

CASE STUDY ENERGY TULSA HEATERS



INTRODUCTION

The importance of testing new target markets and staying flexible before taking long-term decisions is well understood by EuroDev. Therefore, we offer introduction programs which enable North American companies to familiarize themselves with the European Energy industry prior to making any longer term investments. With market research, lead generation, and potential client visits together with our principals, the opportunity to grow in Europe is validated in a cost-effective and reliable way. This case study provides an overview of EuroDev's services and shows how an introduction program is applied in a specific context. Below, the collaboration with a US manufacturer of fire heaters is outlined through the different market-entry phases.

THE COMPANIES' EXPANSION AMBITIONS

Since 1985, Tulsa Heaters Incorporated (THI) has been one of the world's leading designers and manufacturers of fired heaters, waste heat recovery units (WHRU's) and complementary systems. THI had strong international ambitions, fed by positive market responses received through tradeshows they visited in Europe. However, the company had been following a direct-to-market strategy, a time-consuming and complex process. Additionally, the location of the factory posed a managerial challenge due to the time zone and language barriers, as well as limited visibility of overseas' markets and channels. They soon realized that establishing a durable business footprint in Europe would require a local presence and dedicated effort.

MARKET ENTRY PHASES

ACCELERATING EU SALES THROUGH EURODEV

Since 1996, EuroDev (The European Business Development Group) has helped over 250 mid-sized North American companies become successful in Europe. This is structured through the EuroDev business model: a unique sales outsourcing partnership in which EuroDev business development professionals are assigned to represent the North American manufacturer in the complex EU market space. The project team acts on behalf of the manufacturer as their EU sales team – thereby establishing their European office. **In 2005, Tulsa Heaters Europe opened office.**

GAUGING THE MARKET & SCOPE OF WORK

To establish and embed industry specific knowledge within the THI Europe team, a brief market research was performed. The market research phase included lead generation based on the market entry focal areas. The THI Europe team engaged with the target audience and initial feedback highlighted the importance of a local manufacturing process. Part of the scope of work included qualification of three potential manufacturing partners in the Eastern European region. The team visited the companies with Tulsa Heaters' senior leadership and have been shortlisted for future projects.

Using the data gathered during the market research, the team was able to make strategy recommendations. In brief, they contained the following angles:

- ✓ **Secondary Market Entry focus**
Secondary focus on floating production storage and offshore companies (FPSOs).
- ✓ **Primary Market Entry focus**
Initial focus on large distributors engineering procurement companies (EPCs).
- ✓ **Tertiary Market Entry focus**
Secondary focus on floating production storage and offshore companies (FPSOs).



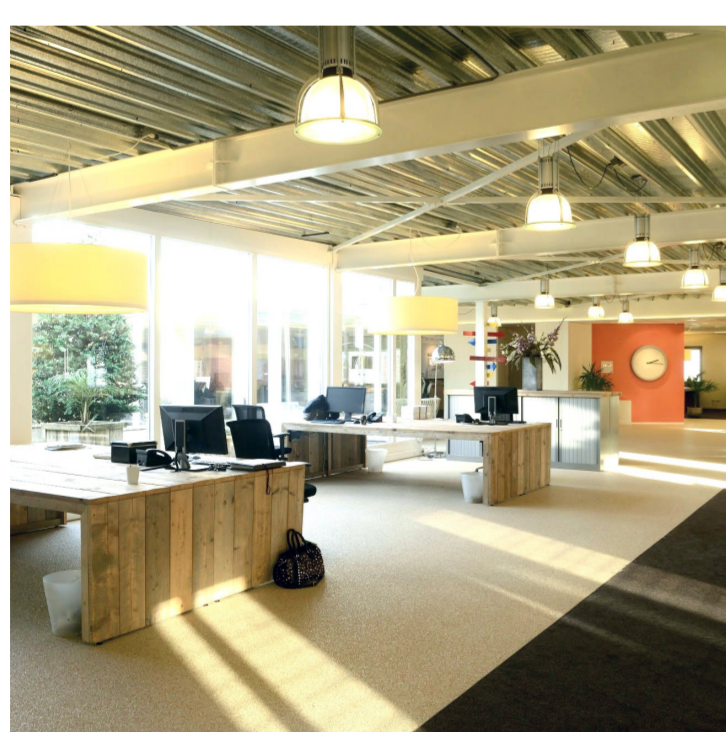
PROVIDING IMMEDIATE BUSINESS VALUE

Providing immediate business value

During the first year of the partnership, the THI Europe team established contact with targeted EPCs, resulting in a stable RFQ stream and opportunity pipeline. These potential clients were visited by the engineering experts from the Corporate Office in Tulsa, as well as the THI Europe team independently. A direct revenue result of these efforts was achieved during the second year of the partnership: a 2 million USD order through an Engineering firm in the Netherlands. Revenue growth continued in the years following, divided over larger engagements and a steep increase of the number of orders places. Other marketing initiatives included an active approach of the Gas Turbine industry (which included Siemens and Rolls Royce). This resulted in informative lunch & learn events where solutions were positioned for offshore platforms and FPSOs.

Other initiatives taken by THI Europe have included actively recruiting participants for the *Fire Heaters School* organized by Tulsa Heaters Inc at the corporate headquarters. Every year, various European participants have received this training, thereby strengthening the relationship with companies in Europe.

Did you know?
Tulsa, Oklahoma is the 47th largest city in the United States. The Mid-Continent Oil and Gas association was founded in Tulsa in 1917, at that time Tulsa called itself "The Oil Capital of the World".



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WHY CHOOSE EURODEV?

EuroDev, established in 1996 with offices in The Netherlands and France, has a single, defining purpose to help mid-sized American companies expand their business in Europe. We have developed a proven, successful development model: since our founding, we have partnered with over 250 North American companies to help them define and meet their European business goals.



SALES OUTSOURCING
Dedicated sales and marketing teams for North American manufacturers who want to expand in Europe



HR OUTSOURCING
Professional employer organization services, HR management and recruiting solutions across the EU



M&A CONSULTING
Comprehensive buy-side services: research to deal-closing, for companies interested in European acquisitions