the needs of our customers during the next increase in demand. The OTR radial tyre product from this plant is state-of-the-art with materials compounded and tested in-house by Eurotire engineers. We began radial tyre testing in 2009 and full manufacturing of specific sizes began in 2010. We are continuing the creation and field testing process to expand our radial tyre line with tyre sizes being added over the next years.



**CAT trucks purchased by CIL in 2010 carried Eurotire OTR tyres on them.**

Our final goal is to have a complete range of radial tyre products from 18" to 63". Eurotire will be in a very good position to meet our customer demand.

**What about the replacement market?**

Eurotire is strongly positioned in the replacement market with the majority of our products replacing the installed products of our larger, primary competitors. Our focus is value-driven, not replacement-driven. In other words, we are not only able to replace the products of our competitors because we have a quality, competitively priced, but because we sell the product to the customer that they need for the application and then stay with the customer after the sale to ensure that they receive maximum value from that product. This is EuroCARE, our start to finish value-adding service programme. Eurotire is also an approved tyre supplier for haul truck and loader OEMs. In fact, the CAT trucks purchased by CIL in 2010 carried Eurotire OTR tyres on them.

**How do you look at the competition in this area?**

Eurotire has formidable competition throughout the world, from large multinationals to well-entrenched regional manufacturers. In India, we have an advantage by partnering with a market leader, Gmmco, to ensure that we are able to provide world-class OTR tyres and tyre services to our Indian customers. Our dedication to bringing product value to our mining customers is what differentiates us from others.



**Eurotire has taken substantial actions to support the growing global demand for its products.**

**How do you look at the retreading segment?**

Retreading is not a viable longterm solution in mining applications where high temperature, medium to long hauls, rough haul roads and difficult loading conditions are a concern.

**Tell us about your products and services and future expansion plans, if any?**

Eurotire is dedicated to the mining industry. We design, manufacture, service and support OTR tyres for 60-tonne and larger haul trucks and large wheel loaders. There are two primary approaches that Eurotire takes which we believe are unique to the tyre industry. The first is that we are addressing the needs of emerging market customers. We believe that during the last peak demand period for large OTR tyres, there were markets that were under-served by the large tyre companies. In addition, as the emerging markets continue to grow in number, they

will again be under-served by those same companies during the coming upturn in global demand. Eurotire will be there to provide the support that the emerging market customers need to succeed.

The second approach is that Eurotire is not only supplying a tyre product, we are partnering with our emerging market customers to provide full lifecycle management of our tyres. We provide supply and then work with the customer on an ongoing basis to maximise the life of the tyres. Essentially we are with our customers from start to finish, taking the burden of lifecycle tyre management from the customer and allowing them to maximise the production they receive from their tyre products. In India, Eurotire has taken a major step to ensure that our customers are well supported by partnering with Gmmco. The GmmcoEurotire alliance will support world-class OTR tyre service and support in India. **EI**



**GmmcoEurotire alliance will support world-class OTR tyre service and support in India.**

**MILESTONES**

- \* Eurotire's history dates back over 50 years. The Eurotire Ukraine facility was established in 1959 as a Tire Research Institute dedicated to the development of large OTR tyres. The Research Institute has been directly responsible for the creation of over 250 OTR tyre patents as well as development of the designs and equipment to manufacture the largest tyres in the world.
- \* In 2004, the Eurotire brand was established. In 2005, the first Eurotire branded tyres began shipping to the world.
- \* In 2007, Eurotire embarked on the creation of a new radial tyre facility in Romania and has invested over \$300 million in its creation. Today that state-of-the-art facility is producing world-class radial tyre products and the product line will continue to expand.
- \* Eurotire is dedicated to the mining industry and through our unique approach and dedicated and experienced employees we are changing the face of the mining tyre industry.