

### Press release

For Immediate Publication 23 February 2018

# Wacker Neuson South Africa extends market share in partnership with Coastal Hire Botswana

In December 2017, Wacker Neuson South Africa sealed an exclusive dealer agreement with Coastal Hire Botswana, as part of a strategic move to expand the premium brand's footprint across the region, increase market share and unlock new sectors.

The agreement is the culmination of Wacker Neuson South Africa's new route to market approach in Botswana which is considered to be one of Africa's most stable countries. In 2014, business partners, Wessel Wessels and Brenda Gerber from Coastal Hire Botswana, responded to a call from Wacker Neuson for a marketing plan to develop the Wacker Neuson brand and grow market share in the country. Following a year of close cooperation between the two companies, light compaction equipment showed significant growth.

"While the decision to sign an exclusive agreement with a partner is not always an easy one due to the exposure on both ends, we immediately recognised that Coastal Hire Botswana is the type of dealer that we would like to align ourselves with," says Wacker Neuson Managing Director, Dennis Vietze. "We pride ourselves on the professionalism within our solutions and service offering to our customers in all aspects of our business. So we look for a dealer partner who shares the same philosophies, values and vision. For both companies it's all about the customer and service, service, service. Coastal Hire Botswana's performance throughout the years, increased volumes and expanded market share volumes. They have a long and successful history, are well positioned in the Botswana market with a strategically located branch network and are highly respected in the territory with a close relationship of trust between them and their customers. Furthermore, with Wessel and Brenda's hands-on approach, the team knows how to sell and service their Wacker Neuson fleet."

When Wessel and Brenda started Wessels Plant Hire in Gaborone in 2000, it was also the start of their passion for the Wacker Neuson brand. Their relentless focus on serving customers' complete equipment hire needs through the supply of quality products and a strong service tenet saw the company expand into five more branches in Phakalane, Francistown, Palapye, Letlhakane and Kasane. "In order to deliver top notch service and quick delivery for maximised uptime in a country like Botswana with vast distances between towns, it's imperative that we are close to our customers," explain Wessel and Brenda. "With our strategically positioned branches we are able to get anywhere in Botswana within four hours."

Wessel and Brenda decided to franchise Wessel Plant Hire and in November 2015 the company merged with Coastal Hire, the largest hire franchise in Africa. Wessel and Brenda still maintain ownership of Wessel Plant Hire. Wessel explains that the franchise has helped to streamline their business, providing all the systems they need to offer seamless customer service and giving them complete transparency across all their branches and real time access to important information.



# Press release

Coastal Hire Botswana's Gaborone hub which comprises close to 1600msq is home to the sales team and houses a centralised workshop. Each branch is equipped with its own workshop to take care of basic service and maintenance but more specialised work such as major overhauls is handled in Gaborone.

Their 210 plus strong Wacker Neuson fleet even includes a seventeen year old roller. "We still rent out this old-timer for compaction jobs," confirms Brenda. Wacker Neuson compaction equipment – rollers and rammers – remain their fastest movers. "Wacker Neuson is simply the best and is without any doubt the market leader in compaction equipment," state Wessel and Brenda. "It's a household brand in Botswana; customers don't ask for a rammer, they ask for a Wacker!" Coastal Hire Botswana has a dedicated store that exclusively stocks Wacker Neuson parts and spares for the entire fleet.

While construction is Coastal Hire Botswana's biggest market, the business partners are confident that the exclusive agreement will enable the company to make inroads into the country's mining and agricultural industries. Botswana has a large mining industry and is the world's largest producer of diamonds. "Historically we hire Wacker Neuson equipment to contractors who carry out construction work on the mines but we believe that products from the Wacker Neuson stable like the light tower with hydraulic mast will open up sales potential for us in this sector," says Wessel.

