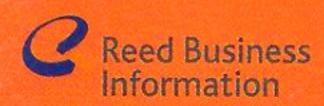
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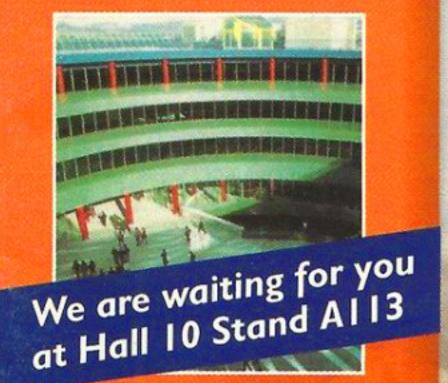
May 2003

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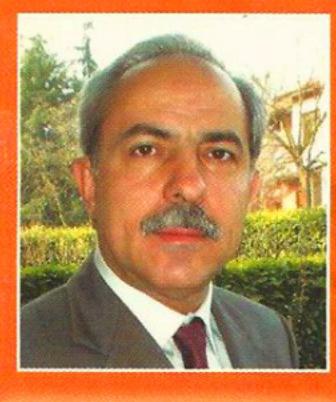
Events

Motortec 2003: the aftermarket world meets in Madrid



Interview

Ghassan Zu'Mot talks about his import-export business



Events

Poznan Motor Show and Autosalon: **Piedmont** goes on show



Automotive replacement spares

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aman-to-man business

orn in Jordan, although he has now been living in Italy for over thirty years, Eng. Ghassan Zu'Mot is one of the founders of Elstar Srl, a company based in Turin's hinterland which was established in 1997 by a group of people with a long experience in the manufacturing and sale of commercial and industrial vehicle spare parts and components. Specialising in import-export right from the start, Elstar quickly gained the trust of numerous customers and suppliers, so much that, approximately a year ago, it became exclusive distribu-

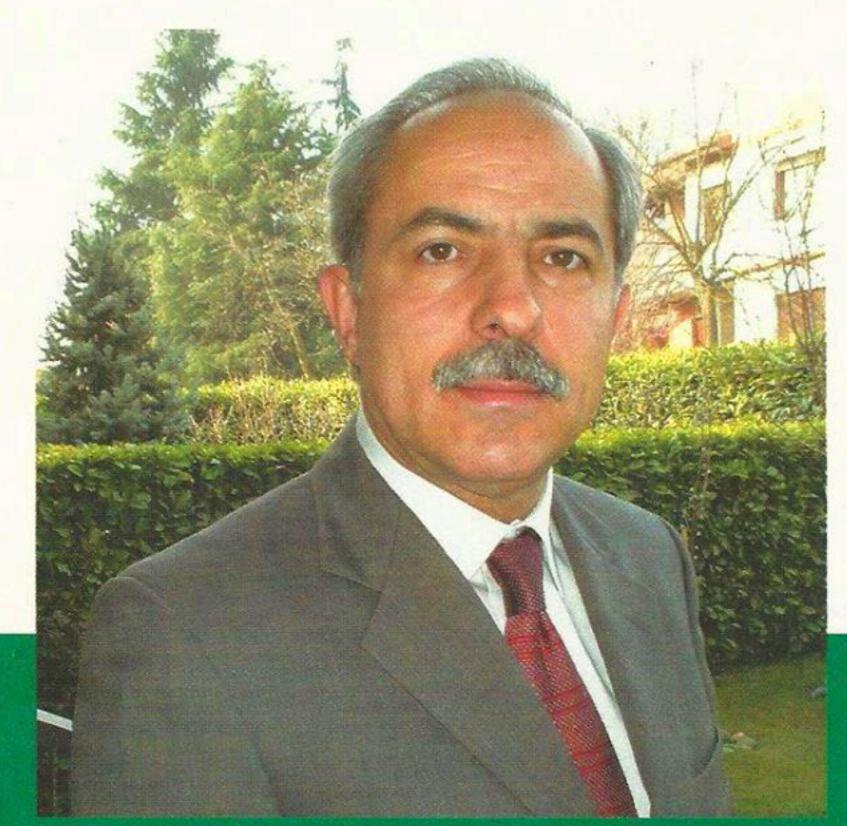
tor for the Italian market of suspension parts by the well-known Brazilian company Cofap.

Ghassan Zu'Mot is the company's managing director and we asked him a few questions to learn more about his business and Elstar's peculiarities.

In which field does the company operate?

