

EUROTOOLS, S.A.

H E R R A M I E N T A S



Newsletter

October 2002

GRUPO **Snap-on**



A new warehouse, one of the sector's most modern

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With an aim to offering its customers a better service, Eurotools has invested 2.5 million euro on extending and updating its consignment warehouse at Aranguiz-Vitoria (Alava). It now contains 14,000 product references following the addition of new ranges of tools to the Acesa, Irimo and Palmera catalogues, and the incorporation of new brands like Z-Irigo and Wilmonda.

The project for its extension now means that it has an additional surface area of 1,000 m², and has afforded the possibility of reorganising the space in a more rational and efficient way. Eurotools's new warehouse, with a surface area of 8,640 m² and a volume of 50,053 m³, is one of the sector's most advanced in Europe.

World market, global service

In the market's current situation and in view of the more than probable future of our economic sector, there is no doubt that we need to be prepared.

In Eurotools we are clearly customer orientated. Consequently, just as they are in the process of changing their ways of operating in the market, we too are evolving to adapt to their needs. It is within this framework of a market undergoing continuous transformation that we situate our development plans for foreign markets. While continuing with our involvement in the traditional hardware sector, in recent years, we have increased our presence in the sphere of industrial supplies. Moreover, the specialisation of Eurotools' brands in sectors like the automotive industry, construction and electricity allow us to explore new market niches which open up new doors and opportunities for us on a world scale. In a world where the concept of global service is more and more important, Eurotools has one of the best offers in hand tools for professionals of all sectors.

We regularly collaborate with customers from 100 countries in all five continents and are currently drawing up plans for expansion in southern Europe, the whole of the Mediterranean arc, the Middle East and the American continent. All this while not forgetting the importance in our projects of the significant growth in the North of Europe and Asia, nor the incipient markets in Central and Eastern Europe. Another of our major concerns is with continuous improvement in the quality of products and customer service.

We are aware of the importance of both concepts, which is why we are constantly innovating our tools to make them more functional and useful for the work of professionals. In line with this policy we now offer a new ergonomic bi-material handle for our chrome plated pliers, and other new products to be presented at Ferroforma 2002.

In a world scenario where borders are fast disappearing, agility and reliability in service are also crucial. Thanks to the updating of the consignment warehouse,



we shall gain in the speed of our response. In short, at Eurotools we, together with our esteemed customers, move towards an increasingly demanding future which calls for additional effort in professionalism and flexibility in business.

Miguel González Izaguirre
Head of Exports at Eurotools

The Ferroforma show returns to Bilbao

Eurotools will be present at the show with some new and interesting products and projects

Eurotools brands will be present at the show with some new and interesting products and projects. A new edition of Ferroforma, the International Trade Fair on Hardware, is once again with us and, as in previous years, Eurotools is to attend the show with important new products and interesting projects.

Acesa presents its new plier with bi-material handles, a new range of levels and laser levels, trowels with bi-material handle and a range of 1000V pliers.

In addition to presenting the Z-Irimo brand, Irimo is to attend Ferroforma with its innovative pliers with bi-material handles, new ratchets and a ratchet combination wrench. It is to be Wilmonda's first time at the



show with its now well known socket sets and with new products; a 1/4" 42 piece socket set, a 1/2" impact socket set with pneumatic wrench and three metal trays. Palmera is worthy of special mention as it is to present its new range of Dattel tools. Dattel is a new concept in tools and the range can be seen in its entirety for the first

time at the show.

At this edition, Palmera is to present bi-material handle pliers, screwdrivers, files, a hacksaw frame, a new line of measuring tapes, torque spanners, levels, allen key sets and bit sets. There is no doubt that Eurotools will attend this edition of Ferroforma with a very wide range of tools which are surprising in both design and quality.



2nd Anniversary of the Newsletter

Ferroforma 2002 coincides with the second anniversary of the Eurotools newsletter. This communication tool has gone down very well with our customers. This has encouraged us to continue working enthusiastically on this project, whose aim is to spread the latest and most interesting news and issues related to the company and the sector.

Eurotools has laid out 2.5 m. € on a refurbished warehouse in order to improve customer service

The extension and refurbishing of Eurotools consignment warehouse in Aranguiz (Alava) is one of the company's main projects for this year. Eurotools' main reason for investing 2.5 million euro in such a large-scale project was the need to offer its customers a better service.

