

## Cofermin consulting

Cofermin Rohstoffe GmbH, the international raw materials marketing and distribution company headquartered in Essen, Germany has established a new business segment called Cofermin consulting and market implementation services, also based in Essen. Further to an earlier profile on the company (see *IM March '06*, p.106), twelve months on Cofermin Rohstoffe explained to **IM** about its latest strategy.

### Why have you created this department?

Over the last two years, we have noticed an increasing interest by international raw material producers, large and small, to expand their sales activities into new markets either by developing new products or by introducing their existing product portfolio to a new market. These companies want direct access to the market and potential clients. This development goes very well with the principal philosophy of Cofermin: to act as a service organisation, marketing the products of our principals in the most possible transparent way.

What we are offering goes far beyond the above and represents a relatively low cost approach with a maximum output and an ideal long-term perspective. Utilising our extensive network and the in-depth knowledge of various industries, we are offering a most professional and promising approach towards the development of a new market.

### How does it work?

Let's assume you are an overseas speciality chemical producer and would like to establish a sales channel servicing the European market. You have several options on how to go about this. You could start an extensive/expensive travel program and send your own marketing people to the territory. You can consider opening your own office in the territory, or you may appoint an agent and hope he is performing. You also have the option to hire a local consultant to do some market investigation.

Appointing Cofermin would give you access to our network, utilising our existing business channels and the expertise of a group of people who have been active in raw material marketing for an average of 20 years. After signing a contract, we are conducting a detailed market survey. The results will be summarised in a detailed market report which will include all details about the market scenario, individual customers, including contact details etc., prices, and so on. After the initial contract period is over and the report has been provided, you can terminate the relationship and utilise the information gathered in whichever way you want. Alternatively, both parties may agree to continue the relationship in the form of an agency or even the establishment of a joint company.

### Who will be the running the department?

Peter Huber will be in charge, he and his assistant are the principal contact persons for our clients. They will co-operate with the relevant experts within our organisation worldwide. Where necessary, we are bringing in additional know-how on a temporary basis. Before joining our team, Peter worked as a



**Peter Huber, in charge of Cofermin's new consulting and market implementation services.**

business manager for a leading international speciality chemical producer for more than 10 years. He has comprehensive experience in international sales and marketing, a solid technical background, and excellent communications skills.

### Which industries will you serve?

All areas in which we are currently active or in which our colleagues have a specific knowledge of market, product, and people. This would include the paint, plastics, refractory, steel, foundry, and building material industries amongst others.

### What do your clients get for their money?

For a reasonable and predictable amount and within a relatively short time the client will get a clear picture of the market in question with the option to create a marketing channel in the process that can handle the actual sale, import, logistics and customs clearance, visit customers, write invoices, assume the credit risk etc. This will cost less than the travel expenses of those who try to do it by themselves and a fraction of what it will cost to open an office.

### But how different is this to a classic consultant?

There are some excellent consultants out there which are a good choice if you need specific information on a special or technical issue. Generally however, those consultants are no longer involved in the day-to-day business and are generally without infrastructure, back-up, and ability to conduct actual business in terms of shipping, handling, invoicing, credit insurance etc. This is what we offer.

### Do you think other traders will offer a similar service?

Maybe. However, we believe Cofermin is uniquely qualified for such a system. We are small enough to be flexible, we are very international, with offices in China, Russia, Poland, and representation in Japan. We are also active in those markets that some producers might consider difficult and where special expertise is required. The majority of our staff has received a classic raw material education from the former Frank & Schulte Group of companies and has an average experience of over 20 years.

### What achievements have been made so far?

So far we have six mandates running. This is the reason why we want to make it a new business segment within Cofermin. The contracts have validity from six months to three years depending on the specific requirements of our client. They involve minerals, speciality chemicals, coatings, and other products for the European and other markets. Generally, the client can terminate the relationship easily if he is not satisfied with our performance.