Elstar specialises in the importing and exporting of car components for both the original equipment and the aftermarket sectors. With regard to imports, we have several suppliers, including Brazilian man■ by Lucia Erba

GUARANTEED-QUALITY
PRODUCTS, A DEEP
KNOWLEDGE
OF THE REFERENCE
MARKETS, FLEXIBILITY
AND COMMERCIAL
INTEGRITY: ACCORDING TO
ENG. GHASSAN ZU'MOT,
MANAGING DIRECTOR
OF ELSTAR SRL,
THESE ARE
THE MAIN INGREDIENTS
FOR SUCCESS
IN THE IMPORT-EXPORT
BUSINESS.



GHASSAN ZU'MOT, ELSTAR'S MANAGING DIRECTOR

IDENTITY CARD Company Elstar Srl Via della Masolina, 22 10040 Piobesi Torinese (TO) - Italy Address +39 011 965 01 08 +39 011 965 00 74 Phone elstar@net-media.it Fax www.elstarsrl.com E-mail suspension parts, engine parts Web site and electrical parts Products Foreign distribution channels wholesalers Countries or reached Areas Europe (EU and non EU), Northern Africa, Middle East, South America.

ufacturer Cofap, from which we purchase suspension parts such as shock absorbers, gas springs, CV joints, suspension arms and brake pads (for Cofap we are exclusive distributors in Italy) and Mahle Cofap Anéis, which supplies to us mainly piston rings. These imported products are completed by the Italian products, for which we are exporters, such as the range of glow plugs which we market under the Elstar and Royal trademarks. Today, our products reach over 25 countries, especially in Northern Africa, Eastern and Western Europe, the Middle East and Latin America. Currently, exports account for approximately 70% of our turnover.

For certain categories of products, such as piston rings and glow plugs, our product ranges are extremely wide and provide for all applications: from motor hoes to earth-moving machineries and from cars to commercial, industrial and agricultural vehicles, whether they are made in Europe,

Asia or America. Our suspension parts provide for a large range of cars, especially European ones.

Which are Elstar's foreign customers?

Mainly wholesale importers, although in certain countries we also have "public sector" customers, such as government-controlled companies, transport companies, etc. We also make some original equipment supplies.

Since we have a diversified product range, in certain countries we have many importers, depending on the type of product and the importer specialisation, although in others we

WHEN A FOREIGN CUSTOMER
GETS IN TOUCH WITH ELSTAR,
THE COMPANY IMMEDIATELY
DISPATCH THE COMPLETE SERIES
OF CATALOGUES AND PRICE LISTS
REQUESTED BY COURIER.

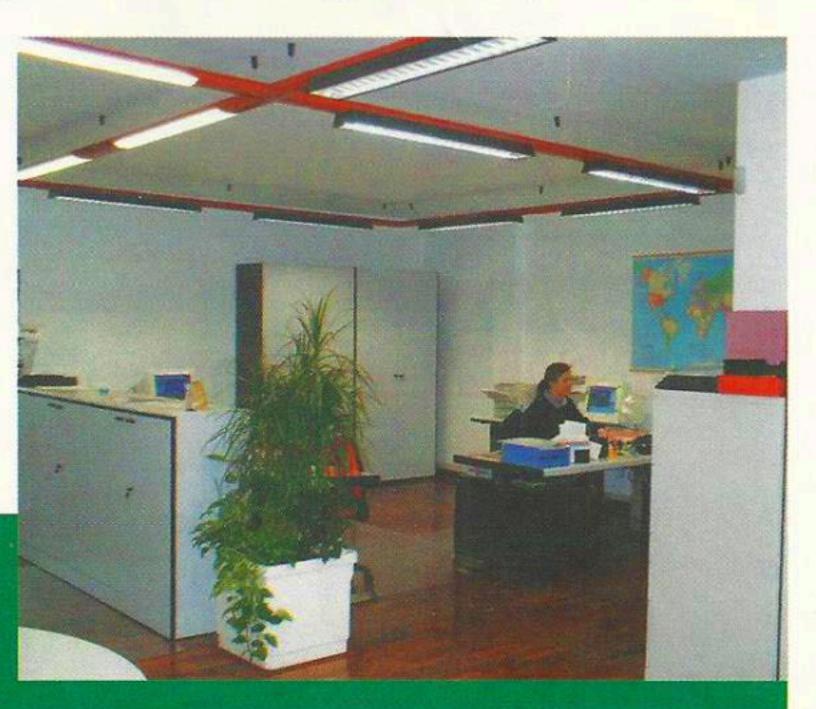
have a single contact. In some countries, such as Egypt and Algeria, the wholesalers specialise in specific car markets, while in other countries, the distribution market is made up of small spare part dealers which buy and sell several car makes.