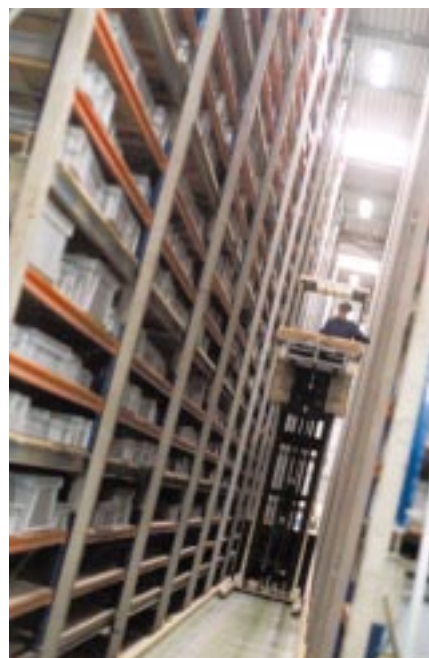
The constant launch of new product ranges in the Acesa, Irimo and Palmera catalogues and the incorporation of new brands like Z-Irmo and Wilmonda have led to a significant increase in recent years of the number of tools despatched from Eurotools dispatch centre. Today, there are in fact 14,000 references.

The project for the extension of the warehouse at Aranguiz means an increase of 1,000 square metres in space and the possibility to reorganise the entire available space in a more efficient and rational way. The two-storey warehouse currently has a surface area of 8,640 square metres and a volume of 50,053 cubic metres.

"The warehouse has been completely updated", says Antonio López, head of the dispatch centre. "We have turned a conventional warehouse into a totally automated and computerised one,". he



Following its expansion, the new warehouse has a surface area of 8,640 m² and a volume of 50,053 m³, on two floors



Completely computerised plant.

The dispatch centre now has over 14,000 references

points out. "This was achieved thanks to the introduction of carousels, dynamic shelving, mobile sites and a computer system which manages the entire operation of the warehouse", adds Antonio López.

Intelligent system

The head of the Aranguiz consignment warehouses explains that "the newly

designed system for picking or preparing the orders is an intelligent system which controls the location of the tools in the warehouse as well as receipt and dispatch, thus considerably increasing our capacity to respond. We shall now be able to prepare more orders in the same time".

All these improvements in the Aranguiz centre will inevitably raise the quality of Eurotools service, and will thus benefit the customer.

The company is aware that market requirements in this respect are getting stiffer by the day, service having become a key and fundamental factor in customer relations. "Consequently, we hope that the main beneficiaries of this project will be our customers", says López.

Top quality files

Our files have always been a guarantee of quality for customers and users. Last year, Eurotools, in response to the trust placed by customers, committed itself even further to quality and offered a range of files and rasps manufactured at one of the group's plants. This plant, located in Vila Do Conde (Portugal), has over 150 years experience in the manufacturing of files. It is currently the largest and most modern file factory in Europe and, moreover, has been awarded the ISO 9001 and the ISO 14001.

On the basis of the knowledge acquired down through these 150 years, the Portuguese factory has developed and applied the most advanced

and effective of manufacturing techniques. This specialisation has resulted in the most reliable products on the market today.

- Top quality European steel: High chrome and carbon content affording the file resistance and hardness.
- Impeccable control of the surface grinding operations and the subsequent cut of the teeth.
- Tempering the file to reach a hardness of 65 HRc.
- Particular attention to the washing operation and especially to the corrosion inhibitor applied to each file.
- Laser marking for greater flexibility and improved management of the stock.
- Diverse quality control checks throughout the process.

This all leads to an end product which stands out for its sharpness and long life.

General instructions for use

The shape and size of the workpiece, the material with which it is made and the required finish are all factors which determine the choice of a file:





- The shape of the piece to be filed, the nick, corner, etc... determines the shape of the file to be used.
- The size of the piece, the type of material and the length of each run determine the length of the file.
- The material, quantity of material which is to be removed and the finish required will determine the cut and tothing of the file.

The more bastard the cut, the greater the amount of material removed. If a smooth finish is required, a file with a smoother cut should be chosen.

Terminology

- 1- Shape: File cross-section (round, square, three-square, etc.)
- 2- Tang: Part of the file which is fitted into the handle.
- 3- Shoulder or heel: End part of the file, just after the spigot.
- 4- Tip: End of the file, opposite the spigot.
- 5- Length: Distance between the tip and the shoulder of the file (not including the spigot), except in the case of needle files, in which the total length includes the spigot.

Tothing: Type of tooth.

