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Outperform

Growth in the mining industry drives demand for Henkel's polymer composites products

Over more than a decade, the Henkel Adhesive Technologies business in Australia and New Zealand has achieved significant sales growth in the mining sector, particularly through its polymer composites product range.

Eugene Robinson, Steering Business Unit Manager, General Industry Adhesives (AG), Australia and New Zealand, explained that the Henkel Maintenance, Repair and Overhaul (MRO) sales team



has been able to deliver innovative and cost-saving solutions to the mining industry, which has expanded the mining sector into a multi-million dollar business for Henkel.

“We now have the Loctite range of products in all major mine sites across Australia and New Zealand, and this is because we have proven unparalleled performance of our products as well as provided significant cost savings to the mining companies,” said Eugene.

A large part of this growth occurred since 2012, when Henkel embarked on a strategic program to establish a national applicator network with companies that had certified access to the mining market. If Henkel was going to have its products used in these mining sites it needed to supply and train companies that has approved access to the mines.

Shane Carney, AG Business Development Manager, Henkel Australia, explained that this was not a matter of just finding companies, training them and giving them products to use. The partnership was more complex and required investment and understanding by both parties.

“Firstly we had to convince the end users such as BHP and Rio Tinto that the Loctite and Teroson products provided better performance and cost savings to them. This was done by presenting them with documented trials as well as having engineers on-site to show them how well the products worked. Once the mining companies were on board, they started recommending our products and training materials to the applicators, which then looked at Henkel seriously as a materials supplier,” said Shane.

Henkel started off by targeting three companies in New South Wales in 2012, and now has seven accredited applicators. The team aims to achieve the target of having 10 accredited applicators by the end of the year.

Shane shared that once the partnership is in place, it starts with technical training where Henkel staff visit the company's premises and train them in Henkel's technologies and products.

"We keep in close touch with our certified applicators because there are always new employees to train as well as products and technologies to showcase. We believe in nurturing long-term, mutually beneficial partnerships," said Shane.

In the past three years, sales for polymer composite products have doubled and with the total market in Australia worth \$50 million, there is plenty of room for more growth.