

Joint centre for Barloworld and Caterpillar

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Barloworld and Caterpillar are cementing their 90-year heavy equipment partnership in southern Africa by consolidating separate warehouse facilities into a new distribution centre.



By Shaun Greiner – [Wikimedia Commons](#)

This will see the two existing Caterpillar and Barloworld facilities, with a combined area of 35,000m², double in size at a new facility between Pretoria and Kempton Park.

"The property is being developed by Caterpillar and Barloworld Equipment will lease their premises," Lethiwe Motloutung, group head of communication and investor relations, said on Tuesday, 23 May.

She said this had required the development of new processes to ensure both legal entities dealt with each other at an "arm's length".

"We are not at liberty to talk about the cost," Motloutung said.

Barloworld is the official and exclusive distributor of Caterpillar products in southern Africa. Barloworld Equipment will be operating the customer-facing portion of the new facility independently from Caterpillar.

Barloworld Equipment is the group division that supplies Caterpillar with earth-moving and other equipment, as well as spare parts for construction and mining in SA, Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zambia. It also has a joint venture in the Democratic Republic of the Congo.

Construction has begun and the facility is expected to open in July 2017. Barloworld Equipment has invested in the internal aspects of the facility and will invest in developing other such facilities across the region.

While reporting results for the six months to March 2017 last week, CEO Dominic Sewela said the new distribution centre in conjunction with Barloworld was a "world-first" for Caterpillar and would speed up processes around handling and dispatching equipment.

Source: Business Day

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