Press release



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SKF South Africa Appoints Commercial Vehicle Distributor

SKF South Africa appointed Bearing & Engineering Distributor as an authorised Commercial Vehicle Distributor in June 2013.

Bearing & Engineering Distributor is a division of Bolt & Engineering Distributors (Group) (B.E.D.). Established in 1983, B.E.D. is a major national distributor of quality tools and fasteners to the construction, mining and agricultural industries with a proud reputation for prompt delivery, service reliability and comprehensive spares ex-stock.

"This new commercial distributorship will without any doubt open new doors and is a win-win situation for B.E.D. and SKF, with our customers being the ultimate victors," says B.E.D. Directors, Mike Giltrow and Jan Viljoen.

"We have always associated ourselves with reliable quality brands and have forged partnerships with reputable local and international suppliers," continues Mike. "The roots of our relationship with SKF started in agricultural products and dates back to 2006. Initially our affiliation was very low key, just talking to each other to establish if there is common ground," explains Mike. "After what can best be described as a long period of courtship, we got to know each other and discovered that there were indeed numerous mutual benefits to be derived from working together. The result was that SKF appointed B.E.D. as an Agricultural Distributor in 2010. Together, we laid strong foundations through the agricultural offerings which included the SKF Agri Hub 1 as well as a range of SKF power transmission products."

Gary Czapski, Manager of SKF South Africa's Automotive Division (VSM), explains that SKF developed the Agri Hub 1 for disc harrows with independent discs, which were well accepted in the agricultural market due to their reliability, lifelong lubrication and zero maintenance. "Based on this success, SKF developed a smaller Agri Hub for seeding discs. B.E.D. recognised this unit's suitability to furrow openers and proceeded with further development. The smaller Agri Hub is now a resounding success in both applications."

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Greatly impressed with B.E.D.'s pro-activeness as well as their tremendous growth in the agricultural segment, especially over the last two years, SKF decided to approach B.E.D. with the opportunity to become a Commercial Vehicle Distributor. "It makes sound business sense when taking into account the geographical location of B.E.D.'s branches across South Africa," continues Gary. "They also have the footprint via SENWES to supply the agricultural market with commercial vehicle parts. As we do not have the infrastructure, our route to the commercial vehicle market is through a distributor," explains Gary. "With a wide footprint and an established relationship with end users in these regions, B.E.D. are on the ground which facilitates product availability and service as demanded by the transport segment in South Africa. The value proposition for SKF is that B.E.D. provides us with the opportunity to grow the commercial vehicle segment in regions where we have no representation."

According to Pieter Cilliers, B.E.D. Transmission Product Manager, being appointed an authorised Commercial Vehicle Distributor comes with responsibilities. "One of our main responsibilities is service to both to SKF as well as to our customers. We have put a lot of effort into ensuring high service levels. We have a fully equipped in-house service centre which is audited and authorised to service and repair all equipment sold. It is up to us to ensure that we get commercial supply to the same high levels. Now that we are a commercial distributor, we will expand our customer base, but equally important to building new customer relationships however, is keeping our existing customers happy. With a countrywide branch network, excluding Eastern Cape, and 32 representatives responsible for introducing SKF commercial products into the market, we have the necessary infrastructure to position our service levels on par with a world renowned brand like SKF."

Highlighting training as another important responsibility, Jan says that in addition to on-going product training sessions, they appoint at least one specialist per product. "The Bearings division, like our other dedicated fastener, tool, welding, lifting, and health & safety divisions, is a separate entity in terms of staff, stock and training. We will therefore ensure that there are commercial product specialists for this division in every branch. We also know that we can call on SKF at any time for training if needed."

As a knowledge engineering company, training is also paramount for SKF. Gary confirms that a product, marketing and availability training session B.E.D.'s external sales force and product managers has already been completed at SKF's Boksburg offices. "Knowledge transfer by an international trainer is also on the cards and ongoing training for B.E.D. as well as for their customers is available."

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Mike and Jan are pragmatists and acknowledge that there will be market- as well as distribution-related challenges ahead. "While we have an existing customer base, our first challenge is to ensure that we uncover market potential by identifying and targeting fleet operators, trailer builders, transport operators and earthmovers. Our second challenge is stock; we have to work out stock type and quantity." To assist B.E.D. in building a stock history, SKF did a mapping exercise to identify key fleets and their composition in the various regions. "This is a good starting point and gives us a better idea of the market. We have also compiled an incentivised questionnaire to assist us in getting the vital information flow going. With all this in place, we expect to soon see gradual stock growth."

Gary notes that there are also challenges for SKF and a learning curve for both sides. "In addition to the challenge of on-time supply, approaching fleets for the first time will bring into play new factors from a stock point of view. Fortunately, as most commercial bearings fall into our main bearing range, stock will be available." Gary advises that it is important to build trust with customers so that they know they can rely on 24/7 service support from B.E.D. "Here our commitment to our distributors is crucial and we will fly in parts in an emergency."

"With the knowledge, the supply chain and the commercial vehicle product line- up, SKF is 95% OEM approved to supply European truck ranges in South Africa via B.E.D.," says SKF Key Accounts Manager Commercial Vehicles, Thinus Lindeque. "Our commercial product range for this particular vehicle parts includes wheel bearings, hub seals and complete hub bearing units. We also supply wheel bearings, hub seals and some transmission bearings and seals on the Eaton gearboxes for International and Freightliner, and Rockwell diff seals and bearings. We also have bearing offerings on the ZF transmissions. Our off-highway and construction products include actuators, seals, bearings and track seals and we also have a range of bearings and seals for trailers. Tensioners pulleys and a lubrication range complete the commercial vehicle offering." The fact that B.E.D. is now able to offer a complete commercial vehicle bearing range makes it a one-stop-shop which, Gary points out, is not commonly available in South Africa.

In conclusion, Mike says, "The fact that the commercial vehicle initiative came from SKF is indicative of their belief in our capabilities. Coming on the back of our success as an agricultural distributer, it adds another building block to further cement our relationship. Our appointment as an authorised SKF Commercial Vehicle Distributor was the next step to us becoming a total package of SKF's distributor network. We can and will grow our business by being able to deliver a wider product offering, from agricultural to commercial. The opportunities are endless and we know that SKF is with us all the way."

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Caption to photos:

- 1. SKF South Africa's Authorised Commercial Vehicle Distributor Bearing & Engineering Distributor
- 2. SKF Commercial Vehicle product portfolio

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SKF is a leading global supplier of bearings, seals, mechatronics, lubrication systems, and services which include technical support, maintenance and reliability services, engineering consulting and training. SKF is represented in more than 130 countries and has around 15,000 distributor locations worldwide. Annual sales in 2012 were SEK 64,757 million and the number of employees was 46,775. www.skf.com

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