

# Orange Disc

your local global brand

ISSUE No7 2004

- GULF IN ISRAEL AND MEXICO
- ADDITIVES TECHNICAL FOCUS
- GLOBAL BUSINESS ROUND-UP



## CUSTOMER SATISFACTION

SHAPING THE FUTURE OF GULF'S BUSINESS

# GULF

# FOREWORD

**DR EMILIO ALVÁREZ CANEDO, CEO of Gulf Oil Argentina, gives his perspective on the importance of satisfying the customer and building up customer relationships.**

Companies are made up of people but customers are their reason for being. This means that you always have to bear in mind that when a customer contacts you, what is it that he or she is actually looking for?

A product? A service? Maybe those are the obvious answers but, for sure, what they are actually looking for, at its most basic level, is for their needs and expectations to be satisfied – and sometimes on several different levels.

This is why it is so crucially important to get to the customer – to reach them and be able to communicate with them in order to understand what it is they actually require, which is not always what they think they are looking for.

Not every customer complains and this is something to always remember. Actually, it's a shame that this is the case because an unsatisfied customer who doesn't actually

complain may be a lost customer. Studies show that it is much more expensive to find and develop new customers than it is to maintain and develop your existing customers, so when a customer complains, don't be annoyed but listen to them carefully – they are giving you the chance to improve.

Furthermore, you can be pretty certain that if you don't listen and care, your

competitor will do so. Often, with a complaint, it is not just a question of keeping a customer but an opportunity, if handled well, of developing a new and better relationship with that customer.

In Gulf Oil Argentina we take the view that the commercial relationship with customers is not just business. Businesses and deals don't simply involve products, brands and prices but trust in the people you are dealing with.

The human relationship is just as important as the commercial. In Argentina we are proud to say that we know every one of our distributors in person; we talk with them a great deal and we advise them and help them as much as we can to improve their businesses and make them grow.

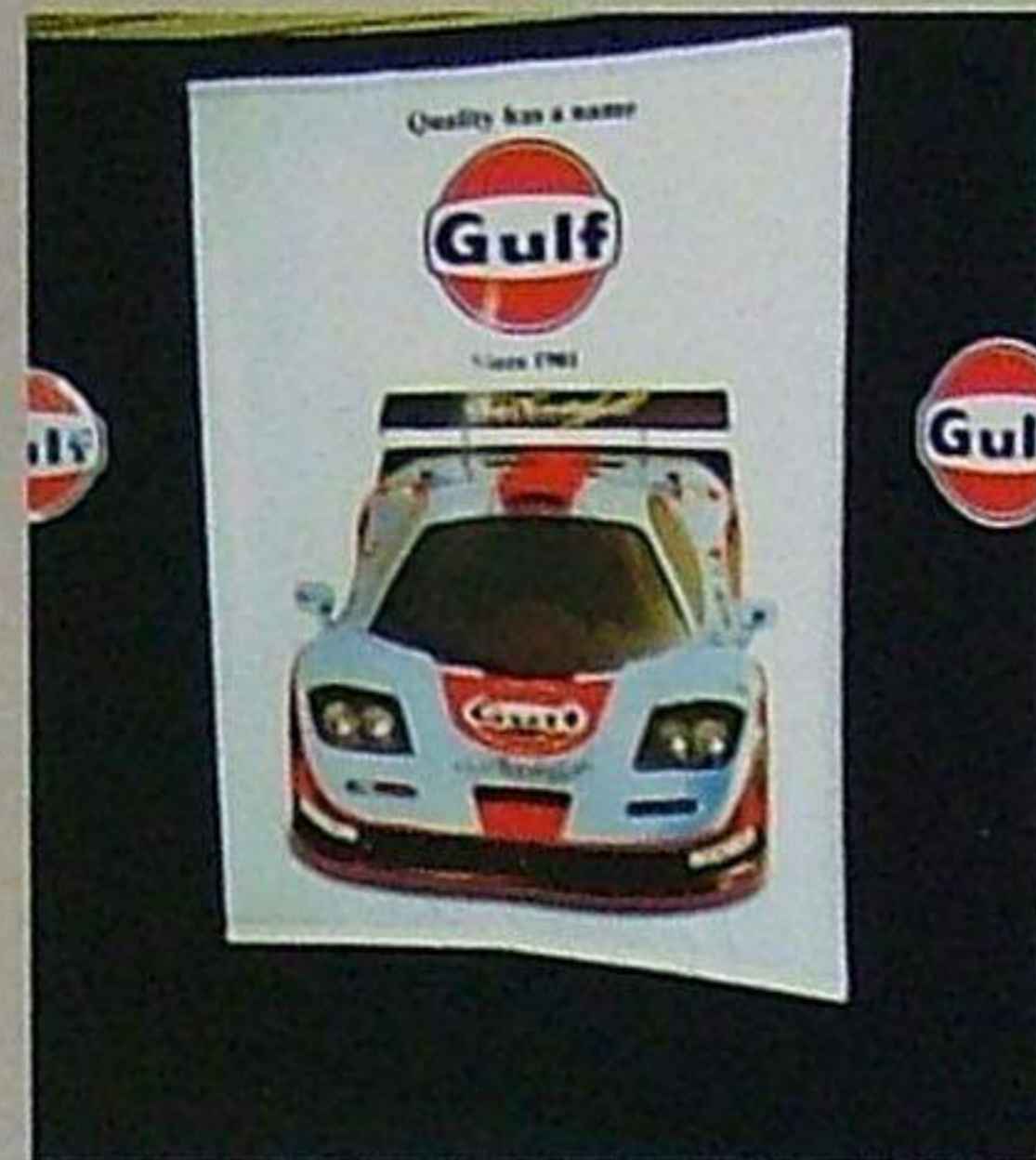
I don't really think we feature anything that is truly out of the ordinary here in Gulf Oil Argentina, in the way we do business, but, perhaps the "personal approach" is our Unique Selling Point!

I wish you a fruitful 2004.

**EMILIO ALVÁREZ CANEDO**  
CEO, Gulf Oil Argentina

# Orange Disc

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### GULF ON TRACK

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Romania and Turkey: In depth

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Gulf Business Round-up

# Orange Disc

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**Barbara Piemonte**

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# INTERNATIONAL TALKING POINT



Dr Gigene Wong and Denis Meunier visit the CNHTC factory

Prior to his recent appointment as Managing Director of Gulf Oil Lubricants Indonesia, Gulf Oil International's Vice President of Operations, **DENIS MEUNIER** went on a business tour to China and Japan and was kind enough to record some of the highlights for Orange Disc.

## CHINA - GULF OIL

**(YANTAI) : A journey to the West**  
Gulf Oil Yantai, which is responsible for Gulf's interests in China, is driving on successfully towards the West.

In polar climatic conditions, GOY Managing Director, Dr Gigene Wong took the opportunity of my visit in China to officially confirm Datong Jinheng Industry as the Shanxi province distributor and the base for Western Region's expansion project.

In a very competitive market, GULF diesel engine oil products have proven their high quality and resistance capabilities in a technically difficult environment where temperatures can easily reach -20 C and truck loads over 35 tons.

Datong Jinheng Industry has been expanding quite rapidly to reach the position of one of Gulf Oil Yantai's best distributors. "This achievement is due to the success of the combined technical and marketing support from the Yantai Gulf operation" applauded the owner, Mr. Qi Qing.

Dr Wong is adamant that, first and foremost, the success and this significant western development is due to the dedication and commitment that Mr Qi and his team have shown in promoting Gulf. They have worked relentlessly to build quality and high customer service recognition in Shanxi and in the inner Mongolia borders. They have

been very receptive to the technical input of Gulf Oil Yantai technical team to push for higher quality product to satisfy customers' ever-growing expectations. This dynamism and the permanent attention to customers' needs create for GULF the perfect stronghold to the winning drive to the West.

### CNHTC and GULF OIL YANTAI : A rewarding partnership

China National Heavy Duty Truck Group Co., Ltd. (CNHTC) is Shandong Province's main enterprise and the Chinese heavy-duty truck industry's leading production base. It can trace its roots back to the 1950s. It was also the first company in China, to successfully introduce the advanced global manufacturing technology of STEYR trucks. The company currently produces heavy-duty trucks, special trucks and buses in China as well as advanced engines.

In 2002, CNHTC produced and sold 17359 units of various kinds of trucks, including 13073 heavy-duty trucks, along with 52933 STEYR engines. Its expected sales for heavy-duty trucks in 2003

was in excess of 25000.

Over four years, Gulf Oil Yantai has built a close relationship with CNHTC, based on a strong technical cooperation. The numerous exchanges have enabled Gulf Oil Yantai to develop tailor-made products specifically for the engine and gear-box technology of this leading OEM. Both teams have also worked on upgrading the specifications of the lubricants that CNHTC now requires for its maintenance programs.

Always at the vanguard of technological progress, CNHTC has signed a joint venture agreement with Volvo and a technology cooperation protocol with MAN (Germany) to improve the technology level of middle weight and heavy-duty trucks.

China's steady expansion of expressways and the building of its

other infrastructures means that the cooperation between the two companies will pave the way to help create a sizeable market for heavy-duty trucks and justify



Denis and Dr Gigene Wong with Mr. Qi Qing

any major investment in local production.

