

Hectronic

HecNews

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Editorial



Dear readers

"Where did all my time go?" That's what many people ask themselves at the end of the year or at the beginning of the new. And, as we grow older, things do actually seem to happen ever more quickly. Many events recur and are retained in the memory in a form other than that originally experienced. It's as though they've fallen through a grating and vanished into the void. In this sense, 2006 was a long year for me. It was my first full year as Managing Director, and there was a whole host of new impressions.

It was also a beautiful year, an intensive and, moreover, an extremely successful one.

We made important advances in new markets - in India, for example, which we discuss in detail in this issue of HecNews. Our well established business areas also displayed excellent developments. And you, our partners, clients and suppliers, have played an important role in this. So I want to give you my heartfelt thanks for your wonderful contributions, and I look forward to many ventures and achievements in the future.

With this in mind I wish you a marvellous year 2007. Full of success, health and lots of luck.

Yours, Stefan Forster

SUBSIDIARY

With patience and with gods' help.

An international orientation belongs to the everyday life of each middle-sized company. This applies especially to Hectronic. The producer of Refuelling and Parking Systems Bonndorf rivets over Germanies boundaries. Now Hectronic has inaugurated its latest subsidiary in India. Here the responsible bodies agree. It is an important step to establish on one of the biggest markets of the world,

Everyone felt the solemnity and the dignity of that moment. There stood Rajesh Chandrasekharan at the door of Hectronic's new home, thirty minutes from the centre of the industrial metropolis that is Bangalore, celebrating the official opening ceremony which is called

of perseverance, the basis was finally laid for our first successful responses to a number of invitations to tender.

"It was not always easy, indeed, but we can be quite persistent and we have shown our colours", laughs Rajesh Chandrasekharan. The



Rajesh Chandrasekharan, Managing Director of Hectronic India, with some of his team.

"Pooja" in the Indian language. As a member of the Brahmin caste, the new Managing Director of our Indian branch is authorized to carry out this ceremony, which seeks the favour of the gods. So, Hectronic has finally achieved their target. "We have been continuously strengthening our connection with India in recent years, so this branch is a logical step", said Hectronic's Managing Director, Stefan Forster.

The story began around six years earlier, when Hectronic relocated some of its software development to India. But the connection was not to be limited to that, for a market with such potential offers phenomenal opportunities, particularly to an internationally active business such as Hectronic. With the considerable amount

objectives have been clearly outlined. We are seeking gradual growth in our two product areas, parking and refuelling. We shall be further expanding at this location, and taking on more staff.

"We are all genuinely pulling in the same direction, and we all want success", said Rajesh Chandrasekharan. Stefan Forster took the same line. In the course of time, everyone has developed a feeling for the country itself. "You have to get to know the people, to understand their thinking and their culture, and you simply have to accept that they don't follow our Central European ways", he added. Even just the size of this country, the world's largest democracy, changes one's viewpoint.

Pioneers and market leaders at the same time

Winning the contract to supply more than 5000 level-measuring systems finally opens the gateway to India.

Our successful response to the call for tenders by the mineral-oil group Indian Oil was a genuine milestone for Hectronic. Those 5000 OPTILEVEL measuring systems make Hectronic the market leader on the subcontinent. The task on site is not always easy, because it involves pioneering work: filling stations here are still on the whole low in technology.

Hectronic has won a contract to supply 5000 level-measuring systems to India. "This is a really wonderful coup", beams Hectronic's Managing Director, Stefan Forster. The contract is of a colossal dimension. Over the next two years, Hectronic is to equip 1250 filling stations all over India with a total of 5000 of its OPTILEVEL measuring systems. The strategic significance of the order is just as colossal. "With this contract, we have at a stroke become the industry market leader in India", explains Stefan Forster. The industry leader in a filling-station market that is just beginning to experience proper development, and is about to do so at a tremendous pace. This can be seen merely from the number of cars sold. The figure was one million last year and, according to the unanimous opinion of the experts, is likely to be 1.8 million in 2008. Indian Oil invited bids for this large project in September 2004. Honeywell India, an industrial



The probe has been installed, and testing now follows.

multinational with headquarters in the USA, snapped up the lion's share of the cake, then distributed it among subcontractors. Hectronic won the contract for level-measuring systems, doing so against the strongest competition, for every firm of name and repute in the industry had thrown its hat into the ring. What gave Hectronic the prize? Stefan Forster doesn't have to look far for answers to this question. Superior technology played a decisive role: besides the data normally measured, the Indian market was also demanding the measurement of density.