- Single: One series of parallel cuts 
- Double: Two series of parallel cuts 
- Rasp 
- Milling 

Cut: Number of teeth

- Single and double 
- Rasp 
- Milled 



New bi-material handle

The pliers handles has a new ergonomic grip



On the occasion of Ferroforma 2002 Palmera is to present its new pliers with bi-material handles.

This handle stands out for the perfect combination of its materials as well as for its special design.

- 1- The protection and support areas prevent the hand from getting too near the head. In addition, the protections act as a guide so that the hand is in the correct working position.
- 2- In the handling area, the handle support is made of polypropylene, a rigid material which affords consistency to the grip and facilitates the movement of the fingers when in use, thus making it easier to open and close the pliers.



- 3- The gripping area, with a double injection of non-slip material (elastomer), affords a more comfortable grip, especially when great force is applied.
- 4- The markings are indelible, and are of two kinds: in one case, the polypropylene shows through the elastomer and, in the other, the elastomer shows through the polypropylene.
- 5- The handle, ergonomically curved, is designed for optimum contact with the hand. The grip's special design affords 12% more surface area, which ensures a safe grip and greater application of force.



Laser Revolution at all levels

Wide range in measuring instruments



Acesa is to present a wide range of laser measuring instruments at Ferroforma 2002. This will include basic tools in the building sector such as levels and self-levels.

Levels with laser

Three of Acesa levels include laser: TX, MAX 1 and MAX 2. TX is a small level with the possibility of carrying out horizontal and vertical measurements. It also incorporates a strong magnet for attaching itself to metal. MAX 1 is a level with an anodized aluminium plate section of 60 cm with laser, whereas the MAX 2 model comes with a digital inclinometer for measuring inclinations and angles. In addition, these three levels come with accessories which are sold separately: a tripod, rotating bases, prisms to separate the laser beams, protective glasses and a plastic target.

Self-levels

The latest in self-levels is called Automax, which comes in two versions: The AUTOMAX 1 is a self-level with 5 laser points. The orthogonal laser beams give horizontal, vertical and lateral reference points simultaneously. The AUTOMAX 2, on the other hand, is a self-level with laser line. It gives vertical and horizontal lines. They both have the tripod and the protective glasses as accessories.



Ratchet combination wrench

The only one to pass all the laboratory tests



Professionals from a wide range of sectors are working increasingly with wrenches incorporating ratchet mechanisms in their box end, due to the fact that they allow you to work at greater speed.

Irimo has included in its offer a range of combination wrenches from 8 to 19 mm, which improve on the static torque values stipulated by the ISO quality standard. Following strict laboratory tests, Irimo subjected the wrenches to a value of 25%

of the torque required by the said standard for 50,000 cycles, and they were the only wrenches among others of similar characteristics capable of passing these laboratory trials and tests.



The box end has an inclination of 15 degrees to afford easier access to the nut and provide the necessary room for the user to be able to turn the wrench without grazing their knuckles. The inclination thus ensures a firmer grip and means that work can be carried out more easily, something which is always welcomed by users.

In the Customer's opinion

“We value reliability above all else”



Torsesa, which has four outlets in Andalusia and 65 employees, is loyal to the leading brands with which it has been dealing since it was first founded

in 1982. Among these top brands is Acesa, whose catalogue “contains such a wide range that we have never had any difficulty in supplying what the customer orders”, points out Antonio Vargas, general manager of this company whose business is based on service and specialisation.

When did you first start doing business with Eurotools and how did the first contacts come about?

We first started to deal with Eurotools, Acesa, to be precise, in 1982, that is, shortly after our business was set up. We then had only one establishment of 150 m² in Seville. Thanks to the fact that we have always worked with top brands and are very loyal to the same, we have managed to grow to reach our current turnover.

What do you think Torsesa's success is due to?

Our business is based on two key pillars: service and specialisation. We can justly say that our service is the best in the sector, as we guarantee delivery of goods ordered by the customer in less than 24 hours; the order made today is delivered on the following.

As regards specialisation, we work with brands and products which require

Service and specialisation, the key pillars of Torsesa's business

technical knowledge. In this sense, we are major suppliers of industrial cleaning equipment, air machinery, compressors, welding equipment,all of which require expert advice before start-up, as well as after-sales service. That is why we do not limit ourselves to buying and selling but rather offer added value in the distribution line. Our technical assistance is made up of six highly experienced people who keep up with the latest trends and developments.

**Antonio Vargas
General manager of TORSESA**

In your view, is there any important fact or event which meant significant progress for your business?