## GOTCO JAPAN - 10 Years in partnership with Sanwa Co

Gotco, Gulf's official distributor in Japan, has recently celebrated 10 years of cooperation with the Sanwa Kasei Kogyo Co Ltd. Sanwa Co was established in 1947 and is a blending specialist equipped with the latest blending technology tools which manufactures high quality lubricating oils for prestigious Brands such as Mobil, Shell and Gulf. In January 2003, they commissioned a brand new plant, which Mr. Kuroda and Mr Ishimura organized for me to visit during my tour.

Located in Tokyo's Port, Sanwa Co is especially equipped to blend and efficiently pack small production batches and high quality speciality products. The plant has a very impressive comprehensively equipped, modern laboratory facility offering a wide range of services from detailed used oil analysis to formulation research.

Sanwa Co is the perfect partner for Gotco Japan, allowing it to consolidate and maintain its top quality offer and its specific market positioning. For many years, in liaison with Gulf Oil International,

Gotco Japan has cultivated a reputation for innovation and specially formulated products, such as Gulf 911 for Porsche 911 models and Gulf Boxer for Subaru WRX performance saloons. All of these have contributed to extending Gulf Brand awareness and ensuring a strong reputation for high quality standards in the Japanese market.

This success owes much to the close and strong cooperation Gotco has with the management team of Sanwa Co and whose help has proven to be a key factor in Gotco's high marketing profile.

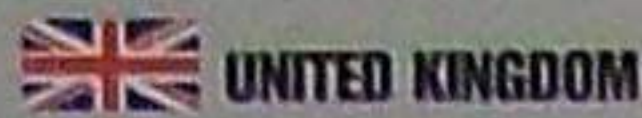
I'd like to thank everyone who so graciously hosted me on my recent trip and am looking forward to the new challenge that awaits, with Gulf in Indonesia.

**Denis Meunier.**



Denis visits the Sanwa Facility in Tokyo Port

# GULF OIL INTERNATIONAL



UNITED KINGDOM

## GULF SPONSORS 8TH ICIS LOR WORLD BASE OILS CONFERENCE



**The Millennium Mayfair Hotel,  
London, England.**

More than 200 decision makers in the base oils industry attended the Gulf-sponsored Eighth World Base Oil Conference on the 19th & 20th February in London. Spread over two days, the extensive conference programme covered all aspects of base oils examining trends, market challenges, legislation and future growth opportunities across the international spectrum.

Much of the conference debate focused on Gas To Liquids (GTLs), regarded as the next generation of base oils. It was argued that although GTLs had been around for the past decade, the demand for such product has increased due to the drive for

cleaner fuels and low technology costs. The next generation of GTLs would be of significant higher quality and available much more widely, delegates heard.

As sponsor, much of the proceedings of the conference revolved around the always-busy Gulf Oil International stand. On the first day, delegates were given a free Gulf branded Porsche 917 miniature car model, along with a

copy of Orange Disc and Gulf information pack. Delegates also submitted their business cards into a prize draw to win a large model of a Steve McQueen 917 Porsche, which took place on the second day of the conference.

Paul Stannard, Gulf Oil International's Business Development Manager, commented on the event: "Because of its relaxed atmosphere, the conference is regarded as one of the best networking opportunities in the industry and sponsoring the event has proven a big success for Gulf Oil International."

The ninth World Base Oils Conference takes place in London in February 2005. Further details from Priyansha Raina : [pr@gulfoilltd.com](mailto:pr@gulfoilltd.com)



### Ramesh V. Rao

General Manager and Executive Director,  
Gulf Oil Corporation Ltd, India.

In a well-received presentation, Ramesh provided an extensive overview of India and how the lubricants market is evolving. He presented some fascinating statistics to delegates about the Indian economy including the fact that India was the sixth largest refiner of oil in the World.

In relation to the lubes market, Ramesh highlighted that India was expected to show positive growth by 2005/6, when the number of cars on the road will substantially increase. "The automotive sector accounts for 65 percent of India's lubes market," said Ramesh. "Industrial is next with 35 percent share and greases holds the remaining five percent."

After looking at vehicle production, lubricant sales patterns and trends, Ramesh turned his attention to the distribution of lubricants in India. Speaking bluntly, he called it a 'logistics nightmare'. This was because, according to Ramesh, "each state has a different taxation structure and therefore requires its own storage and billing facilities. Some depots take more than three weeks by road to be delivered to and trucks go through at least 21 checkpoints before delivery."

Ramesh's presentation struck a positive chord with delegates and India was clearly identified as a major emerging market alongside China. Ramesh concluded by saying that the quality of base oils will increase.

## NEW DISTRIBUTORS



Delta Akaryakit sign up with Gulf



TURKEY

Gulf Oil International is pleased to announce the appointment of Delta Akaryakit A.S who have become the licensees for fuels in Turkey and are featured in a mini profile on page 8.

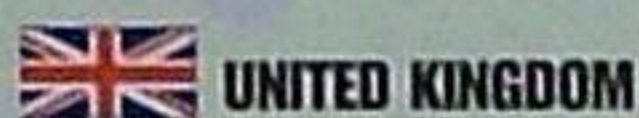


ROMANIA and MOLDAVIA

GOI is also pleased to announce the appointment of new affiliate, S.C. Silca Oil SRL, who have signed up as lubricant licensees for Romania and Moldavia, who we will profile in greater depth in the next edition.

Orange Disc is delighted to welcome them both into Gulf's Global family and wishes them every success in developing Gulf's business in their respective areas and markets.

Further details from Axel Farhi: [af@gulfoilltd.com](mailto:af@gulfoilltd.com)



UNITED KINGDOM

## GULF'S NEW PARTNER IS BREATH OF FRESH AIR

In its constant drive to provide Gulf Affiliates, world-wide, with the best value, quality and choice through its initiatives, Gulf Oil International has signed up UK Merchandise specialists, Fresh Air. This move will help develop its world-wide branded merchandise programme offering a wider range, of better value promotional items than ever before.

Founded in 1974, based in North London, Fresh Air has grown to be one of the largest promotional companies in the UK occupying over 35,000 square feet and employing over 80 people. Fresh Air is a family business which has won numerous awards for its innovative ideas and quality. It has already worked with many well known clients such as Adidas, Disney, and retail store chain, Woolworths.

Heading up the promotional team will be David Weeks and Spencer Newton. David Weeks is very excited about working with Gulf, "Fresh Air is proud to be chosen as the preferred supplier of Gulf Oil to assist in the global branding of merchandise and we are looking forward

working with all licence holders to help with all promotional requirements. Whatever the event or product launch, take advantage of Fresh Air's one stop solution for all promotional needs including a global ordering discount scheme"

Spencer Newton is similarly enthusiastic, "We regard ourselves as an extension of the Gulf Oil marketing team and are looking forward to building sound relationships with all Gulf Oil licence holders. We will assist in every way possible with the global distribution of all promotional requirements, to ensure complete satisfaction in quality, price and delivery."

The pair have over 35 years experience in promotional merchandise between them and will be available daily for any enquires and assist in any way possible. Both David and Spencer can be contacted directly via phone, fax or e-mail and have additional back-up from a service team based in London.

For further information please contact Priyansha Raina : [pr@gulfoilltd.com](mailto:pr@gulfoilltd.com)

## NEW APPOINTMENTS

**Orange Disc** would like to congratulate Denis Meunier on his appointment as Managing Director of PT Gulf Oil Indonesia.



We therefore welcome Axel Farhi (above) into the company, taking over Denis' role as Vice President of Operations at Gulf Oil International. Axel joins the company after having worked in the oil industry in both Europe and the USA for the likes of Castrol, Elf, Total and most recently Cargill. He brings with him a broad experience of lubricants in a twenty year career that spans the sales, marketing and technical sides of the business.

We are also pleased to welcome Richard Mashood (right). Richard, takes over the accounting position that was held, prior to his departure, by Tony Sanderson.



During his nine years in accounting he has acquired very broad accounting experience which includes him holding a post in the business arm of the British Royal Household – the Royal Collection.

We wish all of them every success in their future efforts.

## NEW APPOINTMENT - CHINA



**Gulf Oil Yantai** is pleased to announce the appointment of Cindy Tang as Assistant to the Managing Director. Cindy graduated from Wuhan University and has

many years of joint venture company work experience in China. Cindy will be assisting Dr Gigene Wong on her daily work and in the coordination between various departments. Orange Disc wishes her every success. Cindy can be contacted by e-mail as follows: [cindy@gulfoilchina.com](mailto:cindy@gulfoilchina.com)

## FRANCE

### SPINDLETOP TARGETS NEW RECRUITS AT FRENCH EXPO



**S.A. Spindletop N.V.** who are responsible for the Gulf's fuel retailing activities in Belgium, Luxembourg and France participated in the Fuels Expo in Paris towards the end of 2003.

The ambitious Belgian company has made great strides in expanding Gulf's fuel station presence in their homeland and its neighbours (see feature article in Orange Disc 6). Spindletop wanted a presence at this important industry event in Paris in order to meet key professionals in the French petrole-

um industry and promote the Gulf brand to new potential prospects.

The event was judged to be highly successful, with dozens of prospective new companies showing real interest in signing up with the Gulf brand and it also afforded Spindletop the opportunity of meeting up with many existing customers and strengthening existing relationships. Further details from Daniel Gyselincx : [dangys@gulf.be](mailto:dangys@gulf.be)

## NETHERLANDS

### FLEET NEWS



The new Gulf Harmony and (below) one of the Main Fleet at dock

**Gulf Oil Nederland BV** is delighted to announce that the latest additions to its Gulf Oil Tanker Barge fleet are now in service. The fleet has been extended and numbers three tanker barges, the Gulf Pride, Gulf Crown and now the Gulf Harmony. They are also shortly to be joined by another tanker barge – the Gulf Stream. This will bring the total size of the Gulf Oil Nederland BV fleet up to sixteen ships.

