

Gulf Today

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I am extremely pleased to have the opportunity to be able to share some of the recent progress we have made in China, which I hope will be both of interest and of benefit to you, the wider Gulf audience.

Warren Buffett has some noteworthy thoughts on the value of long term investment, which include the saying "Someone's sitting in the shade today because someone planted a tree a long time ago." So, when we talk about our strategic imperative: "2020 Vision", we want to invest for the long term, in order to build our brand reputation in the

Chinese market. This will bring us continual value, efficiency and cost savings. Growing the business and making the investment go hand in hand - they both mean making the best use of our resources, to allow us to reap the greatest benefits.

As is well known, China is currently one of the biggest lubricant markets in the world, and it is also a market that is changing very fast – driven on by lots of new technology. It's also the most intensely competitive market imaginable - there are more than 4000 lubricant brands. So how does Gulf outrun its competition and make a real difference for consumers? That's the constant challenge for the Gulf China team.

However, with Gulf's new Global sponsorship with Manchester United, and the hard work from the team, we have made a really significant step forward in China. Our volume will reach the historic level of 10 million litres in FY17 - an increase of 60% over last year.

Our industrial business has achieved excellent growth despite the very soft macro economic environment with lots of industries slowing down in China. With the cooperation with some well-known clients, we have established a good reputation in Hydropower, Steel Milling and the Paper Mill industries.

We're also working very hard on OEM business, because it's another effective way to improve our brand awareness. In FY17, we made the breakthrough with BAIC and FAW, who are two of the biggest players in China's automotive Industry. With the delivery of Gulf products into their franchised workshops, more and more consumers are becoming acquainted with Gulf brand.

The automotive aftersales market is also changing very fast in China - driven again by lots of new technology. This required us having to be more creative, to meet the challenge this offered. We launched the Gulf SUV oil in July last year, thereby becoming the first company to bring a specially designed SUV lubricant to the market - and it attracted real attention from both the market and the industry.

We're also very active in participating on various new platforms, like e-commerce, O2O, etc, in order to increase our brand exposure and enhance our brand's vitality.

It is vital to say, however, that without the passion and commitment of our people – and great teamwork - we could not have achieved any of this in China!

Big steps and small steps alike, will help move Gulf China forward! We're making the changes for success in China!

Arthur Liu

For and on behalf of Gulf Oil China



NEW DISTRIBUTORS AUSTRALIA

Gulf Oil International is delighted to announce that AR Distribution Pty Ltd, have been appointed as the Official Distributors for Gulf lubricants in Australia.

Based in New South Wales Australia, the business will be run by Michael Ridley-Smith and Phil Amos - both of whom, hitherto, have had held very senior positions in the lubricants sector in Australia.

The Australian market for oil products is undergoing a significant structural shift, with each of the previously dominant oil majors dramatically changing their local operations. Both of the principals involved with bringing Gulf to Australia know what it takes to secure sales

and have direct, personal relationships with many of the major decision makers in the key customer companies – as well as a wealth of experience to make a success of Gulf in Australia.

Welcome to the Gulf family!

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**GULF SET TO FUEL THE
NEEDS
OF SAUDI
MOTORISTS**

Gulf Oil International is delighted to announce that it has just appointed Logistics Investment for Commercial Services Company (IL) as the official licensee for Gulf Fuel Retail in the Kingdom of Saudi Arabia.

IL are very ambitious with their aims in Saudi Arabia and have targeted developing more than 300 service stations, which will have state-of-the-art convenience stores and car washes.

The network will be built via acquisition, as well as by setting up new stations in areas under development. In addition they will seek to offer management and operation contracts to private station owners who would then run under the Gulf brand and we wish them every success in establishing Gulf's presence at retail in the Kingdom.

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SUV OIL NOW LAUNCHED

IN MIDDLE EAST

Gulf became the first oil company to launch an SUV-specific oil last year. Aimed initially at the Chinese market, where it is proving popular, it has now been adopted and launched in the Middle East.

In February, with the assistance of Manchester United Legends, Dwight Yorke and Peter Schmeichel, the SUV oil - Gulf Formula ULE 5W-40 - was officially unveiled, for the region in Dubai.

Initial reaction was extremely positive and the launch achieved good coverage, not only in local media, but also across the Gulf states. With the increasing global popularity of SUVs the new oil must surely offer an excellent opportunity in many other countries around the world.

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NEW SUPERBIKE SEASON HERALDS NEW GULF LUBRICANT OPPORTUNITIES

The start of the 2017 World Superbike Championship (SBK) at Philip Island also saw the announcement of the expanded range of Gulf Syntrac 4T Superbike oils.

