



Since its inception 30 years ago, Bandag has become a familiar name throughout South Africa, offering superior tyre solutions and services in the face of rather high tyre replacement costs. TRACEY WRAIGHT discovers that fleet owners and operators – practically anyone who has their truck tyres firmly on the tarmac – can benefit from the 37 Bandag factories and 12 Bandag Truck Service (BTS) outlets throughout southern Africa

The South African operation of the pedigreed Bandag Incorporated retreading family is certainly one worth writing about. Bred on American shores, the company is a world leader in the retreading industry – boasting a global footprint over five continents. However, during December of last year, an even greater legacy began taking shape. Bandag SA announced that, by way of a management buyout, Bandag Incorporated's South African operation was to become locally owned. Letterheads and business cards were replaced, blazing the outfit's new, proudly South African name – Bandag Southern Africa (Pty) Ltd.

In light of the fairly chaotic trend that has recently assailed the tyre industry, a buyout of this magnitude was certainly enough to send a few ripples down the telephone lines. But the transaction begs questions as to what was responsible for the buyout, whether the move has had a positive or negative effect on the local operation, and what role the new company's global parent will play. To address the last question first, John Laskarides, managing director of Bandag Southern Africa, clarifies the situation: "Bandag Incorporated remains an integral part of

the business by way of funding, and through our licensing agreement, which remains intact and allows the mother company to audit Bandag Southern Africa three times a year – with respect to brand image and the like. In addition, Bandag Southern Africa will be benefiting from any current and future research and development via pre-negotiated royalty fees."

Considering Bandag's notable global presence, the South African operation is rather small in terms of market contribution. Though undersized in the grand scheme of things, the South African market must receive special treatment, and cannot be homogenised to meet the world common denominators. "The South African market is faced with a set of unique challenges, such as HIV/AIDS and broad-based black economic empowerment (BBBEE)," says Laskarides. "More importantly, South Africa enjoys a singular corporate and business culture, one that defies coalescence. Our American-based partners operate under a series of tight restrictions, which ultimately prohibited a vibrant and flexible approach in South Africa. It made matters such as



Through Bandag's Emergency Tyre Assistance (ETA) programme, clients can make use of the company's mobile unit – anywhere, anytime.

implementing BBBEE, finding a meaningful way to meet government regulations, and fulfilling our obligations as a South African business, all but impossible. In a sense, there was no other way than through this agreement. The end result is of satisfaction to both parties." So much for the first question.

Bandag has always asserted its independence, and has encouraged the same entrepreneurial spirit in every Bandag and BTS franchisee. The buyout agreement further facilitated the force that has become its trademark. "The most important advantages that have been identified include flexibility in decision-making, which has provided us with the ability to structure our internal organisation precisely in accordance with market needs, trends and expectations."

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To consider the final question, Bandag Southern Africa looks set to be greater than it was before. Not only can it draw from the expertise of its global family heritage, but it is also capable of fulfilling all the individual needs of the South African market. Moreover Bandag is both ISO and SABS accredited – the first within the International Bandag group to comply with ISO 9001 (concerning quality management and customer satisfaction), ISO 14001 (aimed at environmental management and the pursuit of minimal harmful effect) and OHSAS 18001 (focusing on occupational health and safety management in terms of risk control). On top of the kudos borne by the name Bandag, these respected acronyms illustrate Bandag Southern Africa's commitment to best practice.

It is blatantly apparent that the costs involved in running and maintaining a single vehicle are high – never mind an entire fleet. In most cases, the cost of new tyres is exorbitant, leaving operators desperate to secure savings. This is the niche in which Bandag has positioned itself as a provider of tyre solutions. Bandag is the leading tyre retreading company in the world. In addition, its unwavering commitment to its clients and its firm belief in the importance of quality retreads has gained the brand popularity across the length and breadth of southern Africa.

In an environment where product and service can be turned into commodities overnight, Bandag decided to innovate rather than imitate. As a retreading specialist, Bandag saw, as far back as 1999, the strategic need to augment its product, and thus created a value package that would benefit fleets directly. In addition to the launch of its premium tread range – Application Specific – Bandag introduced tyre-management software solutions such as ProFleet and ProWheel, and also created innovative on-site programmes to quantify and improve tyre decisions at fleet level. Bandag's product philosophy is crystallised in its Application Specific product line, which enhances critical areas of tyre performance without technical compromises.

Remaining true to its customers' needs has certainly stood Bandag in good stead. The company offers far more than merely a recapping service. Bandag's fleet department has been making inroads into a blue-chip transport client base that requires a genuine value-added service partner rather than just another commodity supplier. Being the custodian of thousands of rolling wheels allows Bandag to monitor, maintain and manage clients' tyres from cradle to grave, using its tyre



With the assistance of 37 Bandag factories and 12 BTS outlets, clients' vehicles are kept on the move.

management tools and programmes. The ultimate aim is to minimise tyre-related expenditure by formulating an appropriate tyre policy for each client and helping them optimise their tyre usage.

But computer software programmes are not Bandag's only boast. Its entire retreading and inspection process is completely unique within the industry, and it all starts with the legendary non-destructive

inspection (NDI) unit. By utilising NDI technology, the dependability and reliability of a retread can be dramatically increased – the initial eye inspection is outclassed by the system's ultrasonic accuracy. NDI inspects the tyre using superior technology, to ensure that the casing has the integrity to withstand another life as a retread. The machine picks up any flaws that might have been missed by human inspectors, minimising the risk of tyre breakdowns and reducing the chance of downtime. The reason for such a thorough inspection of the tyre prior to recapping is that tread rubber, whatever its quality and processing, is only as good as the casing to which it is applied.

When one considers that the average transporter in South Africa will break even at 94-percent fleet utilisation, it is clear that uptime remains a key factor in achieving profitability. "Essentially, we focus our attention on ensuring that our customers' uptime is at its optimum, thereby enabling the business to be run more profitably and with peace of mind," remarks Laskarides.

Murphy's law dictates that everything will go wrong at the most inopportune time, and, in the case of a long-haul operation, this invariably means a tyre blowout away from your home turf. Through the Emergency Tyre Assistance (ETA) programme, a driver will be assisted in replacing or maintaining his tyres by any of the 179 registered service providers. ETA is the most comprehensive and highly reactive breakdown service offering in South Africa, operating on a 24/7 basis to ensure that trucks are never stranded.



Ensuring the reliability of the retreaded tyre, the Bandag factory inspects every casing before it is retreaded.

It is no wonder that Bandag is a respected name. Despite the multitude of upheavals in the industry at large, Bandag seems to have remained rock solid in its commitment, service and product offerings to the South African market, and will continue striving to outlast, outclass and outperform. ❖



Staff dedication, combined with sophisticated technology, has earned Bandag a reputation as a leader in the retread industry.