The fact that we were awarded the ISO 9002 quality certificate which covers the technical assistance of the brands we distribute. Great effort went into obtaining the ISO 9002. Taking into account that our customer is mainly found in industry, having the ISO 9002 is more and more important in order to be an authorised supplier and it became a key factor for continuance in the business.

I would also mention our first steps on the internet, with the creation of our web (www.torsesa.es). Our idea is to constantly update and expand this project. As a next step we would like our customers to be able to view our offer via the internet.

What are Torsesa's customers like and what are their main requirements?

Our customers are mainly from industry and specialised workshops (for example, a significant number of our customers are boiler shops). We have 14 sales representatives on the streets to deal directly with these customers.

Our kind of customer is very demanding as regards the supplier's capacity to respond. When they need something, they want it that very moment. Thanks to the fact that we keep high stock levels, we are capable of offering a very quick service.

In your opinion, what future is there for the business?

This year has been atypical. Everybody is waiting to see how things will go and they are afraid to make large investments in case there is a recession. We have been doing well and our turnover is



larger than last year's. We intend to go on expanding and opening up new branches for 2004.

What are the key factors when working with a supplier like Eurotools?

We value reliability above all else. When you make a sale you do not want the customer to remember former sales but rather to think of future ones. Consequently you need to supply a product which is not going to cause any problems as regards quality. With Acesa we have never had any problems, and this makes them the perfect collaborator for our business. The catalogue contains such a wide range that we have never had any difficulty in supplying what the customer orders.



Profile

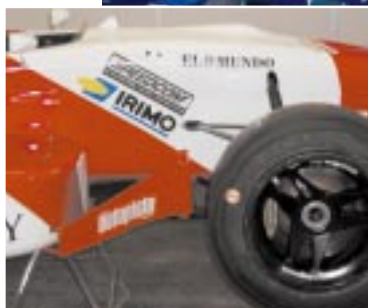
Name: TORNILLERIA Y SERVICIOS S.A. "TORSESA"
 Set up: 1982
 Sales 2001: Over 9 million euro
 Points of sale and geographical location: Seville, Cordoba, Huelva, Cadiz.
 N° of employees: 65
 Aspects of the business worthy of mention: A surface area of 6,500 m² in 4 points of sale.
 Brands it distributes: ACESA, Bacou, Karcher, Loctite, Enerpac, Umbrako, Rems, Spanset, Atlas Copco, H.Metabo

Next issue:
 Charles-Henri Looten
 Chairman of Looten, S.A. (France)

Irimo, in the pole position

Irimo, a reference in the segment of tools for the automotive industry, sponsors various competition teams. The brand has gained considerable prestige within the Formula 3 Spain Championship, through its products and the sponsorship of one of the competing teams.

A competition team is the most demanding test bed to prove the excellence of a car's engineering. It is likewise an important challenge for Irimo, associated as it has always been with the world of the engine as a sponsor of competitions, and requires it to respond to the needs which arise at such a demanding level. Competition cars are fitted with the most advanced technology developed by manufactures. The timing by mechanics must be impeccable. The tenths of seconds which may be gained on each bend are important. Even the smallest detail must not be overlooked. Everything must be in optimum condition; the driver, the car, the team of technicians, the circuit and, of course, the tool. Competition teams are very much aware of the importance of working with the best tool to eliminate even the slightest risk and ensure that the vehicle runs at maximum performance.



Irimo sponsors the ECA Racing team which has two vehicles competing in the Formula 3 Spain Championship. They are driven by two young pilots: Miguel Ramos and Paul Robinson

particularly appealing and spectacular. The proof of it is that Spanish Television's La 2 and Antena 3 have both opted for this category and broadcast the races and summaries of the F3 Spain Championship.

25 cars compete in the Championship, and the ECA Racing team, sponsored by Irimo, is in a privileged position as it currently ranks fifth in the classification with only four more events remaining for the championship to end.

Formula 3, a launching pad for Formula 1

Irimo sponsors the ECA Racing team, which has two vehicles competing in the Formula 3 Spain Championship. These are driven by two young pilots: Miguel Ramos and Paul Robinson.

Formula 3 is a promotional formula from which many drivers are catapulted directly to Formula 1. F3 cars in Spain are equipped with Toyota engines, have 215 CV and weigh 540 kg. with the driver, full tank and ballast. F3 cars take the bends at a very high speed, which makes the races

A classic brand on the circuit

IRIMO is an institution in the Jarama circuit. Together with Snap-on, it occupies the Farina bend, one of the most charismatic in the whole track. Irimo's name has earned its own preferential place in the setting of this major circuit.



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