Success Story: HINE Hydraulics Corporation

**Market Served**

Wind power

“Eaton is one of our major partners in Europe and now is among our major partners in the U.S. as well. The support we receive from Eaton is very important for our success in the wind turbine market.”

Ignacio Termenon, HINE U.S. Operations Manager

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**HINE Sails in Wind Turbine Market with Eaton Products**

**Background**

Eaton has a strong foothold in the wind turbine market, thanks to the ongoing success of companies such as HINE S.A. of Guipúzcoa, Spain, one of Eaton’s largest distributors in Europe.

HINE provides complete hydraulic systems for blade pitch control and other movements in wind turbine generators, as well as customized hydraulic solutions for numerous industries from iron and steel to paper, wood, and food.

Among its major European renewable energy customers is one of the leading wind generator manufacturers in the world. Integral components supplied by HINE on the end-user’s wind turbines are Eaton’s Vickers® KBFDG4V3/5 Series proportional directional valves and screw-in cartridge valves. Featuring integrated electronic controls, Eaton KB valves provide accurate, dynamic control of the pitch (angle) motion of a turbine’s rotor blades, which collect energy from the wind and transfer it through a drive shaft to a generator.

**Challenges**

In 2006, the wind turbine manufacturer opened a state-of-the-art manufacturing facility in the Eastern United States to serve the North American market and later opened three specialized manufacturing facilities in the same state.

The company relied on HINE’s Spain operation to supply Eaton valves to its U.S. operations until 2007, when company officials asked HINE to provide local product sourcing.

“That request meant we needed to take action,” says HINE’s Ignacio Termenon, U.S. operations manager.

“As wind power becomes more and more of a dominant renewable energy fuel, this company’s business is growing at a record rate, making it an important customer for us to follow into the U.S. market. The company decided to invest in the U.S. and required us to follow and support this initiative. We agreed wholeheartedly.”

Subsequently, HINE Hydraulics Corporation was established in Quakertown, Pennsylvania, in November 2007.

HINE’s decision to ride on its customer’s coattails is actually a repeat performance. When the same company established operations in China, HINE followed suit by setting up local production in 2005.

But even with past experience under its belt, HINE had a lot
of work ahead of itself. HINE needed to be up and running in the U.S. in just five months!

First at hand was the business of establishing an organizational strategy and setting up agreements with major suppliers. Then there were the tasks of locating a suitable facility, acquiring and setting up manufacturing machinery, and establishing production processes. And of course job responsibilities needed to be defined, and people needed to be hired to fill those roles.

Solution
Early on, Termenon met with Eaton’s Gary Stevens, Mid-Atlantic sales manager based in Sellersville, Pennsylvania, to establish a U.S. supply agreement for Eaton valve products that would be needed for the customer’s wind turbines. Stevens immediately went to work to establish HINE as a direct OEM account in the U.S.

Assisting him were Colin Cooper, Eaton European global industrial platform manager, and Eaton’s U.S. sales management team and global wind turbine specifications team.

“Eaton has made a solid commitment to developing

renewable energy sources, and our partnership in being a foremost supplier to HINE and ultimately to its customer is a reflection of our dedication to the wind turbine market,” Stevens says.

Stevens, however, did much more for HINE than set up Eaton as a local valve source. He became Termenon’s Johnny-on-the-spot for everything from searching out possible site locations and analyzing leasing agreements to assisting with other sourcing agreements.

“Gary has been invaluable to us,” Termenon says in a grateful tone.

“He’s knowledge of the area and local business contacts, as well as his willingness to lend a hand whenever needed, helped with our on-time production startup. And Eaton’s customer support is top-notch in providing day-to-day Eaton product support.”

Results
HINE has been supplying Eaton products and other hydraulic system components to the wind turbine manufacturer’s U.S. facility since February 2008 without a hitch.

“We’ve passed all its quality inspection processes, and our weekly deliveries are on time,” Termenon says.

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The wind turbine manufacturer’s U.S. operation is working toward a production capacity of 500 wind turbines a year, and every turbine it builds through 2010 is already sold.

“Eaton and HINE are behind the wind turbine manufacturer all the way,” Stevens says.