

JANUARY 29 1980

TELEX: NEW MALDEN REGIONAL OFFICE

ATTN: R. STONER, JR.

ASSAFANI ARANA

CC: J. R. HUDNELL (SENT)

R. E. SNYDER (SENT)

MORITZ THOMMEN - 50231 (SENT) ✓

L. TRAPP (SENT)

MORITZ THOMMEN IS ENGINEERING SPECIALIST FROM
SWITZERLAND WHO IS WORKING IN OUR R AND E CENTER.
HE IS VERY FAMILIAR WITH R. MUELLER OF SAI, SA
EXPORT AND TRADING COMPANY/LUGANO SWITZERLAND. HE
HAS PERSONALLY DONE A LOT OF BUSINESS WITH THE
ABOVE MENTIONED PEOPLE AND I SUGGEST THAT YOU DO
GIVE HIM A CALL OR TALK TO HIM WHEN YOU ARE HERE
IN COLUMBUS ON EXT. 6249.

KEEP ME POSTED.

CLAUDE F.G. ELSEN

DIRECTOR WW DISTRIBUTION SERVICES

DIST/40924/6603

TELEX

TO: I. SPARK - NAIROBI REGIONAL OFFICE

CC: R. B. STONER, JR. - NEW MALDEN OFFICE

R. E. SNYDER (SENT)

C.F.G. ELSEN (SENT)

L. R. TRAPP (SENT)

RE: UGANDA DISTRIBUTION

RECEIVED FLWG. TLX. TODAY QUOTE: OUR SISTER COMPANY IN UGANDA IS AT PRESENT EXPANDING ITS TRADING ACTIVITIES AND INTENDS TO COMPLEMENT ITS EXISTING RANGE OF EARTHMOVING MACHINES (FIAT ALLIS AND OTHER TECHNICAL REPRESENTATIONS) WITH AN AGENCY FOR AN INDUSTRIAL ENGINE. IT IS INTENDED TO SPECIFY THE SELECTED ENGINE AS THE STANDARD POWERPLANT FOR FUTURE ORDERS OF WATERPUMPS, GENERATING SETS, DUMPERS, ALSO SOLD THROUGH OUR COMPANY. IN ORDER TO ENABLE US TO BEGIN PRELIMINARY NEGOTIATIONS WITH INTERESTED MANUFACTURERS, WE WOULD APPRECIATE IF YOU WOULD INFORM US AT YOUR EARLIEST CONVENIENCE WHETHER YOUR COMPANY WOULD BE IN A POSITION AND INTERESTED TO MARKET YOUR EQUIPMENT IN UGANDA THROUGH OUR ORGANIZATION. BEST REGARDS. SIGNED R. MUELLER, SAI, SA EXPORT AND TRADING COMPANY, LUGANO SWITZERLAND. TLX 76757/MATCH/ OR 79316/SAISA/ UNQUOTE.

PLEASE ADVISE THE FOLLOWING:

- 1) THE TERMINATION OF ITC IN KENYA HAD ON CONTRACT WITH GML IN UGANDA.
- 2) YOUR REPRESENTATION PLANS FOR UGANDA.
- 3) ANY INFO YOU MIGHT HAVE ON SAISA PARTS MARKETING AND SERVICE FACILITIES/CAPABILITIES.
- 4) POSSIBILITY OF DEALER ARRANGEMENT.

THANKS AND REGARDS.

J. R. HUDNELL INTL

40852/8176

JANUARY 21, 1980



**Interoffice
Memorandum**

To: M. W. Howell - CMC-039 ✓

City: Columbus

Date: February 4, 1981

From: R. S. Campbell - 40804

Copies: A. Henderson - CMC-039 ✓

G. D. Nelson - 40217

I. Sparks - CMC-044

R. Stoner - CMC-039

M. Thommen - 20802

M. Wray - CMC-039 ✓

Subject:

I had a chance to talk to an engineer on the Small Engine Project by the name of Moritz Thommen. Moritz seemed to be an extremely well-informed engineer. He is Swiss and has been in the trucking business all of his life.

He brought up a couple of opportunities and some problems.

A company by the name of SAI - based in Lugano, Switzerland - is working on a deal for 400 trucks in Uganda. I think they also have a company by the name of Roko. They are currently the Fiat-Allis distributor. Rick, when you are in town, I would appreciate your giving Moritz a call to follow-up on this. If they order the 400 trucks with Cummins - which by the way they currently now prefer the 8V71 - they would like to be the Cummins Distributor. Vehicle preference is Autocar.