Also in Holland, Main B.V., – sister company of Gulf Oil Nederland B.V and the organi-

sation responsible for removal and transporting of maritime waste products for Gulf Oil Nederland B.V. – has extended its fleet with five new vessels. These are now being kitted out for collecting waste products in the oil industry. Gulf Oil Nederland B.V. and Main B.V. will be more effective in meeting the strict Dutch environmental rules and procedures. In the long run this will also result in both cost-efficient and effective waste management. For further information contact Els de Bruijn: [els.verkoop@gulf.nl](mailto:els.verkoop@gulf.nl)





## GULF RACES TO MARKET IN INDIA



While most of the lubricant companies in India have been fighting it out in the mass media Gulf Oil Corporation Ltd has been looking to expand the value of the brand through below the line activities. This year Gulf Oil Corporation Ltd has conducted various racing events like the Gulf Monsoon Scooter Rally and Gulf Autocross, whilst it has also sponsored major sporting events such as Gulf Dirt Track Challenge and the Raid De Himalaya.

The Gulf Monsoon scooter rally is a virtually unique event in which Scooter riders compete over a 110 kilometre course which makes it a true test of man and machine. Last year the riders had to compete in a treacherous downpour, but the event proved remarkably popular nonetheless.

The Gulf Dirt Track Challenge has also proved to be

tremendously popular with the six round championship attracting tens of thousands of spectators to watch a wide variety of riders of all levels of experience – which included works entered teams from Yamaha and TVS – competing for honours.

Autocross is a discipline which develops driving skills with the participants having to complete a course which makes them carry out pre-determined manoeuvres such as braking turning (and in the case of cars, reversing), and all against the clock. GOCL has already conducted one Autocross event at the Coimbatore venue and looks forward to developing further events.

GOCL were also the "Official Lubricant Sponsors" for the 5th Maruti Suzuki Raid De Himalaya, which was held towards the end of last year. Rally Raids are high speed tests of endurance over very tough terrain and this event is acknowledged to be one of the most challenging running, as it does, through much high altitude territory. Man and machine alike were tested to the limit and it also offered a great proving ground for the quality of Gulf Lubricants.

Further details from Jimmy Bhada :

[jimmy@gulfoil.co.in](mailto:jimmy@gulfoil.co.in)



To meet the requirements of a market which is constantly becoming hungrier for information, GULF OIL Argentina recently published two new catalogues – one detailing Gulf products for passenger cars and the other covering products that cater for heavy duty applications. Further details from Ana María Vello : [amvello@gulfoil.com.ar](mailto:amvello@gulfoil.com.ar)



### GULF HELPS FLYING DUTCHMAN TO VICTORY



Given Gulf's high-profile motorsport pedigree and the place that the powder blue and orange colours hold in the pages of the motorsport history books, it is often easy to overlook some of the slightly less obvious – but ultimately very significant motorsport achievements that benefit from Gulf support.

One such, is that of Gulf Oil Nederland B.V and Jan Lammers' Racing for Holland team. The Dutchman is recognised as one of the leading sports car exponents and recently picked up his prize at the glittering awards gala that Motorsport's governing body holds to honour its champions.

Lammers' Gulf backed team scooped the FIA Sportscar championship for the second year running with their Dome S101. They'll be back again for more this season, for a programme which includes the legendary Le Mans 24 hours. In 2003 the team finished sixth and Lammers – himself a former winner of the event with Jaguar in 1988 – will be looking for success once again at the World's most famous endurance event. Orange Disc looks forward to charting the Racing for Holland team's progress throughout the coming season and wishes the team continued success, in their quest for a hat-trick of sportscar championship crowns.

For further details contact Els de Bruijn: [els.verkoop@gulf.nl](mailto:els.verkoop@gulf.nl)



### CAN YOU CAN CAN?



Remember the biggest Gulf Oil can in the world, which appeared in Orange Disc 2 in Paraguay? Well now it has a challenger, courtesy of Gulf Oil Nederland B.V. The Dutch Gulf operation now boasts its own XXL version of the Gulfpride GLV 5W40 in its assortment of marketing tools. This 2,5 meters high, inflatable Gulfpride bottle will be used for various promotional activities. The Gulfpride bottle was designed and produced by Wijbath B.V, and is also shown on their website. For further details of the Gulf can, contact Els de Bruijn: [els.verkoop@gulf.nl](mailto:els.verkoop@gulf.nl)



### SOUTH CHINA LUBE '03

Gulf Oil Yantai joined the ranks of companies participating at South China



Lube 03 which took place in December last. Always an important industry event in its own right, it carried additional significance this time as it was the biggest event in the industry that had taken place since the outbreak of the virulent Sars virus which so badly affected countries in the Far East.

The Gulf presence at the event was warmly welcomed as a show of support by Gulf's South China customers and the Gulf booth proved popular, with people from the Guangxi and Fujian provinces showing strong interest in Gulf products and in the Gulf brand as a whole. Participation was therefore deemed to be a very worthwhile exercise. Contact Mark Wang for more details: [mark@gulfoilchina.com](mailto:mark@gulfoilchina.com)



CHINA

## 2004: A GOOD YEAR FOR MONKEY BUSINESS

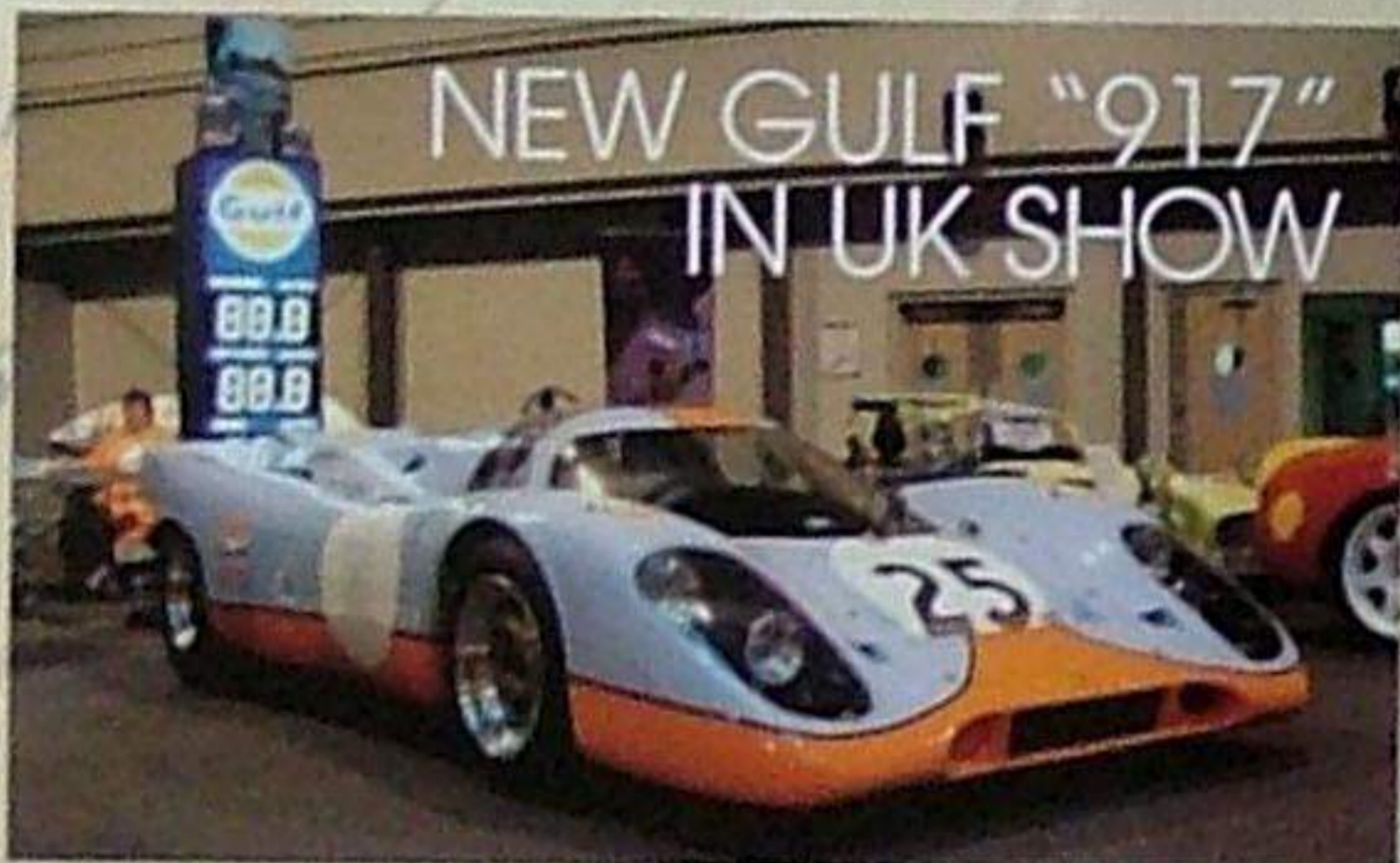


**Gulf Oil Yantai** is working hard at maximising the opportunity afforded by the increased demand for oil changes which occurs in its North China Marketplace in Spring.