Are there any remarkable differences from one country to another?

Huge differences, both in terms of



ELSTAR'S OFFICES IN PIOBESI TORINESE, IN TURIN'S HINTERLAND, AN AREA WHICH HOSTS A LARGE NUMBER OF COMPANIES RELATED TO THE CAR WORLD.





HAVING A WELL-STOCKED WAREHOUSE, STORING DIFFERENT TYPES OF PRODUCTS, ALLOWS ELSTAR TO RAPIDLY EXECUTE ORDERS OF VARIOUS ITEMS, IN A SINGLE DELIVERY.



THE COMPANY'S STAND AT THE LATEST AUTOMOTOR,
THE MOST IMPORTANT ITALIAN EVENT
FOR THE OEM, AFTERMARKET AND ACCESSORY
SECTORS.

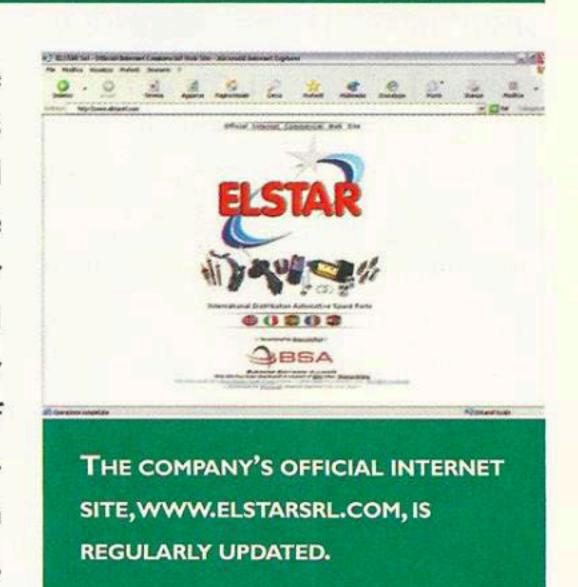
import regulations and distribution organisation. There is no Northern African or Middle Eastern market which is in any way similar to the European single market. Each country has its own procedures and problems in terms of currency, origin certifications, consular visas or custom duties, which vary also depending on the origin of the goods. Exporting is not as easy as it may seem. Obtaining orders is not enough: you need to know the individual markets very well, in order to be able to make the correct move and guarantee the delivery of the right product in the right way.

Are specific standards required for the individual products?

In Egypt, for example, specific quality certifications are required for certain components. Piston rings or shock absorbers must obtain a cer-

tification stating their compliance with specific technical standards before they can be imported and marketed inside the country. These certifications are issued only after the products have passed chemical and mechanical tests carried out by the local department in charge of import quality controls. In the attempt to win the price war which has been going on for quite a while, some manufacturers try to produce at lower costs, and therefore with lower quality, in order to be able to compete in certain markets. However, the low quality of certain components may negatively affect driving safety. The effort made by certain countries like Egypt to avoid becoming a "rubbish bin" by imposing specific regulations deserves a lot of respect.

Thanks to these rules, we have always been able to maintain and increase our sales.

