

Merger aims to spur growth

MARY-ANNE O'DONNELL | FEATURES REPORTER

Polyurethane products manufacturer Uretech merged with high-temperature solution specialists Insulcon and metal engineering company Dot Steel late last year.

While many companies continue to feel the strain of the global financial downturn, which includes declining sales and reducing the labour force, this merger is aimed at growth for the amalgamated company that now trades under the Uretech banner.

"The merger was driven primarily with the aim of expanding the company and not to save on costs.

"The staff at Uretech are undergoing training aimed at achieving targets, such as sales goals, targets that, before the merger, would have had to be set three times to suit each company," Uretech MD **George Hoffmann** tells *Engineering News*.

Uretech operations director **Robert Martin**, formerly the MD of Insulcon, explains that the administration workload has been reduced, budgets are streamlined and suppliers and customers now have a single point of contact.

All three companies shared installation and manufacturing resources before the merger, but had separate sales forces, which, at times, resulted in different sales people contacting the same customer. The new structure allows Uretech to have one fully trained representative offering the customer its complete range



AMALGAMATED

The merger consisted of Uretech, Insulcon and Dot Steel that now all trade under the name Uretech

of products and solutions.

The company reports that over the next two to three years the roles of the directors of the company may be redefined. Hoffmann is responsible for the management of catalogue sales in South Africa, Martin will manage the operational aspects and **Brent Loftus**, the former MD of Dot Steel, will focus on exports.

Hoffmann reports that Uretech is planning to expand its business into Africa, particularly in the mining industry.

Meanwhile, Martin says that Uretech is preparing itself for the upturn in the global market and, although this cannot be forecast, the company is ready not only to maintain its existing customer

Uretech has felt the effects of this impact through its customer sales and contracts that have been put on hold, but says that there have been improvements in these sectors over the past few months

Time to pray:

A pastor asked a little boy if he said his prayers every night. "Yes, sir," the boy replied. "And do you always say them in the morning too?" the pastor asked. "No, sir," the boy replied, "I ain't scared in the daytime."



LOCALLY PRODUCED

All Uretech products are manufactured in Vanderbijlpark, south of Johannesburg

base, but also to expand on this base.

The global financial difficulties have impacted heavily on the metal, chrome and steel manufacturing sectors.

Uretech has felt the effects of this impact through its customer sales and contracts that have been put on hold, but says that there have been improvements in these sectors over the past few months.

The volatility of these commodity markets and the pressure this places on its customers are among the challenges that

the company faces.

Meanwhile, a positive factor for the company during the financial difficulties has been the stability of the sales of Uretech products that the company offers and the introduction of new products into the market.

The company has launched Insulcovers, a new, patented design lagging and cladding product.

The textile-based covers are intended to replace traditional mineral-wool-based lagging and cladding methods.

The product does not degrade in harsh conditions, is acid and ultraviolet resistant, lightweight and quick to install and replace, which reduces down time and saves on the cost of hiring scaffolding for the replacement.

The covers can also be customised to fit any industrial application, pipeline, tank, valve or pump.

All the covers are manufactured in South Africa, can be used in conditions with sub-zero temperatures and are installed on the pipes in sections so that specific parts can be removed for inspection instead of having to remove the entire cover, incurring extra costs to replace it.

ENGINEERING NEWS COUPON ON PAGE 42 E/80236