Outstandingly equipped, and beautiful to look at - Indian Oil filling stations.

"And here we are leading by a head, because our capacitive measurement method means we can do it with just one probe, whereas our competitors have to install an additional device." The advantage is obvious: lower cost for both product and installation. "No question about it, this was a hard job of

work, with any amount of hurdles having to be overcome and a great many discussions", recalls Forster. "But, together with our partners, we mastered the task."

This is real pioneering work, for the big mineral-oil groups have only just begun to build a modern network of filling stations.

First installation of autofuel terminal HecStar

With autofuel terminal too, Hectronic has set up its first installation on Indian soil. Three HecStar control the fuelling process at a station belonging to the mineral-oil group Hindustan Petroleum Corporation Ltd (HPCL). A fourth device will come into service in the near future.

Here, a connection has yet to be made to a very special pump, known as a "No Space Pump".

As the name implies, it occupies no ground space, but hangs from the ceiling with its filler hoses dangling.

Up to 3000 fuelling operations per device per day are carried out here. The process involves two Indian peculiarities: first, the quantities that are ordered are mainly small ones, for mopeds; second, a pump attendant is still employed.

He uses a tag just once to obtain authority, and the filler nozzle never leaves his hand thereafter.



A petrol pump enters from above: the "No Space Pump" is controlled by a HecStar.

“India and Hectronic are becoming a success story”

Interview with Hectronic’s Managing Director, Stefan Forster, about the company’s latest branch in India



Looking forward to prosperous business in India: Managing Director Stefan Forster.

HecNews: Hectronic India has been set up. Are you pleased with it?

Stefan Forster: Yes, completely. Naturally, however, we all know that our work is just

beginning. But we’ve started a new chapter with this new business.

HecNews: Taking the plunge won’t have been easy, I imagine?

Stefan Forster: No, it certainly wasn’t. Such a decision depends on many factors. It isn’t something you can produce just like that. But these last twelve months have gone so positively that setting up this branch was the logical consequence.

HecNews: What does this mean in specific terms?

Stefan Forster: Well, for the first time we were able to respond to an invitation to tender and we achieved a tremendous coup when Indian Oil awarded us a contract for our OPTILEVEL measuring system. Success like that made the decision much easier.

HecNews: You said your work is just beginning now. What’s on the agenda?

Stefan Forster: An awful lot. First, we have to deal properly with this big order and the associated pilot plant. Furthermore, after the first setups, we’ll need more qualified personnel. And we want to enter the Indian market with other products, which won’t be just in the fuelling

domain.

HecNews: Your first results in the parking domain are there already.

Stefan Forster: Indeed. The first pilot systems exist, and talks are extremely promising. And the same applies here as in the refuelling sector: the market is gigantic.

HecNews: The market in China is also enormous. Why did Hectronic decide to go for India and not - as many others have done - the other Asian giant?

Stefan Forster: Because of our many years of contact with India, we already had a more detailed picture of that country than of China. But a whole series of brand-strategy and political reasons also played a role. And it’s also clear, of course, that we can’t set out on both markets at the same time. That would simply overtax a business of our size.

HecNews: The start has gone really well, the first pillars have been firmly anchored in the soil. Where will the company Hectronic be in a year’s time?

Stefan Forster: Our position in India will have been further reinforced. India and Hectronic are becoming a success story.

“Our production department can respond to any tempo!”

With an order for 5000 level-measuring systems, Hectronic is entering a new dimension. There will be no bottlenecks, insists Operations Manager Eckhard Fechtig.

Every business would like to have full order books. Hectronic’s management can now rejoice in this agreeable situation. “We are genuinely working to full capacity in all domains”, says Operations Manager Eckhard Fechtig. Are capacity constraints a possibility if Indian Oil



Operations Manager Eckhard Fechtig

calls up its quota of probes in a relatively short period? “No”, insists Eckhard Fechtig, “there will be no problems. Hectronic is optimally prepared.” This includes, for example, changing over to shift work on a trial basis. “We have rehearsed this over the last few weeks, and it has worked excellently”, Fechtig sums up.