Agriculture in Botswana is one of the largest contributory sectors to the development of the country. Beef is regarded as the national product. With a sub-tropical 'desert' climate and low rainfall, only a narrow corridor on the south-eastern side of the country boasts extremely rich arable soil suitable for agriculture. Here crops such as maize, cotton and sunflowers are grown. It is Wacker Neuson's objective to penetrate Botswana's agricultural system in partnership with Coastal Hire Botswana whose Kasane branch is perfectly located within the agricultural region, putting equipment and service on the farmers' doorstep. "Our solid experience in South Africa's agricultural industry will enable us to add value through training and offer free support to assist Coastal Hire Botswana in unlocking this market sector," comments Managing Director of Wacker Neuson South Africa, Dennis Vietze. "But first we need to do our homework to determine what equipment the farmers use to take care of their various materials handling requirements on the farm so that we can supply the right equipment."

According to Wessel, supplying the customer with the right product that is best suited for the application is one of their biggest challenges. "In addition, we also have to ensure that the product is used correctly for optimal performance, extended product life and reduced maintenance," notes Wessel. "Customers see us as a specialist and have the confidence to ask us for advice on what product is best suited to their application. Customer education and training of our sales people to ask the right questions is our responsibility and we make sure that we send our technicians Wacker Neuson in Johannesburg to attend regular sales and technical training."



## Press release

"The agreement secures the Wacker Neuson product for us and with us," continues Wessel. "It is difficult to service equipment purchased from another outlet which has a commodity-only mentality. Lack of service and breakdown can damage the brand. The agreement gives us full responsibility for the brand by putting us in complete control not only of the sale or hire of the product but also, most importantly of after-sales service. Whether new or old equipment, the buck stops here. We manage the equipment through its life cycle."

Wessel and Brenda praise Wacker Neuson South Africa on their service. "If we place an order before 11am we receive delivery within 24 hours. This has made a huge difference as we can now carry less stock. Wacker Neuson gives us confidence in their product quality and service because they are constantly making improvements. A good example is air filters which get easily clogged in our arid dusty environment. Wacker Neuson responded by changing the filtration system which has proved to be huge success; no breakdowns and no downtime gives us competitive edge."

Dennis says that the passion Wessel and Brenda have for Wacker Neuson clearly shows their complete commitment to the brand. "Their professional approach and solid after-market offering in the light equipment portfolio and their hunger for growth is exactly what we need from our dealer to give us the foothold in the territory. This goes beyond a dealer relationship where we merely supply product; this is a true partnership with a company that positions itself with our product in a way that is mutually beneficial for the long term, key word being 'long term'. We are eager to move forward in partnership with Coastal Hire Botswana into what we believe will be a hugely successful 2018."

In conclusion, Dennis says that this exclusive dealership agreement has also strengthened Wacker Neuson's relationship with Coastal Hire who is looking to expand further into Africa. /ends

#### **About Wacker Neuson**

Wacker Neuson – all it takes! Wacker Neuson offers customers worldwide the promise of a comprehensive range of construction and compact equipment, spare parts, and related services. This includes internal and external vibrators for concrete compaction; trowels and screeds for concrete finishing; rammers, vibratory plates and rollers for soil compaction; demolition products and saws; lighting; generators; pumps; and heaters; as well as compact construction equipment, including excavators, wheel loaders, telehandlers, skid steer and compact track loaders, and dumpers. Wacker Neuson has earned its leading market position through an unwavering commitment to customers, as well as the reliability, performance, and innovation of its products. With corporate sales and service organizations in more than 35 countries, nine plants around the world, and an extensive dealer network, Wacker Neuson has a broad global presence in the construction, agriculture, landscaping, oil and gas, and municipal industries. In addition, Wacker Neuson provides solutions and services, such as financing, that meet the diverse requirements of its customers. Behind the brand stands the Wacker Neuson Group, a corporation with 5,000 employees and revenue of EUR 1.36 billion in 2016.

Issued on behalf of: Wacker Neuson South Africa (Pty) Ltd

1031 Katrol Avenue, Robertville Ext. 10, Florida 1710

www.wackerneuson.com

Media contact: Thammy Lang (Regional Marketing Manager)

Tel.: +27 (0)11 672 0847 / Fax: +27 (0)11 672 0916

thammy.lang@wackerneuson.com

Issued by: Laverick Media Communications Tel: +27 0400 818 sonia@laverickmedia.co.za / www.laverickmedia.co.za