Last year, Gulf launched the Syntrac 4T Superbike range with a 10-W50 oil and this year,

in response to the requirements of the motorcycle market, Gulf has a new variant of Syntac 4T Superbike, a 15-W50 grade oil, meaning that high performance bike owners now have a Gulf option that will be in-line with their manufacturer specifications.

There is new packaging for both variants – the 10-W50 featuring the Althea BMW and the 15-W50 the Milwaukee Aprilia and both oils are now available to order – in either 1 or 4 litre packs.

There is also a fabulous sleeve for Gulf's large oil barrels that showcases all four of the Gulf sponsored bikes on it and is a worthy addition to any motorcycle dealership or workshop – the artwork for which can be seen below.

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GULF DRUMS UP A BAND

(OR SEVERAL!)

The Gulf Manchester United Special Edition oil drums are, by common consent, a striking way to store your Gulf Oil, however, recently a new use for them has come to light... as musical instruments!

First up was the steel-drum band pictured above, which performed at a fuel station in Jordan, while at a distributor event in China Gulf drums were used in more of a traditional Chinese manner. Watch the video clips and compare them...

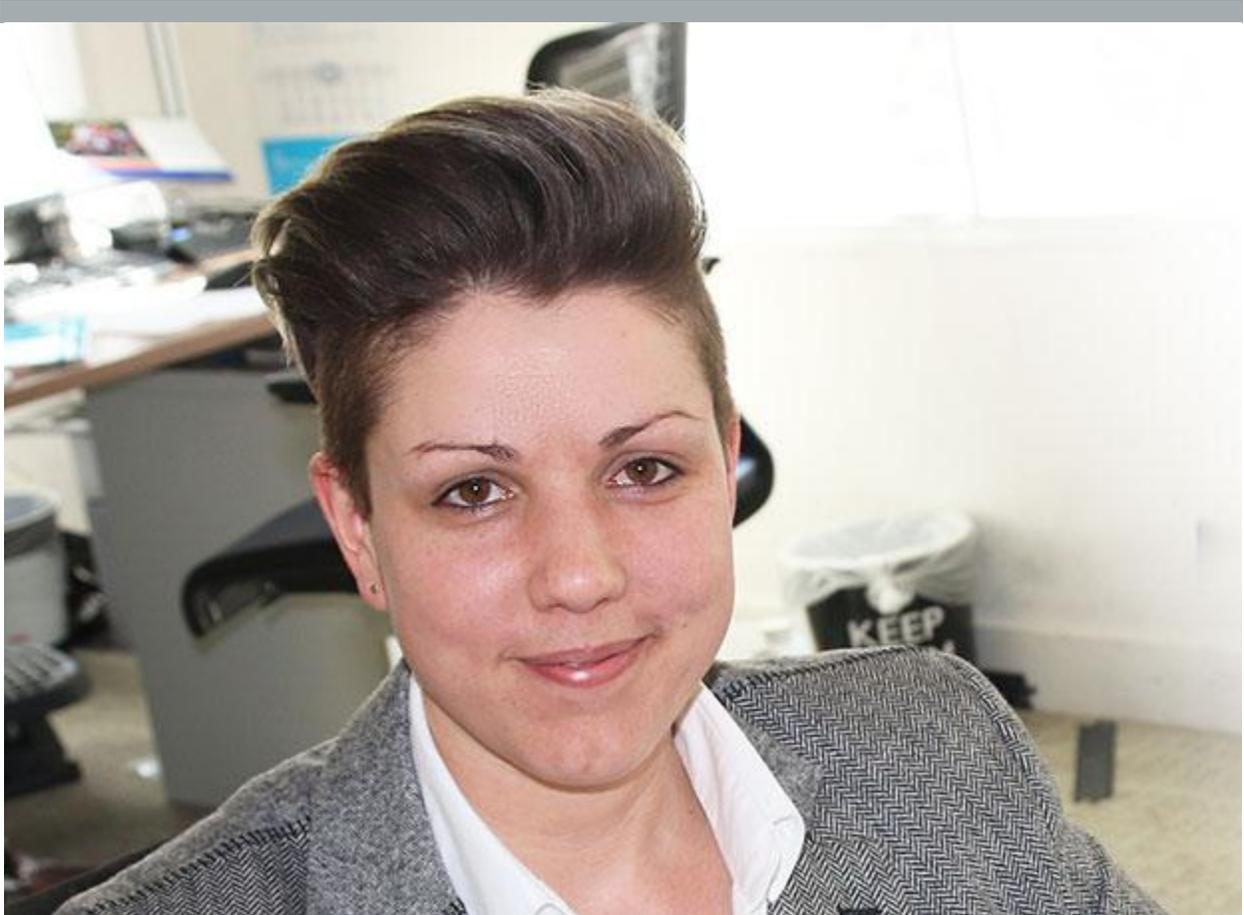
In the meanwhile, the Gulf marketing department has heard tell of more Gulf drum bands in the offing. We look



forward very much to receiving - and being able to share - more Gulf drum music in upcoming editions of Gulf Today, so please keep sending your recordings to us.

