

FABRIC POWER

BINDU GOPAL RAO in an exclusive chat with Mr Manohar Samuel, President, Marketing, for Birla Cellulose, the Pulp and Fibre Business of The Aditya Birla Group gives us an insight into the various facets of business and how they are embarking the 'new' path every day.

Birla Cellulose is a trusted name in Viscose Staple Fibre. Balancing the power of nature and science, the entire value chain of the business is extensive, ranging from plantations, dissolving grade wood pulp, materials such as carbon-disulphide and caustic soda, power generation and downstream operations such as textile partnerships and consumer products. A fibre company, they supply fabrics to brands like Zara and H&M. Liva follows a sustainable, naturally dyed, hand block printing, hand crafted model and focuses on international operations since over 50 per cent of their revenue come from international markets. The brand itself is present

in 42 countries, with 1.5 million shareholders and they have just had a new launch alongside its annual property called 'Liva Protege', which involves designers like Shiana NC, Narendra Kumar Ahmed and others. Little wonder then that the company is ranked No 4 in the Global 'Top Companies for Leaders' survey and ranked No 1 in Asia Pacific for 2011 (Aon Hewitt, Fortune Magazine and RBL). The market share currently is 21 per cent globally, so, there is a conscious strategy to produce beyond VSF and to take pulp and fibre business to the next level.

PLEASE TAKE US THROUGH BIRLA CELLULOSE'S JOURNEY FROM PLANTATION TO FIBRE TO LIFESTYLE

Birla Cellulose of The Aditya Birla Group is a world leader in Manmade Cellulose Fibres and had commenced production of viscose staple fibre (VSF) in 1954 in India. The business has grown steadily across geographies, with operational excellence, deep integration, product innovation and leadership. Today, we have seven MMCF plants, four in India and one each in Thailand, Indonesia and China. We also have five pulp plants, one in India, three in Canada and one in Sweden. In our Harihar Unit, we practice Social Forestry, unique to the Industry. We have a state of the art Clonal Centre, a nursery with capacity of 10 million plantlets in a year, in which we practice silviculture and distribute saplings to farmers. The plantations have a six to seven year cycle which results in a green cover, a positive carbon foot print. At Birla Cellulose, the consumer is at the core of our business and therefore consumer insights are critical to our strategy. Market research has shown that the Indian woman's wear consumer likes fashionable clothing which uses nature based fibres and exhibits fluidity when worn. We had launched ingredient brand LIVA in March 15, which stands for fashionable fluid fabrics made using nature based fibres from The Aditya Birla Group and has passed through an accredited value chain. Liva fabrics are great in comfort, have a fluid drape and are liked by fashionable consumers across different brands that have them as an ingredient.

HOW HAS THE RESPONSE BEEN GLOBALLY, CONSIDERING THAT OVER 50 PER CENT OF THE REVENUE COMES FROM INTERNATIONAL MARKETS?



MR MANOHAR SAMUEL,
President, Marketing,
Birla Cellulose.

MMCF based garment exports from India have grown around 27 per cent on account of our collaboration with brands and the supply chain.

Liva has first been launched in India and we have not yet launched it globally. However, global brands procure garments made from Liva Accredited Partner Forum – LAPF members, since they offer innovation every season, have a brand value, offer quality and service. Sustainability is considered important to Global brands and we work closely with Sustainable Apparel Coalition in their modules and partner with global brands for improvement. Top brands, all over the world, are very conscious about sustainability, and their expectations have helped us align further to deliver most sustainable fibres. We also work with the supply chain of many countries like Bangladesh, China, Indonesia, Thailand and Turkey in addition to India.

PLEASE EXPLAIN THE CONCEPT OF ‘LIVA PROTEGE’

LIVA Protégé is an initiative of brand Liva, to tap into the great Indian talent pool

of young fashion designers and support them to get their rightful place in an enterprise. Participants are drawn from leading fashion institutes across all zones in India and they showcase their talent in designing. The format consists of mentor fashion designers who coach and guide design students to design exquisite garment styles using Liva fabrics. This is also to ensure that the talented designer winners are propelled to fashion stardom as much as we have a chance to experience their creativity.

THE MARKET SHARE CURRENTLY IS 21 PER CENT GLOBALLY, PLEASE SHARE DETAILS OF THE ACTUAL GLOBAL MARKET SPREAD

Birla Cellulose is amongst the largest in the world for viscose staple fibre and we see us as consolidating our position



IMAGE COURTESY: ADITYA BIRLA



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through various levels of collaboration with customers. MMCF, which is around five to six per cent of the fibre basket, has a larger market share in double digits with good brands across the world. Our customer spread covers the entire market for MMCF.

WHAT IS YOUR STRATEGY BEYOND VSF, TO TAKE PULP & FIBRE BUSINESS TO THE NEXT LEVEL?

We have consumer and value chain engagement for brand LIVA. Only a few fibre brands in the world have ever engaged directly with the end consumer. Innovations in products and services are in the pipeline for deeper collaboration consistently. Sustainability focused partnerships have been initiated and we are

seeing good results. Our Spun dyed Viscose has exceptional sustainability credentials. Last week, Loyal Textiles, a leader in Knit fabric exports from India, had launched branded leggings using Spun Dyed Viscose which leverages technology, is affordable and supports consumer benefits. We see innovations and collaborations with like minded partners as important for faster and responsible growth.

YOU SUPPLY FABRICS TO BRANDS LIKE ZARA, H&M - PLEASE SHARE YOUR EXPERIENCE ABOUT WORKING WITH GLOBAL BRANDS?

Brands like Zara, H&M and Marks & Spencer, have their domestic offices in India, Indonesia, Bangladesh, etc. Learning and evolving brand trends is the key to our association with leading brands. We showcase seasonal collections using our fibres for Spring/Summer and Autumn/Winter. We also support brands by working directly in their HQs as well as support them in the supply chain. Here, innovation is the key which is co-created.

WHAT IS THE FUTURE OF FABRICS?

Each fabric manufacturing company decides as to which yarn and fibre goes on to make a certain fabric, important being the need to spot fashion trends. Value is driven and captured through the co-created programs with brands and the fabricators once we understand the trends and leverage our skills and expertise.

HOW HAS THE DEMAND CHANGED?

Demand for manmade cellulose garments has been good for the last decade and we expect that to grow for sure. Consumers have adopted MMCF based collections in multiple products like leggings, palazzos, saris, tops, tunics, etc. Performance of the fabrics has also improved due to the excellent work by the value chain. ■