2004 is the "Year of the Monkey" in the Chinese Lunar Calendar and the Monkey symbolises being smart and successful. Gulf Oil Yantai is extending this theme onto the product itself and the most popular grades of oil will carry a cartoon of a monkey on the packaging (as illustrated in the picture) to wish a prosperous year from Gulf Oil Yantai to its customers. More details from Mark Wang: [mark@gulfoilchina.com](mailto:mark@gulfoilchina.com)



UK



## NEW GULF "917" IN UK SHOW

**Autosport International** - arguably the world's leading Motorsport show - took place at Birmingham's National Exhibition Centre in the UK's Midlands, in January. Stars from Formula 1, World Rallying and many other forms of motorsport were in attendance and Gulf was pleased to be able to join the fun! This stunning Porsche 917 replica, which is to be raced this summer in the UK's Sports Racing and GT Challenge, took pride of place on the stand, of the championship organisers, the 750 Motor Club.

The car is based closely on the specification of the original 1971 Porsche 917K which won the Daytona 24 Hours and, not surprisingly, it attracted the crowds in great numbers as well as featuring strongly in the UK's specialist motoring press. Graham Turner, who built the car, and hopes to build more, spent most of Christmas preparing the car to the specification seen on the picture.

Turner also races a reproduction GT40 in Gulf colours and this car, being fully road legal, often visits newly opened Gulf stations for promotional purposes. The 917, however, is such a raw racing machine that it will be confined to the racetrack!

Further information can be obtained from Richard Owen-Hughes: [roh@gulfoil.co.uk](mailto:roh@gulfoil.co.uk)

## NEW PRODUCTS



ARGENTINA

## ARGENTINA STEPS ON THE GAS

**Gulf affiliates** world-wide are frequently adept at maximising the opportunities in their local markets and producing specific products to fill existing or emerging gaps in the market place. The latest example of this comes from South America where, GULF OIL Argentina has successfully launched a new product: GULF GNC PREMIUM 20W-50 to cater for the growing use of natural gas to power engines. This product is a high quality multigrade lubricant, which is intended to cover the most severe requirements of all the natural gas engines existing in our market.

For further information contact: Ana María Vello at Gulf Oil Argentina: [amvello@gulfoil.com.ar](mailto:amvello@gulfoil.com.ar)



ITALY

## GULF - THE RIGHT TOOL FOR THE JOB



**In every issue** of Orange Disc Gulf are examples of Gulf entities looking at their market

and developing product to help exploit the opportunities that exist. Sometimes this involves a degree of "lateral thinking" and Monticelli, Gulf licensee in Italy illustrates this beautifully with the introduction of a very innovative range of metal work tooling which they have introduced in order to help develop the sale of industrial lubricants.

Normally a different type of tool is required for every metal that is to be worked and then for every type of finish required. The advancements in Metal

Working design and production technology have lead to the introduction of this new product range which means that customers only require one tool for all metals - one for turning, and one for milling. This, at a stroke, cuts the overall number of tools required down from about four hundred to just forty - which obviously represents a substantial saving both in terms of space and, of course, cost.

Monticelli in Italy offer the tools in combination with the Gulf Industrial Lubricants and it has already proved to be an extremely successful move. Sergio Loschi would be delighted to talk to any other Gulf entities around the world who are interested in pursuing a similar business opportunity.

Further details from Sergio: [montitn@tin.it](mailto:montitn@tin.it)



INDIA

## GULF IN THE SHOP WINDOW IN INDIA



**Indian retailers** have reacted very well to Gulf's Care Care range and it is now to be found in Mumbai's most prestigious shopping malls and car dealer showrooms namely; Benzer, Premsons, Akbarally's, Fazulbhoy's and Asiatic (whose impressive window display is pictured above). This may be a possible model for Gulf affiliates in other countries. Further details from Jimmy Bhada: [jimmy@gulfoil.co.in](mailto:jimmy@gulfoil.co.in)

# BUSINESS DEVELOPMENTS



BRASIL

## A NEW STRUCTURE IN BRASIL

**GULF'S OPERATIONS** in Brasil have new co-ordinators since the first of January 2004. Jean-Paul Prates and Mauricio Aquino, who have been in charge of the reorganization of the Brazilian operations since July 2003, are now the President and Vice-President of the new Gulf licensee, Novapar. Their responsibilities will include overseeing and co-ordinating the marketing and operations for Gulf lubricant products in Brazil.

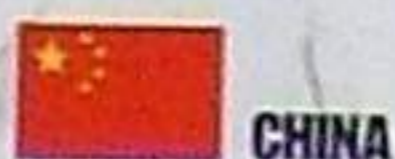
The new Gulf licensee has already contracted a new plant as a third party blender. The plant is conveniently located in the state of São Paulo, equidistant from all of the main markets which are Novapar's first targets. A second plant may be contracted in the North of the country as Novapar's business expands.

The strategy will draw from the established presence and aims to develop the brand into the premium products niche. A rationalisation of the former product portfolio was carefully made. The price structures were revised and a new marketing strategy has been adopted.

The next Orange Disc issue will cover these developments in more detail but for any further immediate enquiries contact Jean-Paul Prates : [jp.prates@gulfbrasil.com.br](mailto:jp.prates@gulfbrasil.com.br)



From left to right, Sergio Leite (Financial Director), Jean-Paul Prates (President) and Mauricio Aquino (Vice-President) at headquarters of NovaPar/Novalub (Gulf in Brasil) in Rio de Janeiro



CHINA

## CHINA PUTS ITS PLANS IN PLACE FOR THE FUTURE

In a country that accounts for 11% of world-wide lube demand, the automotive lubricant market is forecast to increase at 3% a year for the foreseeable future. This is thanks to the economy's high growth, which has been fuelled by the change towards market-driven characteristics and the rise in the number of passenger cars.

Gulf has been present in the Chinese market for years, confidently building a strong base for future expansion. Although this has not been easy from the start, the last few years have seen a rapid and profitable development of our Yantai-based operations.

The year of the Monkey will see the launch of a new project, on a scale previously unknown to Gulf Oil Yantai, with the future construction of a brand new blending plant. This "State of the Art" facility will have a capacity of 30,000 MT. It will be developed using a modular construction, which offers the provision for future expansion in capacity. The design and equipment will enable high quality product to be produced on a consistent basis and will ensure operational flexibility to be able to follow fluctuation in market demand.

Orange Disc will be reporting on this exciting initiative in future editions but for further information in the meanwhile please contact Dr Gigene Wong : [gigene@gulfoilchina.com](mailto:gigene@gulfoilchina.com)



MINI PROFILE - TURKEY

## GULF SIGNS NEW AGREEMENT WITH DELTA AKARYAKIT

**Delta Akaryakit A.S.**, part of the Delta Group based in Turkey, has signed a licensing agreement with Gulf to rebrand their existing stations to Gulf and for their new sites to be Gulf branded.

A signing ceremony took place in London on January 9, 2004 with principal signatories being Mr. Mustafa Asur for Delta and Mr. Alain Dujean for GOI.

In the twenty years since its inception, the Delta Group has grown rapidly to become one of the largest independently owned oil products storage and logistics operations – doing business within Turkey, the Middle East and the Caspian region. Delta Petroleum started its Retail Operation in 1999 and this is now set for major expansion. It is tar-

getting 100 Gulf branded and dealer-operated petrol stations throughout Turkey by the end of 2004, with three times that number to be introduced in selected areas and cities in the second phase of growth. Delta's aim is to realise at least a 6% share of the Turkish white oil market by 2010.

Orange Disc is delighted to welcome Delta into Gulf's growing global family and will profile operations in Turkey more fully in the next edition of the magazine.

Further information, in the meanwhile can be obtained from Kelvin W. Aldus : [kaldus@deltapetrol.com](mailto:kaldus@deltapetrol.com)



HOLLAND

## GULF IN THE FAST LANE IN HOLLAND



The de-regulation policy of the Dutch government which we reported on in Orange Disc's first edition has allowed new companies to enter the Dutch petrol market and given Gulf Oil Nederland B.V. the great opportunity to enter the Motorway service station market. Since the last issue of Orange Disc, Gulf Oil Nederland B.V. opened 2 brand-new service stations on one of Holland's major highways and have taken over 4 service stations from Shell.

Including these 6 new stations, the Orange Disc can now be found adorning no less than 165 service stations at various locations throughout the Netherlands.

Further information from Els de Bruijn: [els.verkoop@gulf.nl](mailto:els.verkoop@gulf.nl)



SPAIN & PORTUGAL

## GULF/MITSUBISHI PARTNERSHIP FOR 2004

**SAEL** – the subsidiary of the Total SA Group which is responsible for the Gulf Brand in Spain and Portugal – has developed its business relationship with vehicle manufacturer, Mitsubishi by signing a partnership and sponsorship agreement with the Japanese marque.

The public side of this will see Gulf sponsoring Mitsubishi's works' efforts in the two Spanish National championships – the Rallyes de Tierra and Rallyes Todo Terreno.

Orange Disc wishes both parties success

for the coming season and looks forward to following their progress over the course of the year.

For Further information contact Jean Alazard : [Jean.ALAZARD@total.com](mailto:Jean.ALAZARD@total.com)





# RISING STAR

Orange Disc takes an in-depth look at one of the newest Gulf Affiliates, Zoko Marketing and their approach to taking Gulf to market in Israel

**THERE CAN** no denying that times in Israel have been exceptionally tough of late, with its businesses and economy suffering as a result. Despite the harsh economic climate in the country, however, Israel represents the most sophisticated and mature market in the Middle East and there is still an enterprising and resourceful business sector. Out of this comes one of the latest additions to the Gulf family.