The full promotional marketing pack is now available on the Gulf extranet.

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WELCOME ELZANNE

Gulf Oil International is pleased to introduce Elzanne Kroese, who joins the GOI UK team in the role of Marketing Coordinator.

Hailing originally from South Africa, Elzanne gained experience in admin roles before moving to Abu Dhabi in 2011. There she spent five years as Marketing Coordinator with Abu Dhabi Motors and was responsible for BMW – cars and bikes - Rolls-Royce, Alpina and Mini.

Elzanne moved to the UK at the end of 2016 and joined Gulf in January. She is likely to be first point of contact on most general marketing matters and we welcome her to the Gulf family and wish her every success in this new role.

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INSPIRATIONA

L MARKETIN G

Over the traditionally quiet months – for oil sales - of November and December, Gulf's Danish distributors ran a promotion and B2B competition in one of Denmark's major supermarket chains, using the Gulf-Manchester United product range.

Normally, the best time for lubricant sales in the country is at the start spring and before the summer holidays. This idea of the promotion was to see if it was possible for them to sell increased quantities of oil in this winter period.

The end result saw more than five and a half thousand sales amounting to more than 22,000 litres and it is easy to understand why the promotion worked so well when you look at the lengths the stores went to in promoting Gulf products.

Three shops won prizes – including the store that set up this incredible “Stadium” – complete with pitch and Oil Can teams of players.

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GULF SPORTING DIARY FOR MARCH



ENGLISH PREMIER LEAGUE

Manchester United vs Bournemouth - Old Trafford - March 4th

Manchester United vs Middlesbrough - Riverside Stadium - March 19th



EUROPA LEAGUE

Manchester United vs FC Rostov - Olimp-2 - March 9th

Manchester United vs FC Rostov - Old Trafford - March 16th



FA CUP

Manchester United vs Chelsea - Stamford Bridge - March 13th



WORLD SUPERBIKE CHAMPIONSHIP

Milwaukee Aprilia and Althea BMW

Round 2 - Chang International Circuit, Thailand - March 10th - 12th

Round 3 - MotorLand Aragón, Spain - March 31st - April 2nd

BRIEFLY

GULF'S GREATEST TRIO REUNITED...



The London Classic car show featured a tribute to Jacky Ickx – the Belgian racing driver who won Le Mans 6 times – two of them in Gulf cars.

On the opening evening, Jacky was reunited the Gulf GR8 – the car with which he won Le Mans in 1975, (and which put Gulf into the Le Mans history books as the only sponsor ever to have its name officially recognised as being the designated name of a Le Mans winning car) and his Le Mans winning team mate, Derek Bell.

The GR8 was one of two cars from the ROFGO Collection of Gulf race cars, the second being the Brabham BT26 Formula One car that took Ickx to victory in the 1969 German Grand Prix.

CONGRATULATIONS TO:



Gulf's Sporting Partner, **MANCHESTER UNITED** on winning the English Football League Cup – England's first domestic trophy of 2017. Two goals from Zlatan Ibrahimovic and one from Jesse Lingard clinched a tight match against Southampton, the winner of the 3-2 final coming just five minutes from full time. The win guarantees European football for United next season and a more detailed report will appear in the next edition of Gulf Sport.



GULF OIL PHILIPPINES on the impending opening of the country's third Gulf fuel station, which is due to commence business in March.

GULF OIL BANGLADESH, whose recent expo stand not only featured a football skills performer but also several design elements that have already been requested for use by other Gulf businesses.



Industry Latest...

North Sea Brent Crude Oil prices were at \$55.08 a barrel at close of trading on March 2nd • The ICIS World Base Oils & Lubricants Conference in London in February raised the issue for debate that the time and cost of developing engine oil test and specifications has become excessive and uneconomical • **Sign of the times? According to the Japan Automobile Manufacturers Association, 2016 saw a marginal drop in Japan's total automobile sales and its output reflected this** • Gulf Oil Lubricants India Ltd share price (NSE) 681.60 Rupees (\$10.20) at the end of day's trading on March 2nd



Quality Endurance Passion