This enabled a further increase in productivity. Fechtig says Hectronic has already delivered several hundred probes to India in the last few months. They were able to meet the requirements of their Indian clients for timely supplies. Even the special packaging requirements were finally resolved to the satisfaction of all concerned.

“Our production department can respond to any tempo”, says Eckhard Fechtig, dismissing any doubts. It’s precisely the company’s ability to react rapidly to exceptional situations that constitutes one of its strengths. “We combine productivity and quality”, he says with conviction.



The probes are packed and ready for their journey to India.

Measures for reorganization and ongoing improvement within the production facility are particularly conspicuous with such large assignments. So things can really take off: Hectronic is well equipped.

PARKING

“They are delighted with our terminals.”

Hectronic is also gain its first results in India in the parking domain, and is breaking new ground. Besides their standard street use, car-parking ticket machines are also being used in barrier-control and ticket-issuing systems, thanks to their versatility.

When Kleta Brugger speaks of India, after just a few words there's a gleam in her eyes. As Hectronic's Marketing Manager, she can't conceal her joy over business developments there. "An innovative euphoria prevails here, and it gets a lot of things moving", is the way



Product Manager Kleta Brugger.

she puts it. Hectronic has undoubtedly made tremendous advances in recent months. The parking department made its initial contact with the subcontinent about a year ago, and its first systems are now established in two locations. And

they are not only looking after the organization of the parking area. Quite the contrary. South Western Railway (SWR), one of the largest employers in the country, has fitted the PA2 at two of its stations, in Bangalore and Chennai. Each of these is a great railway station in the fullest meaning of the words. The press was well represented, and even television reported on it. Hectronic devices are now issuing tickets on the platforms.

As is commensurate with their task, they are here called platform ticket machines or intelligent ticketing machines. This versatility has made a big impression on local management, stressed Kleta Brugger. "They were simply delighted." The machines provide good cause for satisfaction every day. Hectronic products don't suffer problems with jammed paper or coins. "They run flawlessly, and their design also goes down very well", says Kleta Brugger.

And meanwhile the rupees go on rolling into the operators' purses. Up to 2500 rail tickets per day



Where's the machine? Photographers and cameramen battle for a clear view at Chennai railway station.

per machine equals profitable business. All operations are recorded by Hectronic India. "We can see how many tickets are taken, as well as which ones", explains the Managing Director of Hectronic India, Rajesh Chandrasekharan.

In view of these indicators, the prospects for further installations are very good.

This is the special task of innovative people like Division Commercial Manager Sajesh Kumar, who guides the fortunes of SWR.



“That's how easy it is.” Employees of Hectronic India take a ticket from the ticketing machine in Bangalore.

he leaves, a controller checks whether he has paid enough. This project shows one thing very clearly: in India, too, automation is advancing at its proper tempo - in spite of low wages and an endeavour to minimize radical change.

"We have broken new ground in India with our designs and, together with the local experts, we have found ideal solutions", is Kleta Brugger's initial conclusion. "We are the first to have established such a benchmark, and we can present everything on the spot", she adds, not without pride. Additional areas of application, such as airports and company car parks, are already under consideration. So she is

well satisfied with the course of the past year. Nothing has been able to change her mind, even the fact that on her last visit to India Kleta Brugger had to wait three days for her suitcases. "There's only one thing to do there: stay flexible", she laughs.



Indian press reports on the installation of the PA2 in Bangalore.

"Their cooperation is excellent", says the head of the Indian branch. The market is gigantic, for all over the country a rail network totalling more than 63,000 kilometres joins up countless railway stations, all of which need the equipment. The PA2 is thus already a platform ticket machine in India (a third system will be installed in Mysore in a few weeks), and in the next few weeks it will be doing quite a different job at another location. "From January 2007, this car-park ticket machine will be controlling the barrier system of a car park, also in Bangalore", reports Kleta Brugger. This is a semi-automatic system. The driver pays a fee on admission, and when

Impressum

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