

# In conversation with...

*Mike Skypala, Managing Director, OATS Ltd*



***OATS began operating in 1984; today it's recognised as a leading global company - how did OATS develop and what types of services do you offer?***

OATS started out as start-up by ex Castrol technical managers who spotted the need for a lubricants specification database as specifications became more numerous and complex in the 1980's. Initially the data was all in published booklet form but went fully digital post 2000, and was eventually bought by the Haynes Publishing Group in 2016, which itself was bought by the Infopro Digital group in April 2020. Infopro has a strong automotive data presence in Europe which your readers in France, Spain and Italy may know through the workshop data systems and catalogues of ETAI, Atelio and Inovaxo. We are working to become more integrated with HaynesPro to be able to offer the full advantage of the huge OEM data sourcing and entry centre of excellence in Bucharest, which will shortly have over 200 staff entering complete technical, electronic, diagnostic, maintenance and repair for on road vehicles globally, plus off road and Industrial for lubricants only. We provide Lubricant and Automotive Aftermarket businesses data, software and consulting to support their product portfolio optimisation, lubricant selectors, catalogues and other channels to drive sales.

***Your previous commercial experience was honed in retail/FMCG (Fast Moving Consumer Goods); what drew you to the role at OATS and this very different sector?***

I was drawn to it for two reasons – the retail industry has gone online and as a result is now fully signed up to the value of data – customer, supply chain and product data drives a lot of decisions both operational and strategic. I see the Lubricants and Automotive industries as a little further behind on the data journey but with huge potential to incorporate it into driving the business as Retail. With the need to ensure the right products are selected for the right vehicle, there is the further dimension of safety and compliance which does not come into play so much with Grocery

products (except for allergies and harmful products), so that provided an extra angle.

The second reason is I used to be a business consultant, and I got a buzz out of working in completely different industries. Having worked in Retail/FMCG for 20 years, I felt it would be a great learning experience to work in a new industry, especially ones that are at the heart of the current climate change and sustainability drive. I worked with Big Tobacco, so I understand the challenges of businesses working in controversial industries, the need to drive change and the enormous innovation which can come from this. So this also attracted me.

***Given your previous leadership positions, how does the lubricants sector compare? Has it been challenging in ways you might not have expected?***

Whilst there are global food companies, generally food grocery is quite local, whereas I have found the Lubricants industry more global, and there is a really fascinating collaborative yet highly commercial relationship between the major Oil companies and their Lubricant arms, independent blenders and distributors on the one hand, and with the major automotive OEMs on the other. Whereas in food, a lot of the recent trend is for the major food retailers to work with more local, smaller producers, I see the trend is on consolidation in both the Oil/Lubricants and Automotive industries given the huge investment required in the race to be carbon neutral. Lubricants plays a significant role in reducing emissions and climate change, and yet is becoming increasingly distant from consumers and more the preserve of professionals. So the biggest challenge is making Lubes engaging to the consumer – quite frankly most Lube selectors are a massive turnoff to the average car owner, and yet most are still positioned for them. So our focus and most Lubricant marketers' focus will become the professional user going forward – North America excepted of course!

***Your local country reports, which we regularly publish here in Lube magazine, share key insights on regional and industry specific sectors; how do you source your information?***

We write the articles based on a combination of research, industry contacts, customers and our own lubricant data combined with VIO data. Paul Stephenson, our Technical Consulting Manager for Heavy Duty has been in the industry for 50 years and has a wealth of knowledge, so it is a good outlet for this!

***Sustainability is a key focus in our sector. Are we taking it seriously enough? For example, digitalisation – could this play an even greater role in driving trends/insights into actions?***

Yes, this will be (one of) the key drivers of sustainability – as the automotive parc becomes electrified, the lubricant supply chain will need to adapt to different product usage, storage and demand flows, and having digital systems and triggers for monitoring this and keeping stock levels tight as demand shifts will be key. Integrating systems will also be key – we are increasingly being asked to integrate our data and applications into Salesforce.com. Having one system for the Commercial teams to manage customer opportunities with technical and product data will drive efficiency, and will also help to identify where there are economies of scale. I know less about the economics of oil recycling, but this surely will only be truly viable if this is delivered through online marketplaces.

***Covid has left its mark on every aspect of our personal and professional lives; how has OATS adapted throughout this time and what positive elements will OATS take away moving forward?***

I think like many digital businesses, we have managed to thrive during the pandemic as a business. We have grown our sales, won new customers and been able to operate and communicate in some ways better than before. We have moved to a smaller, serviced office in the UK which will be used mainly as a meeting hub. We never had much of a staff sickness problem, but in the last year we have had hardly any sick days at all. I think it has made us more efficient and flexible, although obviously we miss meeting customers face to face, going to industry events and being able to have more interactive workshops where everyone has the chance to participate.

***What are you most looking forward to as we move towards our new 'normal'?***

Just having social face to face interaction and a spontaneous drink in the pub without booking, giving my name and having to sit outside in the cold! Oh and going to music concerts again.

**LINK**  
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