Zoko Marketing and Distribution Ltd, has recently been appointed as the distributor for Gulf Lubricants in Israel and has ambitious plans for the Brand in a country where the car, though expensive to buy relative to wage scales, is nevertheless a necessity for millions.

Heading up the oils side of Zoko marketing is Eliezer Kinreich, who explains that finding Gulf, at the outset, was not as straightforward as it might appear. "I came across Gulf at a Trade Expo," relates Kinreich, "and took a product digest away with me. I tried to communicate with the address mentioned – which was Austrian – but didn't get any reply, even after several attempts. Then I came across Gulf again in an International Fair catalogue, this time with a British address, which I applied to and got a quick reply. After a short while I came to London and met with the Gulf Oil

International Team – which was very helpful – and now Gulf is in Israel."

Zoko has a group of around thirty sales representatives, based in three branches who are now systematically covering the country for Gulf business. There is a great deal of foundation work, however, that has gone into launching Gulf in Israel: "The Gulf name is largely unknown here," comments Eliezer Kinreich, "although some people remember coming across the Gulf brand on Petrol Stations in Europe and the US. So we have been very busy training our sales force on the advantages of the Gulf brand, preparing technical material in the Hebrew language, building the proper inventory for our initial thrust and visiting our key clients – to present Gulf to them and persuade them of the merits of selling the brand."

In the slightly longer term, Zoko plans regional and professional conventions to present the brand to potential clients. They are also putting together a marketing strategy, which already includes advertising in relevant profes-

**"We have been very busy training our sales force on the advantages of the Gulf brand"**

## THE ZOKO ENTERPRISES GROUP

Based in Holon – a satellite city of Tel Aviv, Israel's commercial heart – the Zoko Enterprises Group – of which Zoko Marketing is part – is a public company, which is traded on the Tel Aviv Stock exchange and that boasts a turnover of around US\$100 million.

Zoko Marketing deals with consumable goods for the automobile, commercial vehicle and heavy goods industries – mainly filters, oils, additives and chemicals – whilst its sister company, I.T.E. deals in equipment, drilling machines and workshop tools such as Ingersol and is the Sole Israeli importer for Caterpillar heavy equipment. Another sister company is the Sole Importer of Montabert Pneumatic Brakes into the UK.

Zoko Marketing was founded some twenty years ago by Yossi Smira, whilst the Zoko Group itself was actually formed two years ago and now has a workforce of some 400 people, comprising engineers, technicians and business-trained staff.



sional periodicals and the manufacturing of Gulf labels and promotional give-aways.

Eliezer Kinreich is in no doubt that, despite signs that Israel's economy is now on the up, it is a tough time to enter the Israeli market. "Due to the economic situation, oil volumes here aren't increasing – even with a rise in car numbers – because many car owners are postponing services for as long as possible. So the market is a difficult one – clients in general are rather conservative – but we expected this reaction."

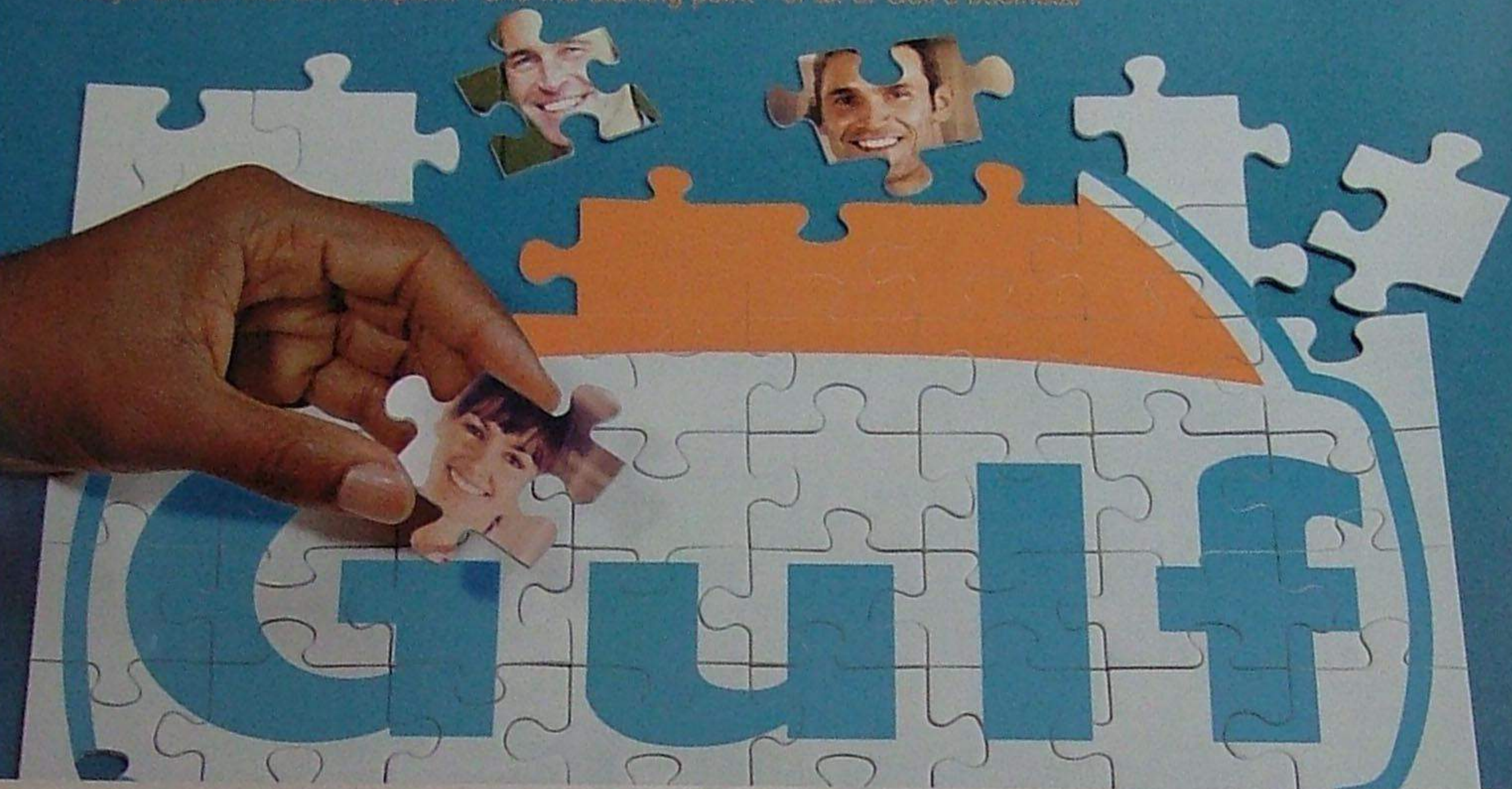
He is, however, quick to acknowledge the part GOI is playing to help overcome this and to ensure a successful Gulf launch in Israel. "We enjoy good and rapid assistance from Gulf Oil International and its technical department in India. They help us to answer any questions and enquiries that our clients might have."

Kinreich therefore, has a positive outlook on the future: "Our company understands that, when the overall cake is not getting bigger, we have to increase our share by competing harder with others. This is tough work, but Zoko has constantly grown."

For more information contact Eliezer Kinreich : [Eliezer@israel-tractors.co.il](mailto:Eliezer@israel-tractors.co.il)

# SATISFYING GULF CUSTOMERS

Over recent issues of Orange Disc we have examined various aspects of the Gulf offer and the key element we now focus on is the Gulf Customer, who in many ways is both the end recipient - and the starting point - of all of Gulf's business



## The "Your Local Global Brand" mantra

reflects the company's vision of its present and future and it could almost have been written as Gulf's customer charter. Underpinning everything is the basic premise that customer satisfaction is paramount and needs to be addressed by using a mixture of Gulf's strength as a global entity and the expertise, enterprise and local market knowledge of individual Gulf entities.

Looking for opportunities to develop Gulf business both by expansion of customers in existing product sectors and by seeking out new and different markets or product sectors seems to be an especially strong point with Gulf Affiliates world-wide.

The attitude towards the customer is central to it all. Gulf has a fine history and it has always been a community brand and seen to be so. This is still very much the case. Time and again Gulf affiliates report in on the importance of developing relationships with their distributors who are the first, crucial tier of customer. In many countries, however, it goes further than that and this concern for the Gulf

customer goes all the way to the ultimate end user.

Being in tune with the needs of the customer is one of the foundations on which any business is built. This rarely comes about by accident but is almost invariably the result of much hard work that has to be put in from the top all the way through the customer chain - building ever stronger relationships.

With Gulf, this is supported by a number of other aspects of the business - all of which are intrinsically linked to the ultimate satisfaction of the customer:

- A credible and vibrant brand
- A product offering that meets the requirements of the market
- Technological drive to ensure that the offering will continue to meet its customers needs in the future
- Staff who are helpful and knowledgeable of their customers' likely needs and who are trained to be able to fulfil them
- Support material to help customers or help customers' customers
- A service ethos that always strives to be better.

Ultimately, this means that Gulf's business is being shaped from both ends.

On the one hand, Gulf Oil International is active in bringing a harmony to Gulf globally, which will give it strength in brand recognition externally - to the customer - and internally to give Gulf as a whole and each individual entity the right tools with which to work.

To achieve this, it has instigated initiatives that range from consistency of branding and packaging through to global product development, which is offered for the benefit of the individual entities and, ultimately their customers.

On the other hand, there is the customer at a local level who is often key to influencing the product offering and the support required on a local basis. This in turn effectively shapes to a considerable degree, the nature of how business is done in any particular market by the Gulf entity in question. Different markets require that their individual customer requirements are met and Gulf's ethos is very much one of caring for the individual customer.

