

Building Competitive Advantage in Key Markets

Other Eaton plants in Mexico are devoted to finishing golf grips and assembly of automotive and appliance controls, including automotive convenience switches and such items as appliance timers, thermostats, water valves, dry-type transformers and proximity sensors.

Exploring other emerging markets Eaton is constantly exploring opportunities in other world markets. Cutler-Hammer's entry into Southeast Asia is an example. Integrating its manufacturing operations in Australia and the Philippines, Cutler-Hammer has also put in place sales, marketing and service facilities in Singapore, Thailand and Malaysia. This structure enables the company to supply Cutler-Hammer products to its local customers with minimal lead times. Plans for 1997 include opening a sales office in Indonesia and putting a power distribution assemblies satellite plant in the region. Cutler-Hammer also has manufacturing operations in Venezuela and Costa Rica and was able to increase sales to Chile by 30 percent in 1996.

As the world's leading manufacturer of golf grips, under the Golf Pride brand, Eaton has manufacturing plants in the U.S., Mexico and Thailand, as well as a joint venture in Taiwan.

Eaton is also continuing to develop its manufacturing and marketing base in Europe, where it has 43 facilities and excellent market positions in automotive and appliance controls, engine components and truck components and has growing positions in electrical equipment, commercial controls and hydraulics. In 1995, Eaton acquired

50 to 400 amps in highly demanding environments. The relays are used on the KTX-1 trainer and other military aircraft and missiles, shipboard radar and military vehicles such as tanks. The light-duty 5-speed transmission (lower left) is fully synchronized for shift ease and comfort. Currently used in GM's Brazilian full-size pickups, it features an aluminum case for light weight and strength. Variable-force solenoid valves (in semicircle) facilitate and ease shifting in electronically controlled automatic transmissions for passenger cars and light trucks.

Eaton manufactures the throttle control (lower right) for a Korean Air Force training aircraft, the KTX-1. The unit controls engine throttle and fuel mixture ratio. The handle includes switches for communications, airbrake, rudder trim and an interlock which prevents applying full engine power when taxiing. The company also builds hermetically sealed relays (inset), capable of handling electrical power loads from

a manufacturing plant in Gdansk, Poland, for automotive controls and plans to open another plant in Poland to manufacture engine valves for Fiat and other automakers.

From being world-class in products and operations to capitalizing on opportunities in global markets, Eaton has become a stronger and more powerful competitor—able to set and achieve reaching goals and reward shareholders by building a stalwart framework for sustainable growth and prosperity in the evolving global marketplace.