Moritz also has some good friends at Sauer who, he tells me, are considering dropping their own engine line and buying outside engines. From what he knows of our product line, the 10 litre would be best. The people to talk to at Sauer are Dr. F. Betschon, Vice President, and K. Kammerer, Product Planning. When Alan Henderson is here, I will ask him to talk to Moritz.

Moritz was extremely critical of our product planning and our ability to adapt engines to the European market. He seemed to accept the latest German test that said our engines were 18% worse than competition. While I think Moritz does not have all the information he ought to have, he does have some insights and does present a point of view we ought to consider.

He was also critical of the serviceability of our 10 litre engine. Mike, I think you ought to be able to develop a sales pitch that explains why the single cylinder head is not a major disadvantage compared to individual cylinder heads.

RSC/a

R.S.Campbell/jai

Vice President - International Businesses

Memorandum

To: R.B.Stoner jr- NMLA

From: I.W. Spark - CMC 044

Subject: ROKO TECHNICAL SERVICES UGANDA

City: **Nairobi**

Date: 27th February, 1981

Copies: R.S.Campbell - 40804
A.W. Henderson -CMC 039
M.W.Howell - CMC 039
G.D.Nelson - 40217
M.Thommen - 20802
M. Wray - CMC 039

This will record our discussions with Rolf Mueller of the above Company during his Nairobi stop-over on Saturday February 21.

RTS is a division of Roko Construction Limited which in turn is a subsidiary of SAI S.A. headquartered in Lugana, Switzerland. RTS hold franchises for -

Compair
Parker Crushers
Fiat Allis
Petter Diesels

and are looking for a truck franchise.

COPY

Roko Construction Limited own 9 white trucks with NTC-290 which have given good service, as a result RTS favour white and would prefer the Australian built vehicles believing they would be better suited to African conditions than the U.S. built product. He is also talking of assembling Wayne bus bodies in Uganda.

R. Mueller said he is in contact with Scania and would consider distribution if he can have them with Cummins power. He stated a preference for Detroit Diesel power because of experience gained when he worked for Swissair where he noted good interchangeability of parts. I pointed out that DDA's former parts commonality was no longer a valid issue since the introduction of new models (92 series) and of their poor durability in our area due to high sulphur fuel.

We discussed the possibility of RTS representing Cummins in Uganda and our past relationship with General Machinery Limited. We have no contractual agreement with GML and have subsequently learned they have paid off 8 expatriate in Uganda because the business climate shows no signs of improvement.

R. Mueller, on the other hand, expressed optimism regarding future business pointing out that Roko Construction Ltd. has several major projects in process of completion, expect to obtain several large contracts and have influential contacts. While RCL have lucrative contracts which in turn support RTS, trading companies such as GML are having a lean time.

Several construction projects are scheduled for release to tender which provide generator set opportunities - Saw Mills, Cotton Ginneries, Coffee factories.

R. Mueller expressed the opinion that in buying Petbow 100 KVA gensets at Pounds sterling 19,000 he had a good deal and that the price was low. I suggested that as a Cummins distributor he could have purchased a similar genset for the same number of dollars.

cont.2/....

We talked about mutual contacts in Ghana where SAI S.A. have a plant hire operation based on Fiat Allis equipment, called Plant Pool Limited. RTS plan to establish a similar operation in Uganda. Plans for development of RCL facilities in Kampala are being implemented to provide additional accomodation for RTS.

We pursued the report of a 400 truck deal for Uganda and were informed that no such big deals are being considered at this time although there is the probability of a 35-40 truck order. He also expressed the opinion that TAW International have little hope of making a truck leasing deal with the Uganda Government - their man was the former President Mr. Binaisa whose negotiation with TAW, when he was in power, were abruptly halted.

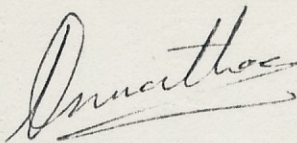
We had two good meetings and agreed that I should visit Kampala to see the Roko operations. Rolf Mueller and I agreed to keep in touch and decide when I should visit.

I believe we have convinced him that DDA is not a suitable automotive engine in this area. There is a good chance he will take on white but we need to be aware of the possibility that Scania would be selected. As far as I know we are not yet in Scania. I suggested he should contact Sisu if he wants to take on a Scandinavia truck line.

We have no obligation to General Machinery Limited and are therefore free to follow up on the Roko opportunity.

Will keep you informed of developments.

Regards,



I.W. Spark/nn

for Regional Manager - Mid-Africa.