## CASE HISTORIES

### 1 ARGENTINA – Roberto Corvalan – Owner of “Distribuidora Acme” – Neuquen, Argentina

When I joined the Gulf family, the Gulf distributorship was a kind of hobby to me, as at that time my main business wasn't precisely lubricants, but I knew the Gulf Brand since I raced cars.

At the beginning, I wasn't very optimistic about this new business success, because of several factors such as my little knowledge of the products, recognition of the brand, accomplishment of the Gulf philosophy and some others. I had had a bad experience with new business before and therefore I had my fears.

After a while, I realised that the Gulf Business (“Distribuidora Acme”) began to grow: The products' portfolio increased, there were no claims and all my needs and requests were promptly and kindly covered by Gulf Oil Argentina.

Furthermore, the high quality of the products is proven by the fact that I've never heard of a problem with Gulf Oils.

The feedback with Gulf Oil Argentina is very good and moreover, I can say that Gulf provided me with a key to obtain new business. The excellent response from my own customers was amazing.

### 2 NETHERLANDS – The Kroon Fishing Fleet

A good example of a loyal client is the Kroon family. They were one of the first to use Gulf lubricants on their fishing vessels. In 1997 the Kroon family owned 3 fishing vessels, the UK4, UK18 and UK20, which all used different lubricants from several suppliers. In a short time, however, all three vessels switched over to Gulf lubricants.

One of the reasons for the Kroon family's loyalty to the Gulf brand is the assistance and advice of the Gulf Technical Support department. Endoscopic inspections were carried out on a regular basis. Furthermore, when the Kroon family bought new a Caterpillar engine Gulf was able to produce a bespoke lubricant tailored to their specific needs, together with the necessary technical back-up to ensure its success. Much to the delight of all, Caterpillar have now given the lubricant their official approval.



### 3 MEXICO – Impulsora de aditivos y lubricantes de Aguascalientes S.A.

We now have a network of distributors throughout Mexico and this group of businesses has given us strength, by continuing the expansion of the presence of our Brand at national level.

One of our distributors which has contributed in Central Mexico – specifically in the state of Aguascalientes – is: Impulsora de aditivos y lubricantes de Aguascalientes S.A.

This is a family company run by Mr. Cirilo Cornelio Gress, his wife and family who offer an ample force of salesmen and specialized, labeled distribution vehicles with the Gulf brand and a storage facility.

This company has managed, thanks to its constant work, to open the market in the competi-



tive world of lubricants, additives and antifreezes, introducing the products of our company in establishments like Auto parts supply stores and repair shops. It also has an ample portfolio of clients, making it a solid company with the Gulf brand and its products.

**GULF TE PROTEGE DE LA LLUVIA  
... Y CUIDA TU MOTOR**

**Por cada cambio de aceite sintético Gulf, te regalamos un magnífico paraguas.**

**Gulf**  
www.gulf.es

### 4 SPAIN – Focussing on the Customer First

The Gulf customer, is the centre of all attention for SAEL, the offshoot of the Total SA group, which holds the Gulf license for Spain and Portugal and it has made customer satisfaction its number one strategic target.

This desire for a special relationship with the customer shows itself constantly through a combination of services, products, qualitative norms and commercial assistance which allows it to

manage its business activity within a concept of close human relationship, constant attention and continual innovation.

More concretely, and by way of an example, the Gulf Customer benefits from: a specialised business force, a specific intranet, periodic special offers and customer satisfaction surveys that allow the company to listen objectively, as is necessary to keep the Customer content.

### 5 INDIA - Recognising Distributor Excellence

A recent and innovative customer initiative from Gulf Oil Corporation Ltd., Lubricants Division was the Awards for the Best Distributors of the year. These awards were given to the distributor whose performance was adjudged to be the best during the year 2002-2003 in each of the four Regions.

It was the first event of its kind in India. All of the award winners were jubilant. Obviously, their performance was incredible. If it were not for them, we would not have made all those glorious achievements we had notched up for the year 2002-2003. The awards were presented by Mr. V.Ramesh, Executive Director, Lubricants Division.

One of the Winning Distributors, whose quote was typical of the sentiments expressed said: "My hardwork has paid off and today I am a self contented man, with a sense of pride in my achievements. I am determined to continue my efforts for more achievements".



### 8 UK - The Customer and the Customer's Customer

In the UK, Gulf Retail, a division of Bayford Ltd, actively supports its Gulf petrol stations with innovative Point of Sale material and has successfully launched the Gulf Fuel Card across a network of more than 120 filling stations.

Gulf Retail's main customer interaction is with the petrol station and the company's area sales managers liaise with each forecourt manager regularly enabling constant dialogue on their needs and requirements.

With its superb customer offering, Richard Owen-Hughes of Gulf Retail is not surprised



### 6 BELGIUM

S.A. Spindletop N.V, Gulf's fuel retailing concern in Belgium - operated by Mazout Express and Kortrijks Petroleumbedrijf - is a key example of how working with the local community enhances the perception of the Gulf brand.

The philosophy for Gulf in Belgium is that everybody needs petrol, but that consumers need to be offered something extra when they fill up. "We like to keep a good contact with customers, welcome them into the shop and offer them a drink for free," says

Carl Vanhoutte, referring to the complementary coffee machines in Gulf stations.

Business partner, Freddy Lambert adds: "We aim to offer a personalised service to customers. It doesn't work everywhere, because each area of Belgium is different, but we work on a local basis and tailor our approach to local needs."

There are more than 75 Gulf stations in Belgium and one of the reasons for this sustained growth is the Customer Satisfaction. Mazout Express and Kortrijks Petroleumbedrijf are very keen to get the local community involved when they open a new site, so that right from the beginning the customer feels a part of something new in their community.

that the Gulf brand has grown so rapidly in the UK in the past year.

"Potential customers see what we are doing with our existing partners and want to talk with us. We work very closely with the forecourts and also help and advise them on how they can best present themselves to the consumer, either by way of promotions or other incentives.

"We are also able to provide a range of business support services, which might not otherwise be available to independent filling stations. Essentially, if we offer the best possible service to our customers, then this will be repeated in their positive approach to consumers."

### 7 CHINA - Team Spirit

Gulf Oil Yantai's Northern Division Sales Centre in Datong has gained a good sales turnover in the region in a short period of time. It has created good brand awareness - not only throughout the Shangxi Province in China but also onwards into Mongolia. Much of the credit for this must go to Mr. Wang Zhen Bo, the northern division's Marketing and Servicing Manager.

Wang's hard work and good understanding of customer needs has enabled him to develop many new distributors in the region and, whenever a new distributor is found, the whole team will organise the opening ceremony and sales promotion for the new client, so as to ensure the successful launch of the Gulf new distributorship.

Wang believes his strategy on sales technique is based on honesty, trust, co-operation. Most importantly, the brand and the company culture has a strong influence throughout. Direct communication with the sub-distributor, retailer and end customer helps them to understand Gulf products and resolve customer problems, guiding customers on product selection and the correct way of using our products. Gulf products have gained a great deal of brand awareness and trust from the end user.

This March's sales promotion, has seen a customer rush for our product which made our brand very popular. Approaching the closing of the first quarter of year 2004, Northern Division Region has achieved number one in the sales record in the whole region.



# THE GULF OF MEXICO

Orange Disc profiles the rapid rise of the Gulf Brand in Mexico under the auspices of J & J Lubricantes

Javier Gonzales is responsible for Gulf business in Mexico



It should, perhaps come as no surprise that Gulf is flourishing in Mexico – after all, the company has its original roots and, indeed, took its name from that very Gulf, more than one hundred years ago.

Gulf's distributors in Mexico – J & J Lubricantes – are somewhat more recent additions to the Gulf family, having been with the brand since 2000 but in that relatively short time they already have achieved a considerable amount.

J & J Lubricantes was founded in 1980 as a result of a perceived gap in the engine lubricant market. A great deal of thought went into its establishment and the company immediately set up one of the most advanced facilities in the country for the production of lubricants. Likewise, in terms of location, little was left to chance, with J & J Lubricantes situating themselves up in a strategic location between Carretera a Laredo Texas and the Carretera A Colombia (a new access road to US). They are only 15mins from the important city of Monterrey, in Nuevo Leon's Salinas Victoria municipality on an 8 hectares site, which they own themselves.

Since then J & J Lubricantes has grown continuously.

As with its own initial launch, taking on Gulf for Mexico was done with careful planning. Javier Gonzales, the company's Director General and the man responsible for Gulf in the country, spent a year putting the organisation in place for Gulf's return to Mexico but this has paid dividends. Working together with the late and much-missed Flavio Gonzales they established a network of distributors across the country covering the major cities which now numbers close to one hundred. In addition they have been able to place product in

some of the biggest stores in the country such as Soriana, Aurrera y Casa Ley and Wal-Mart.

Quality has been vital in this, as Javier Gonzales explains, "Our factory gives us the most advanced production systems, quality control, packaging, and storage. This gives our products – and everything we do – excellent quality."

J & J Lubricantes have worked hard on bringing a wide range of relevant Gulf products to market, frequently spotting niches within it and developing the product with which to fill them. Gulf GTS 30W60 is one such – it being a blend of high quality synthetic oil together with a mix of additives so as to give the optimal characteristics for high mileage engines – which are commonplace in Mexico.

Another good example is the Gas LP SAE 20W50 which is specially formulated for Liquid Petroleum Gas powered vehicles, combating the build up of sediment in the plugs, pistons and rings.

