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## **Caterpillar Marine Asia Pacific going strong – Shanghai office moves to Caterpillar Marine Center**

**Hamburg, Germany** – Caterpillar Marine Asia Pacific, the regional headquarters of Caterpillar Marine Power Systems in Shanghai, P. R. China, have moved to a new office at Yan'an West Road. This is also the location of the marine group of Lei Shing Hong Machinery Ltd., Caterpillar's marine dealer for Eastern China. Together both entities now reside in the Caterpillar Marine Center building. Caterpillar Marine Asia Pacific's regional headquarters are on the 25<sup>th</sup> floor, the top floor of the building, offering some 900 square metres of office space. Lei Shing Hong Machinery's marine team is just one floor below.

Since its initiation in 1989, Caterpillar Marine Asia Pacific has seen tremendous development. Managing Director Florian Gruber and his team are serving the fast-growing marine markets in China, India, Vietnam, Indonesia, Singapore, Malaysia and Australia – to name but a few. In close cooperation with Caterpillar's dealer network, the organisation now benefits from well-established business ties with domestic shipyards, shipping companies, governmental organisations and pleasure craft manufacturers.

### **Growing business**

Parallel to the ongoing success on the Chinese market, the number of people working at the Shanghai office had risen to more than 30 marine professionals. Additional office space was needed to provide them with the best possible working environment. Caterpillar's enterprise strategy emphasises "People" as one of seven corporate "Critical Success Factors" and so a project team looked at ways to promote creativity and innovation at Caterpillar Marine Asia Pacific. Utilising Caterpillar's corporate 6 Sigma methodology for change management safeguarded the process and guaranteed for optimum results. The preferred solution was to

relocate operations to the future Caterpillar Marine Centre while granting uninterrupted business and customer care.

The move has also yielded synergies with the Lei Shing Hong Machinery (LSHM) marine team with respect to process speed and communications. The LSHM organisation covers the provinces of Jiangsu, Shandong, Henan, Hubei, Anhui and Zhejiang, as well as Shanghai. Its marine business almost doubled from 2005 to 2006. To achieve this growth, special focus was put on ocean-going generator sets, dredgers and the pleasure craft market. Today, the LSHM marine team comprises some 30 professionals including a dedicated group of engine service specialists.

### **Fuelling sales**

Advanced capabilities of the Caterpillar Marine Center have already borne fruit. Recently contracts have been concluded for 16x MaK 7 M 43 C propulsion engines for a series of chemical tankers (16,500 tdw) built for Aquarius Marine Consulting, Hamburg, Germany at three different shipyards in the P. R. China. Another 4x MaK 9 M 43 C propulsion engines have been sold to Chinese Jiangdong Shipyard for a series of SSW 1000 TEU type container carriers built for German shipping company Jüngerhans.

For a series of four combination gas carriers for Norwegian operator I.M. Skaugen ASA to be powered by MaK 7 M 43 main propulsion engines an additional contract for Cat<sup>®</sup> 3508B generator sets was signed. Recent projects involving Cat engines also include a series of four 60 metre patrol boats for the domestic Maritime Safety Administration (MSA) propelled by 2x Cat 3516C engines each. And business for 2007 looks promising, strong demand for Offshore Supply Vessels from India, Indonesia, Singapore, Malaysia and the domestic China market will continue to fuel sales.

The pace of business is also forced through a key initiative from Caterpillar Marine Power Systems called “Marine Best Practices”, which enables dealers to align their strategy and operations with Caterpillar. By adopting best practices throughout the dealer network, global consistency in execution is achieved. Tractors Singapore Ltd. was the first marine dealer to roll out Marine Best Practices. Lei Shing Hong Machinery Ltd., China Engineers Ltd. and Tractors

Malaysia Berhad have followed suit, and Energy Power Systems Australia will go through the programme this year.

### **Combining strengths**

Shanghai is a major hub of international marine business experiencing continuous growth on both the export and domestic markets. Establishing the new Caterpillar Marine Center thus has been a strategic move to further increase Cat and MaK engine sales and related services in China and beyond. And this initiative supports Caterpillar's enterprise strategy highlighting "China" as another "Critical Success Factor".

At the opening ceremony Lawrence Poh, Managing Director, Lei Shing Hong Machinery Ltd, declared: "We share the joy of Caterpillar Marine Asia Pacific moving to a new office and making us neighbours. With the combined strength of both organisations, we can offer our customers unmatched services under one umbrella. This is definitely a great stride in achieving marine service excellence."

Florian Gruber, Managing Director, Caterpillar Marine Asia Pacific, added: "For the first time we can offer our visiting customers a convenient location where they will find the whole range of marine-related services Caterpillar has to offer. Both teams for the MaK and the Cat branded marine products are working together and forming a focussed facility of marine expertise. There is no better way to demonstrate our values of commitment, excellence and teamwork."

**Characters: 5,475**

**Pictures available on request:**

- 1.) Caterpillar Marine Centre Shanghai**
- 2.) Opening Ceremony with Florian Gruber and Lawrence Poh**

**About Caterpillar Marine Power Systems**

Caterpillar Marine Power Systems, with headquarters in Hamburg, Germany, brings together all the sales and service activities for Cat and MaK branded marine products within Caterpillar Inc. This organization provides premier marine power solutions (high and medium speed with outputs from 11 kW to 16,000 kW) and customer service from a single source for the global ocean-going, commercial and pleasure craft markets. The Caterpillar Marine Power Systems sales and service network includes more than 2,100 dealer locations world-wide and is well positioned to support customers wherever they are.

More information is available at [www.cat-marine.com](http://www.cat-marine.com) or [www.mak-global.com](http://www.mak-global.com).

**About Caterpillar**

For more than 80 years, Caterpillar Inc. has been making progress possible and driving positive and sustainable change on every continent. With 2006 sales and revenues of \$41.517 billion, Caterpillar is a technology leader and the world's leading manufacturer of construction and mining equipment, clean diesel and natural gas engines and industrial gas turbines.

More information is available at [www.cat.com](http://www.cat.com).

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