The Eaton supercharger (top left) provides instant response to a driver's demand for acceleration, yet does not affect fuel economy of engines in normal traffic. The aluminum rotor set (lower left and upper right) provides the air output that makes the supercharger so effective. The units are marketed globally to such companies as GM, Ford, Mercedes-Benz, Aston Martin and Jaguar. Eaton is one of the world's leading suppliers of hydraulic lash adjusters for automotive engines (inset). The new

Solving intricate problems for exacting customers—and delighting them... exploring the reaches of technology... designing sophisticated products that infuse efficiency and perform demanding work... competing against stout competitors in global markets... being the world's best at what we do. All this—and more—is the business of Eaton Corporation.

As Eaton pursues its vision, growth is both a by-product and a stretch goal. For Eaton—and other world-class manufacturers—growth delivers the economies of scale necessary to build competitive advantage and remain a decisive contender in global markets. During 1996, spending on programs designed to increase the company's sustainable growth rate increased by $37 million.

Eaton has a worldwide customer base involving sales to more than 115 countries. With manufacturing operations at 155 sites around the world—45 percent of them outside the United States—Eaton has the global presence to efficiently serve an expanding worldwide customer base. This strength—plus powerful product franchises—makes Eaton a partner of choice in developing countries moving rapidly to industrialize their economies.

Eaton has targeted five countries as key developing markets—China, India, Korea, Brazil and Mexico—all of which have long-term growth potential for Eaton's products far surpassing those of the developed countries of Europe and North America. The short-term cost of pursuing growth in these volatile markets is high, but the opportunities to manufacture and sell Eaton products are extraordinary.

In order to capitalize on these opportunities, Eaton has established business development organizations headed by regional vice presidents for both Asia/Pacific and Latin America. They are responsible for fostering growth in key markets. A fully staffed office in Shanghai supports all of Eaton's businesses in promoting growth in China.

Growth rates in targeted emerging markets are at least double those of Eaton's traditional markets. This growth is spurring investment in each country's physical infrastructure—highways and bridges, airports, hydroelectric dams and power plants, agricultural and construction equipment, industrial machinery, railroads, sewage and water treatment facilities, electronics, commercial buildings and industrial plants.

Valve-In-Star 30 hydraulic motor (dominant center) is only six inches in length but can produce nearly 17,000 pound-inches of torque for use on skid steer loaders, crop sprayers and other agricultural and construction equipment. Eaton's new W motor (lower right) is only 5.4 inches in length and offers smooth performance and superior drive life for such applications as turf equipment and personnel lifts.