

WE GALVANIZE DREAMS

THE COATINC COMPANY

Regional roots and an international orientation: The Coatinc Company (TCC) combines surface engineering with a wide range of related services.

We have been pursuing our vision for perfect surface finishing for generations in Siegen. The Coatinc Company can trace its origins back to the Siegener Actiengesellschaft (Limited Company), which was founded in 1885 by the great-great-grandfather of the firm's current Managing Director and Shareholder, Paul Niederstein. Zinc was already big business even then. The range of processes may have become much larger since then, but even now galvanizing is still believed to offer the best protection against corrosion you can find.

"Galvanizing has been existing for 150 years till now, so it is an old economy process," explains Paul Niederstein managing the holding company together with Philippe Dupont. "But it remains demanding because new applications are appearing all the time, which are very much new economy, such as the entire sustainable energy industry. You will not find any wind turbines, solar installations or offshore constructions that don't have at least some galvanized parts."

The range of processes offered by TCC is remarkable in itself. In addition to galvanizing at normal and high temperatures, there is also powder coating and wet painting, plus anodic oxidation for aluminium, passivation and centrifugal galvanizing. The high-temperature galvanizing process is an absolutely unique selling point and is integrated within the Coatinc PreGa company. PreGa means Precision Galvanizing - a process that has been developed and marketed by the company itself. "This allows us to fill the gap between hot-dip galvanizing and other zinc coatings," Niederstein clarifies. "We apply thin layers which are incredibly resistant and provide outstanding corrosion protection. We are not aware of any other company in the world that offers this process in the form that we apply."

A total of over 450,000 tons of steel are galvanized and several millions square meters of steel and metal are finished every year for five industries: steel construction, steel trade, series products, blacksmiths and automotive.

The firm, with deep roots in the south of the German region of Westphalia, has now grown into a modern group of companies, 24 of which are subsidiaries and 11 shareholdings. The increase from a 33.3 % shareholding to 100 % control of NedCoat in 2011, the market leader in the Netherlands, was a major step, as was the group's "one-stop-shop" strategy, which remains a top priority of the company. "We can stand out from the competition by offering a comprehensive package of related services such as transport and logistics, in addition to the coating process," Niederstein adds.

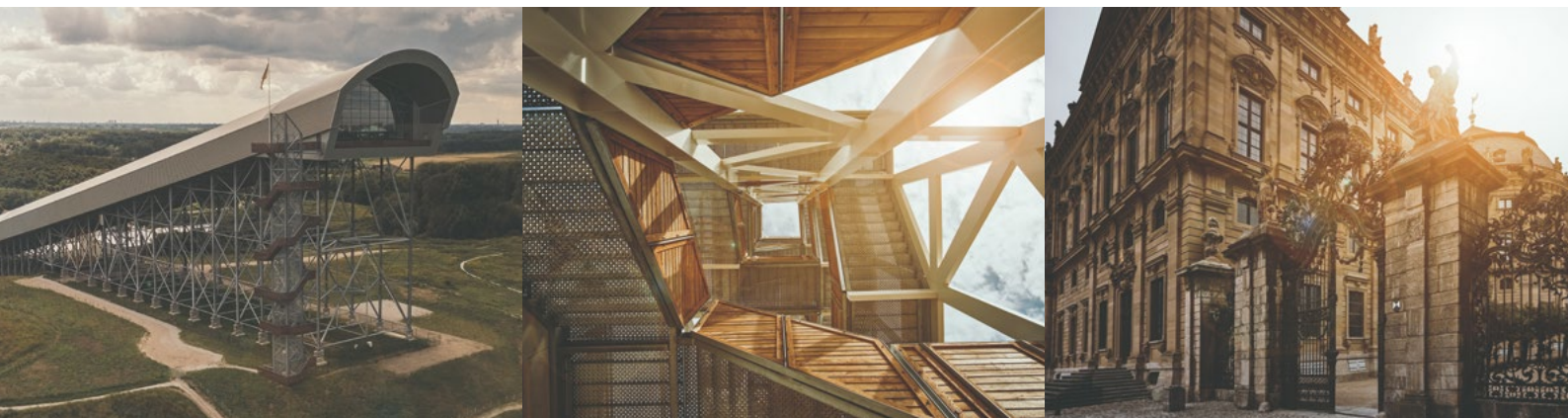


A strong standing the group has gained. The company spent the years 2008/2009 focusing intensely on its strategy, establishing its vision and mission. They chose to make a new business claim: "We galvanize dreams." This statement in fact goes to the very heart of TCC's philosophy: That every part that is processed in one of its factories, whether it is merely an underbody component for a sports car, a fitted handrail or a beam for a football stadium, should be an example of engineering, of a project, of a vision. A dream, even. "We protect these dreams and make them to last," as Niederstein puts it. "We preserve architecture and contribute to unite people- with bridges, for example - and travel - by processing parts for their cars."

The men and women from Siegen do not shy away from complex delivery requirements and process parameters either. Just the opposite. They are skilled partners for large-scale projects with the processing capacity required, including, for example, a kettle measuring 19.5 m. TCC has galvanized parts to be built into the football stadium in the Signal Iduna Park in Dortmund, in the Neumayer III research station in Antarctica and in diesel power plants for island nations in the Caribbean, to name a few examples. Steel components for the Caribbean were firstly collected from Eastern Europe and the Black Forest before being galvanized in a variety of TCC locations and then packed for transportation by sea. This goes to show how far the company has come from being exclusively a surface finisher, becoming instead an intelligent service provider.

The range of services starts with consulting and covers all the processing and finishing steps and continues to tightly-scheduled packing. This includes comprehensive logistical services using digital inventory records and export handling. "Whether these parts are being sent on to New Zealand, Hong Kong or Moscow, we will do what clients want, even if they want it to be delivered tied up in a gold ribbon in a yellow container," Niederstein grins. Whilst that might not be such a likely request, it does underline the company's business claim: It's about the overall package for the client and being there for the client as a reliable partner. This also fits in with the logical strategic decision to focus on surface finishing and related services, rather than also manufacturing steel or metal products. "We don't want to start competing with our clients," Niederstein explains, "just to look after their products."

The future outlook outlined by the Managing Director looks like a thoroughly thought out concept. In Siegen, they base their growth strategy on three pillars: firstly, maintaining market share in core markets for traditional hot-dip galvanizing and growing market share for other coating technologies. Secondly, further expanding into emerging markets under the banner of internationalization, and thirdly, coming up with new products to benefit clients. Niederstein goes on to say: "We are talking about downstream services with added value - we are always interested in how we can combine good surface engineering with smart after-sales solutions."



TCC has developed well over the past ten years and consequently could achieve an above-average growth. Its 1,300 employees at 24 owned sites currently generate turnover of around € 185 million. Counting its eleven shareholdings with a further 700 employees, that figure clearly shoots up to over € 200 million. Niederstein is a self-proclaimed “conservative businessman” but feels duty-bound above anything else to preserve the independence of the family business. “Growth is a ‘can’, but not a ‘must,’” he says. He believes strongly in the strength of healthy small businesses, in local responsibility and a leadership style based on trust. “Although it is important to us to act in a unified way as a Group, we do not see decentralization as risky. We trust the other business people running our business and we know that our success is down to them and their colleagues. TCC is a family business whose success depends on values, business decisions and, above all, teamwork.”

Find out more about The Coatinc Company at www.coatinc.com or by e-mail via info-de@coatinc.com stating the company name, contact details and request.