The company has also developed ranges of Gulf additives: injector cleaner, petrol additive, octane booster, injector and carburettor cleaner. Most recently there has been Gulf Brake Fluid as well as Gulf Anti-freeze and Coolant – which are available both in concentrated form and pre-mixed.

Complementing this, is a range of promotional and marketing initiatives that has helped spread the awareness of the products and establish a strong profile for Gulf. As with many Gulf entities, Motor Sport is never too far away and in Mexico, Drag Racing has been the vehicle to help boost the brand image. The motor sport enthusiasts – of which there are hundreds of thousands in Mexico – have seen the quality successfully tested to extremes at first hand by these ultra-high

performance machines and as a result Gulf has become regarded as a "Winners Brand" in Mexico.

Underpinning all of this activity, however, is the strong Gulf team at J & J Lubricantes, all of which are focussed on developing strong relationships with both their local distributors and the end users. Javier Gonzales underlines the importance of personal customer relationships, "Our customer services department was specifically created to help resolve any problems that customers might encounter and to generate better feedback to improve our products or services."

## "GULF HAS BECOME REGARDED AS A 'WINNERS BRAND' IN MEXICO"

Gulf's entry into the Mexican Lubricant market under J & J Lubricantes has been impressive. In 2003 the company signed an exclusive long-term distribution agreement for Gulf in Mexico and it now has its sights set firmly on the future. J & J Lubricantes has therefore been investing heavily to ensure that its growth continues - rebranding its Plant, Tankers, Lorries and even its Offices to bring it into line with other Gulf entities across the world.

Impressive though this may be, the basic foundations on which the business has come so far so quickly are still, however, so Javier Gonzales believes, the keys to the future. "That's how Gulf is present in the Mexican market, with one vision, to continue our growth at national level and develop products that satisfy the Mexican market."

Further information on Gulf in Mexico can be obtained on the company's impressive website: [www.jjclub.com](http://www.jjclub.com) or from Ana-Christina Gonzales: [anacristina@jjclub.com.mx](mailto:anacristina@jjclub.com.mx)



Clockwise from above: Gulf High Mileage Oil is popular. Gulf Headquarters in Mexico. Flavio Gonzales (left) helped build Gulf business. Gulf celebrates Independence Day. Drag racing has raised Gulf's profile in Mexico



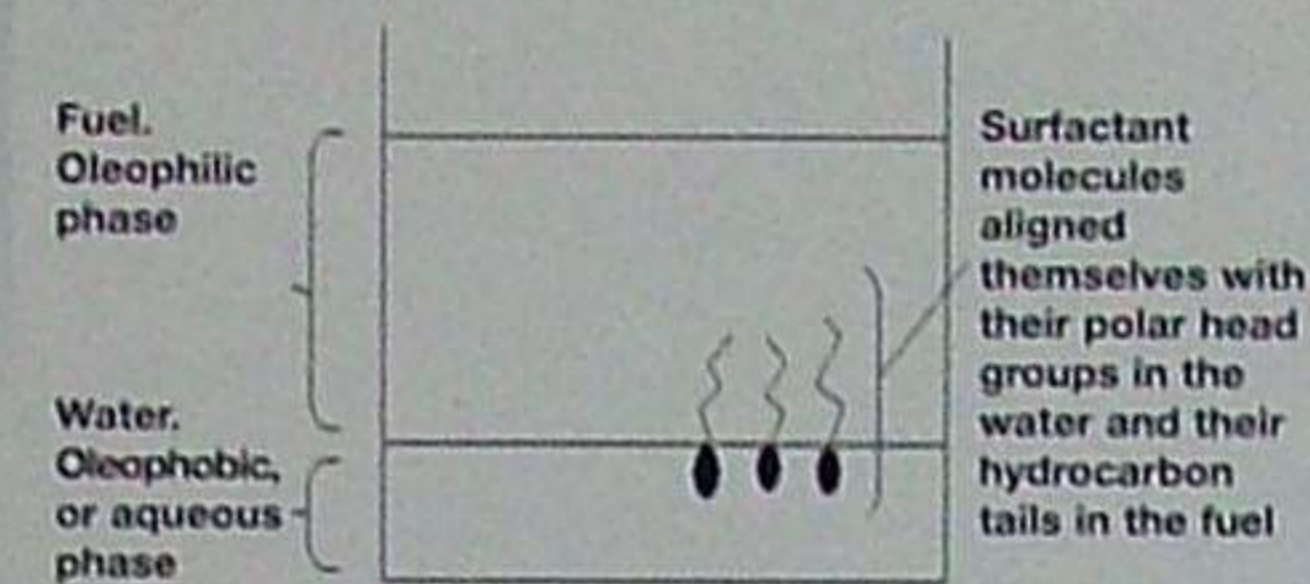
# LIQUID GOLD

Orange Disc, with the help of International Fuel Technology Inc.'s Gary Kirk looks at the science of additives and illustrates how it can help formulate new and advanced environmentally friendly fuel products. International Fuel Technology (IFT) and Gulf Oil International (Gulf) have recently embarked on a joint development programme to further this concept and create exciting new opportunities for Gulf's future product range

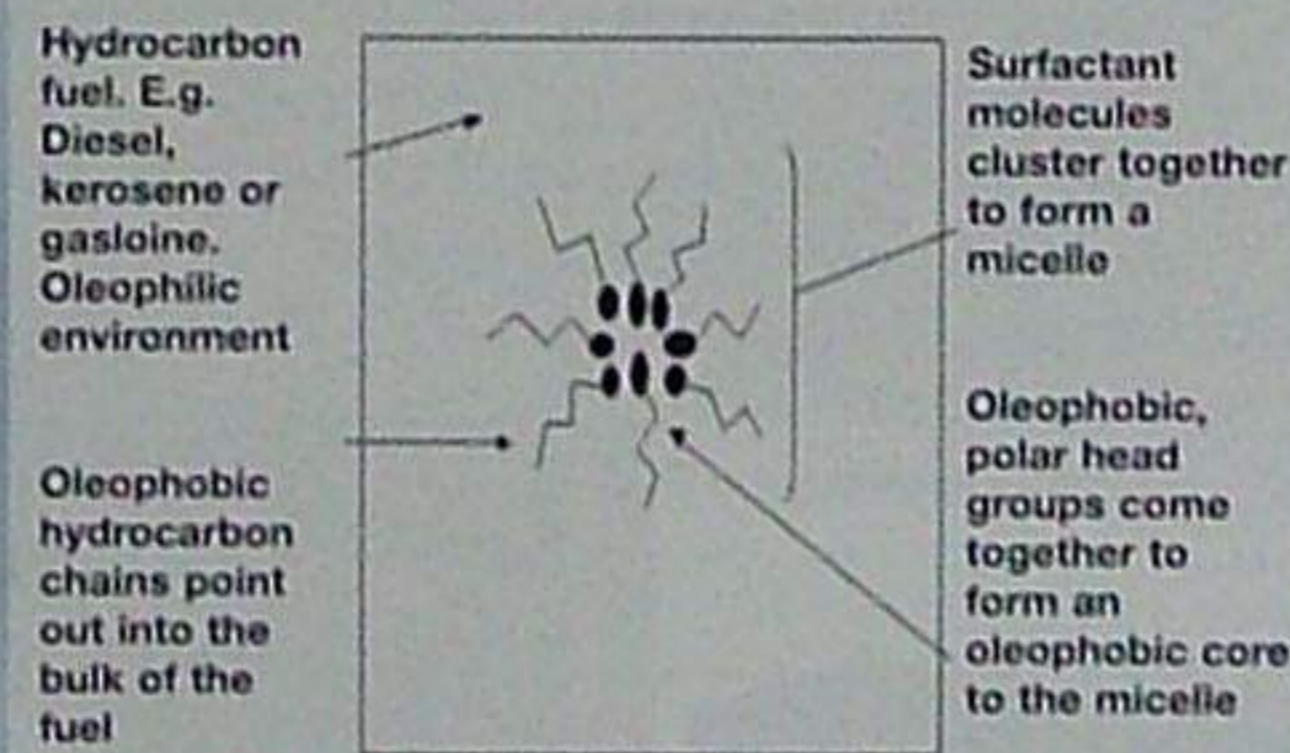
**ALCHEMISTS WERE ALWAYS** seeking to turn base metal into Gold. Additives have long been accepted as part of the final make up of Lubricant and Petroleum products, but nowadays they can actually help turn a basic product into "liquid gold."