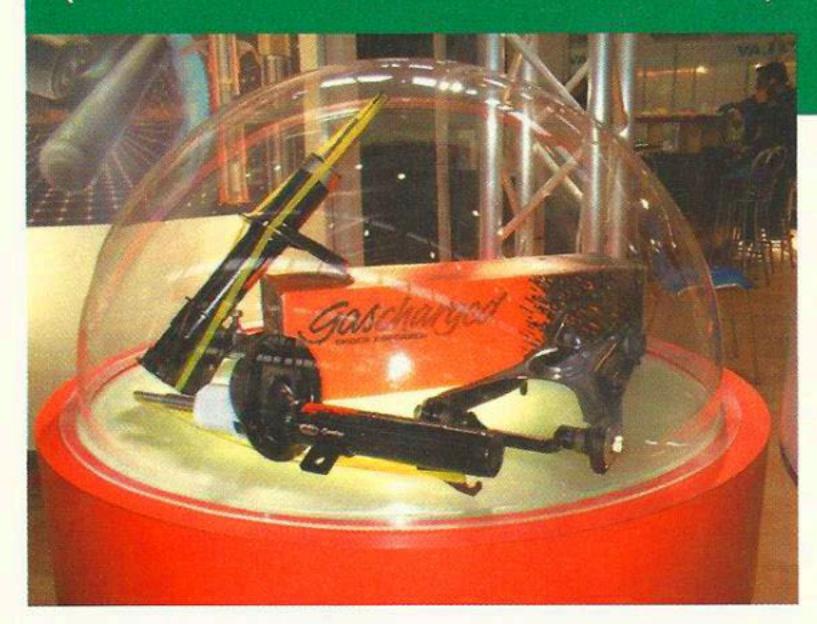


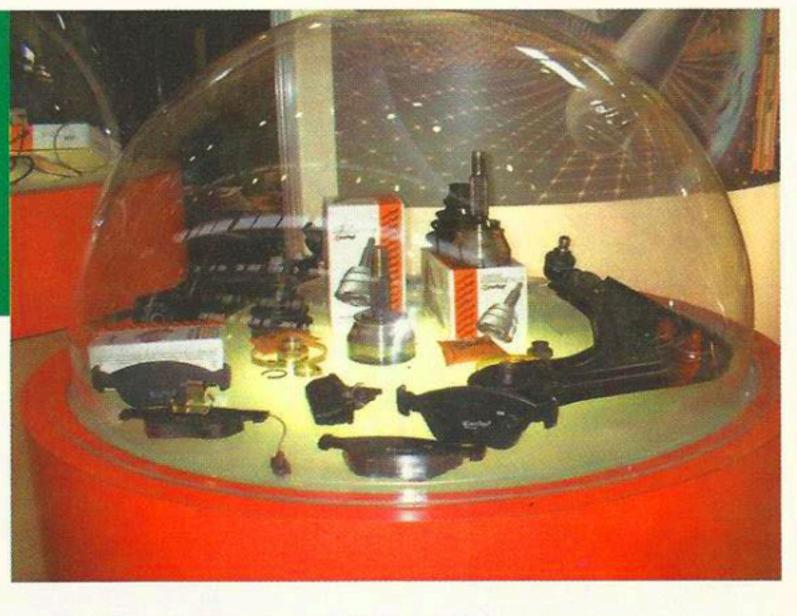
Let's get back to Elstar. How do you manage your orders?

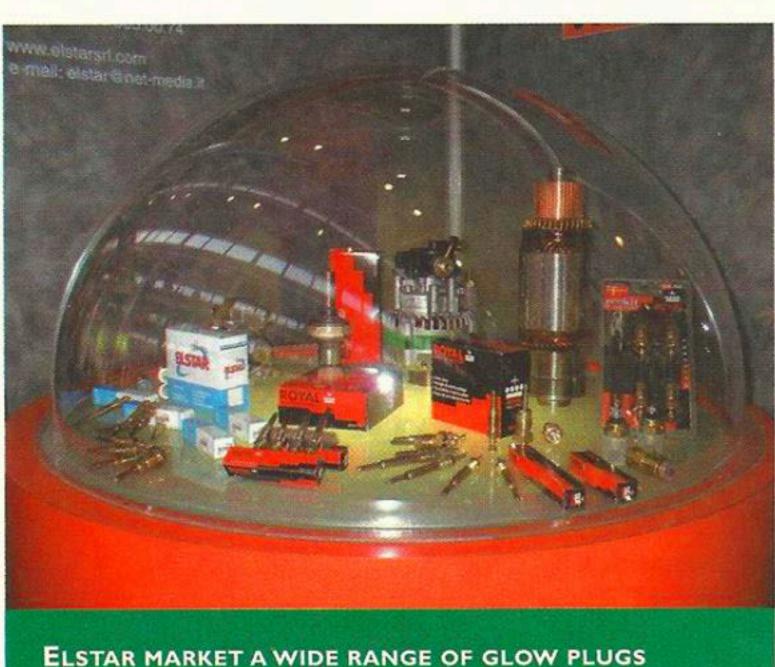
Having a well-stocked warehouse, storing different types of products, allows us to rapidly execute orders of various items, in a single delivery. Many customers find it is too costly to purchase from different suppliers through different imports and therefore our service is largely appreciated, also because our order execution times are normally quite fast, with aver-

