

# Goodyear moves to strengthen Mozambican operations

Goodyear's African footprint is the most comprehensive of all tyre manufacturers on the continent, its rubber roll from Swaziland up to Kenya on the east coast, Namibia to Congo on the west, and all over all the stretches of savannah and skyscrapers in between.

South Africa's north-east neighbour, Mozambique, is one such sub-Saharan country in which Goodyear has great confidence. With its soft sands and crystal waters, some call it paradise on Earth; to those battling corruption or still reeling from its revolutionary history, it has been cursed as hell.

For newly appointed Goodyear Country Manager, Victor Soares and his team, Mozambique has the potential to be one of Africa's best success stories - and Goodyear plans to be part of its bright business future.

"Short term, our aim is to improve efficiencies and to find the most beneficial route to market for our product. The longer term vision is to expand Goodyear's operations in order to capitalise on a double-digit GDP growth country. More importantly, we are striving to cement Goodyear as a truly sustainable company here in Mozambique; compliant, ethical and driven by client satisfaction," Soares said.

"We employ 78 permanent staff countrywide, but this can grow to 120 seasonal workers for the sugar industry, depending on client needs. My immediate team includes Ana Rita Ferreira and Alfredo Monteiro in Maputo and Central Mozambique Ha Taka. Our head office is in the capital of Maputo."

## Steady growth

Goodyear has already been operating for more than 25 years in Mozambique. Its distribution channel and services partner Trentyre first opened its doors in 2000 and then, in 2005, opened a branch in Beira (central Mozambique) that quickly rose to contribute 50% of the company's turnover in the country.

"Another branch is being planned for Tete, the mining centre of Mozambique within the next few years and this is important to secure a slice in the OTR (Off-the-Road) mining business going forward.

"Goodyear's current scope includes a mixed market share of 15 to 18% in Mozambique. We have two branches in Maputo and Beira, and another supporting the massive aluminium smelter, Mozal, and its service providers in the duty-free zone near Matola. Trentyre has small distributors in other provinces as well as nine on-site operations, at Coca-Cola, Unitrans, WBHO and Mozal.

## Challenges and opportunities

"The country is not without its challenges: sluggish port operations slow down the receiving process, as do the tedious bureaucratic customs systems. The corrupt mindset is another challenge.

"Due to the poor infrastructure, the majority of vehicles are 4x4s but an increasing number of used passenger vehicles are coming in to Mozambique from Japan. Trentyre is well positioned to capitalise on this market as it has a wide range of both 4x4 and passenger tyres.

"The truck market is relatively large but, the roads are in a very poor condition and operational damages are common. Trentyre in Beira is well positioned to capture the Zimbabwe and Zambia corridors, which see more than 2 500 trucks passing through this town on route to other east African and central African destinations."

According to Soares, OTR is the next big step for Trentyre in Mozambique. A branch is being investigated in the coal rich mining city of Moatize in the Tete province, where major mining firms are already on site.

"Trentyre plans to become a huge player in the market segment going forward; its heritage and success in the African continent is proof of its commitment and service excellence in the OTR market."

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