## SURFACTANT TECHNOLOGY EXPLAINED

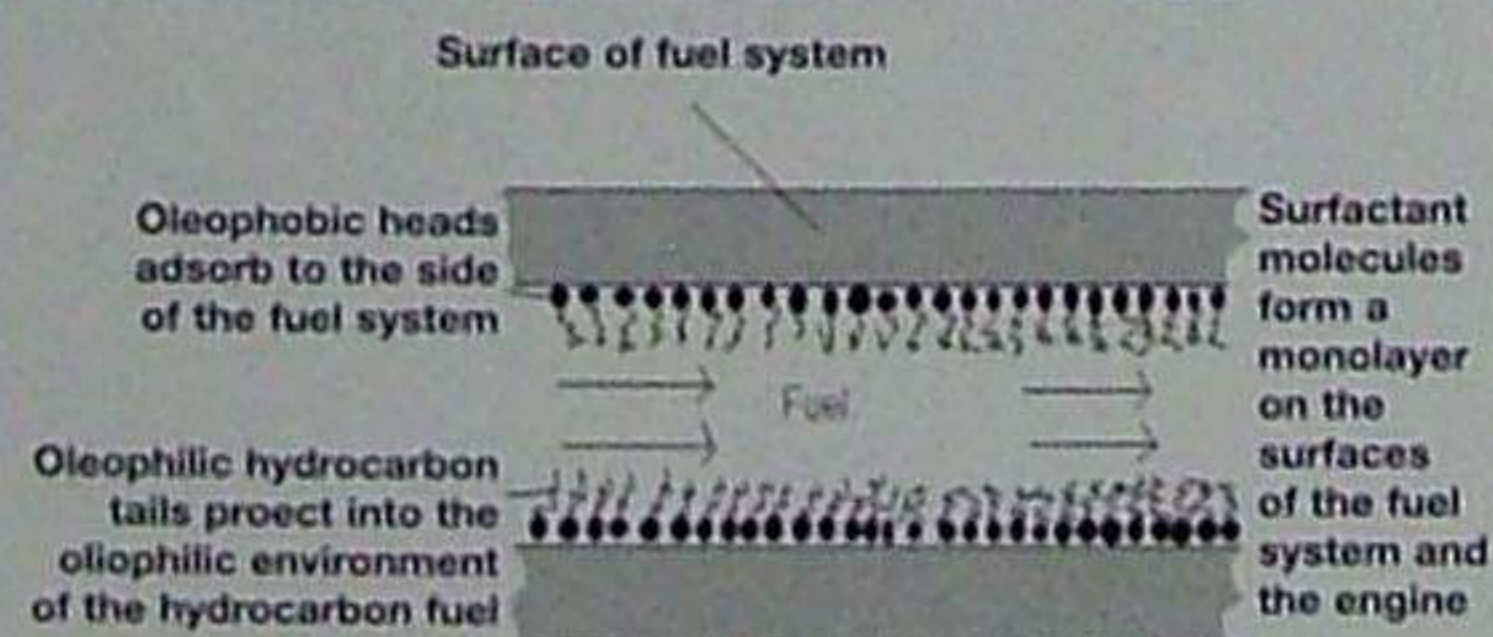
IFT's additive technology is based on surfactant chemistry, which utilizes unique formulations of blend components. It is the dual oleophilic (oil loving) / oleophobic (oil repelling) nature of the surfactant molecules that enables the technology to achieve the benefits observed.



The detergent nature of the surfactants enables the additive to clean the fuel system and engine of dirt and deposits, thus maintaining optimum performance. The oleophobic character of the surfactant molecules causes them to bond to the internal surfaces of the fuel system, preventing wear and increasing the lubricity of the fuel.



Finally, the reduced surface tension of the fuel caused by the interactions of the surfactant molecules allows for better fuel atomisation. This results in a more efficient combustion of the fuel, which in turn results in reduced emissions and improved fuel economy.



These technologies deliver measurable improvements in the co-solvency, lubricity, detergency and combustibility of gasoline, kerosene (heating oil), diesel and blended fuels.

As a result of these improvements, users of these enhanced fuels realise a number of significant benefits including lower fuel consumption, lower engine maintenance costs and a more stable fuel that causes less harm to the storage system enabling the fuel to be stored for longer periods of time.

Gary Kirk comments, "Fuels enhanced by the sort of technology that IFT employs also offer environmental benefits by significantly reducing toxic emissions, particulates (black smoke) and greenhouse gases. In addition, IFT's additive technology make renewable bio-blended fuels practical by co-solving unstable combinations to form a clear and stable homogenous fuel. This is a very important feature in the current economic and environmental climate."

It is of course absolutely vital to the future viability of any new product to have it tested to ensure that it achieves what it sets out to do and that the results are credible, as Gary Kirk is keen to point out. "Several of these fuel enhancement technologies have undergone extensive testing at leading independent test facilities around the world such as Southwest Research Institute (USA) and Prodrive (UK). The test results demonstrated that IFT's additive technology delivers substantial improvements in fuel economy, lubricity and harmful emissions.

IFT has identified several development areas of interest with Gulf and now sets them out:

## LUBRICANTS

2-Stroke and 4-Stroke engine lubricants are a well-known market to Gulf. It is big business and the competition is well established, but there are still major opportunities to differentiate and develop new products.

As regulations on emission control tighten and become more widespread, additives can be used to produce fuels and oils that reduce engine emissions. IFT's technology lends itself to the formulation of a family of environmentally friendly lubricants. These will be the future, they are the way forward, and they will give Gulf the edge in this very demanding marketplace.

The South Asian countries, for example, have a real need to reduce black smoke particulate emissions; indeed Taiwan has an 'on the spot' fine for motorbike owners whose bikes produce excessive 'black smoke'. India would be a good place to start since the market is very big and of course Gulf has the benefit of already possessing established research facilities in this country, which have tested this technology.

The marine lube market is also a relatively new, but nevertheless important market where change is rapidly occurring. Water, and therefore corrosion, is a real problem - as are emissions and fuel stability. IFT is looking to provide solutions within current

technologies that will help in these markets.

The use of additive technology in lube oils is certainly not limited to the above areas. Industrial applications such as metal workings, refrigerator oils and so on, will all benefit from this unique technology allowing better lubricity, water stabilization and reduced breakdown etc.

## FUELS

The need for 'green fuels' has been established not only by political drive, but also by consumer choice. IFT has already developed proven technology that helps to increase fuel mileage by approximately 7% and reducing both toxic and global emissions and particulates (black smoke).

The other benefit is that, whilst increasing the lubricity effect of the fuel, the technology also reduces the overall need for maintenance of the engine.

Field Trial work with Gulf's UK retail partner, Bayford, is currently being established, which will once again prove and substantiate these findings. This aims to lead to an opportunity whereby Gulf would introduce a 'new fuel' at the pumps that will compete with existing 'green fuels' supplied by BP and Shell – these fuels already sell at a premium in an expanding market – "Gulf Green."

## ALTERNATIVE FUELS

The market for alternative fuels is expanding. Economic and political needs have created a viable new market for these fuels. Countries that are net importers of oil, e.g. India and China, are certainly looking to these fuels to help create wealth internally, whilst reducing their reliance on oil from abroad. Brazil, which already has an E25 gasoline in place, is also a typical case in mind.

However, these fuels do present problems as Gary Kirk points out: "This is where surfactant technology can help with the solutions. Water contamination and resultant fuel instability is an inherent problem for ethanol based fuels. Whilst it is true that Brazil has been maintaining a supply of 25% ethanol in gasoline, it is plagued by stability and storage issues for this fuel, which therefore makes it very restrictive."

"IFT's additive technology can stabilise these fuels, allowing longer storage times, better fuel homogeneity and, above all, better surety to the customers. In fact, the Ethanol producers could use hydrous Ethanol as opposed to anhydrous thereby significantly improving their economics – IFT additives will allow them to do this."

Biodiesel is classed as the new alternative to diesel fuels. The problem is that it has been found to actually increase NOx – a very toxic gas – plus it is seen to give lower mileage relative to conventional fuels. IFT's additive surfactant technology can change this concept – giving the fuel better combustion, bringing the NOx emission and mileage inline with existing fuels.

"IFT has been very proactive with its approach


to the value of its technology relating to existing and future fuels," comments Gary Kirk by way of illustration, "one example is the formulation of a patented fuel that complies with the proposed new US Energy Bill (EPAAct). This is a diesel fuel based on a blend of molecules other than from crude oil. It allows the user to gain fuel credits as an alternative fuel. These credits allow the user the ability to comply with the EPAAct law - rather than having to purchase alternative fuel vehicles, which is cost prohibitive."

Heating Oil Fuel is a very interesting and promising market. IFT is currently carrying out trials in the US that will show that its technology increases efficiency through the burner (by 3-5%). This will also allow the furnace to burn more cleanly – which reduces maintenance and associated downtime - and more efficiently by reducing particulates and toxic emissions.

## AFTERMARKET/RETAIL MARKET

Both the aftermarket and retail markets offer huge potential as Gary Kirk explains, "We believe that the Gulf brand name can open many doors into the fuels and lubes areas detailed above. In addition, there are other applications of IFT's surfactant technology. Our non-hydrocarbon technology is easy to use. It can be easily blended with existing Gulf products or 'splash blended' with various fuel blends. Industrial uses range from marine to automotive, and motorsport to refineries. IFT believes this technology is able to improve the current Gulf product range, establishing a firm advantage verses the competition and thus allowing Gulf to be very proactive in the marketplace."

Additive technology would seem therefore, to offer some exciting opportunities for future development. When combined with Gulf's existing product range it could potentially lead towards an exciting, new generation of superior products. In short, the existing 'car product range' of products could be extended, allowing Gulf to offer a more complete range, covering a wider spectrum of end uses.

Liquid Gold, indeed. 

## INTERNATIONAL FUEL TECHNOLOGY

Based in St Louis, Missouri, International Fuel Technology Inc (IFT) develops and markets fuel enhancement technologies for a broad range of markets and applications. These extend from advanced lubricants, through automotive fuel products to heating and cleaning applications.

The company has a unique track record in surfactant technology with a number of patents pending and is working on product development with Gulf to detail a number of commercial and marketing opportunities that offer substantial potential business applications both globally and in particular markets.

Contact Gary Kirk for more information: [iftgk@aol.com](mailto:iftgk@aol.com).



 **FEDERAL  
MOGUL**

**The Best Brands for the  
Automotive Aftermarket.**