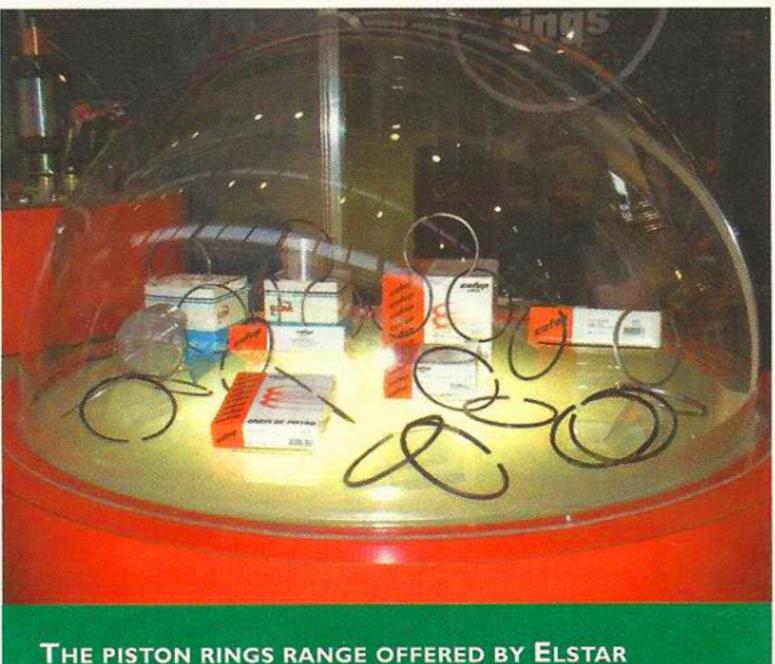


THE COMPANY DISTRIBUTES SUSPENSION PARTS BY
BRAZILIAN MANUFACTURER COFAP: SHOCK ABSORBERS, GAS
SPRINGS, CV JOINTS, SUSPENSION ARMS AND BRAKE PADS
(FOR WHICH ELSTAR IS EXCLUSIVE DISTRIBUTORS IN ITALY).









THE PISTON RINGS RANGE OFFERED BY ELSTAR
IS EXTREMELY WIDE AND PROVIDE FOR ALL
APPLICATIONS: FROM MOTOR HOES TO EARTH-MOVING
MACHINERIES AND FROM CARS TO COMMERCIAL,
INDUSTRIAL AND AGRICULTURAL VEHICLES,
WHETHER THEY ARE MADE IN EUROPE,
ASIA OR AMERICA.

age delivery times for exports ranging from 30 to 60 days. Obviously large orders must be planned in advance.

UNDER THE ELSTAR AND ROYAL TRADEMARKS.

Can you tell us another strength of your company?

The direct, personal and immediate relationship which we are able to offer to our business partners. When a foreign customer gets in touch with us, we immediately dispatch the complete series of catalogues and price lists requested by courier.

Many customers have told us how pleased they were to see our catalogues on their desks only two days after contacting us. We invest a lot in this, because we believe that customers must have an immediate reply.

In my opinion, a well-informed business manager, able to supply important information in a fast and comprehensive manner, already develops 50% of a company's business. Our foreign department is able to execute requests in English, Spanish, French,

German, as well as Arabic, the latter being a crucial factor which should not be underestimated, as it enormously facilitates relations with customers speaking this language, which is hardly ever understood in the Western world.

Since it is not very large, our company is very flexible and formality-free. It is easy to reach the right person and order procedures are much simpler. Our customers are used to a direct and immediate telephone contact. When working with countries

whose commercial systems rely on very few organised structures, standardisation is impossible and personal relations become fundamental.

What commercial tools do you use?

Besides paper catalogues, Elstar uses other communication means to reach the spare part market, including the company's official internet site, www.elstarsrl.com, which is regularly updated, the e-mail, adverts on trade magazines, the on-line catalogues which will soon become available for use, personal relations and regular visits to the various countries.

We also exhibit at the most important trade fairs and events: Automechanika in Frankfurt, EquipAuto in Paris and Automotor in Turin.

How is the market doing, in your opinion?

From 1997 to date, the market has undergone many changes. We have witnessed a general renewal of the car fleet, which has obviously affected our business. This phenomenon has concerned Italy as well as Northern Africa and many emerging countries. One of the reasons behind it is the elimination of some custom duties. In certain countries, import taxes were so high that buying a new car was impossible. In Jordan, for instance, customs duties have been significantly lowered and many old cars which had been going for years have now been scrapped and, as a consequence, our sales -linked to the spare-part market- have decreased. Now the situation is at a standstill,

although my personal opinion is that there is a slow recovery.

Why do you think your customers have chosen your company?

First of all for our products, but, I think, also for the integrity, assistance and service which we offer to every customer. Commercial integrity is the main concept in our business. Customers must feel secure and safe, everything else will come.

What is your biggest satisfaction at work?

Providing customers with what they really need, and hear them say, often with surprise: "all you said to me was right". It has happened to me more than once, and I must admit that every time the satisfaction I feel largely pays back for the hard work.

