

# Competitive advantage in India

Bernd-Holger Zippe and Philipp Zippe report on the success of their company's Indian facility, which has contributed to securing a major contract and enabled even closer contact with existing customers since opening last year.

**A** leader in the field of batch and cullet plants, Germany-based ZIPPE Industrieanlagen officially founded ZIPPE Glass Industries India in August 2012 in Gurgaon, Haryana.

Launched after a long period of preparation, the role of the company is not only to import high quality technology from Germany but also to support existing customers and source certain products and services from India, while maintaining quality standards. Under German supervision, the Indian office also has access to manufacturing capabilities. With extensive experience in the local glass industry, Ashutosh Joshi is Vice President of ZIPPE India and the management team is completed by Philipp Zippe and Günter Mlynar as joint Managing Directors.

"The office has been well received by customers and shows our dedication to the Indian market. We have done a lot of business in India in the past 10-20 years and are now even closer to our customers" explains Philipp Zippe. "One of the main reasons for establishing the Indian company was to give us competitive advantage there by sourcing non-critical items from India. To ensure no risk to the quality of glass production, it was necessary for our customers that we continue to deliver important items from Europe for dosing, weighing and mixing technology, together with a complete modern control system. But in the last year, we have successfully sourced some non-critical items from India, providing competitive advantage to us and our customers."

Although still important to the process, these non-critical items include mechanical labour, parts for bucket elevators, electrical installations, heavy mechanical parts and supporting constructions. "Our customers know we monitor the Indian suppliers carefully so that these items are of German quality. We know which are acceptable and which should be avoided" says Bernd-Holger Zippe, CEO and President of ZIPPE Industrieanlagen. "It was the original wish of Indian customers that when we undertake major projects, we not only supply engineering and key components from Europe but we help them source a total turnkey performance under our supervision and responsibility" he adds.

In addition to providing even better service to existing Indian customers, the Gurgaon set-up also assisted in securing a contract with Can-Pack India for a glass container factory in Aurangabad. Already the owner of a glass factory in Poland, Can-Pack is a major supplier of closures and the Aurangabad plant will be an important addition to the local glass industry. "It's a very big, multi-million Euro contract... as well as supplying engineering and key components from Germany, the customer was happy that the local office makes it much easier for us to round-up the whole picture by providing complete supply" Bernd-Holger Zippe enthuses.

While acknowledging the current downturn in the float and hollow sectors in India, ZIPPE remains confident of a



Key members of the ZIPPE India team with customers.

bright long-term future in the region. "It will grow again but the market has to resolve its capacity issues" Bernd-Holger Zippe suggests, before adding that the Indian office and global outlook for the overall ZIPPE group means they are well-equipped to deal with such market changes.

Philipp Zippe, who is Managing Partner and COO at ZIPPE Industrieanlagen in addition to his role with ZIPPE India, spends significant time in India, thereby maintaining close communication between the Indian office and German headquarters. Ashutosh Joshi also visits Europe regularly for training and co-ordination.

Furthermore, the company benefits from retaining representation by M R Krishnan, ZIPPE's Indian agent for over 20 years. "India is such a big place that even when having an office there, it can still be challenging to serve the whole country" comments Bernd-Holger Zippe. "It's better to have at least two sources, so we can still call on Mr Krishnan's extensive market knowledge."

"We are very satisfied with the performance of ZIPPE India and are closer to the Indian market than ever before" Philipp Zippe concludes.

"It is doing exactly what it was intended to – provide support for our customers and source non-critical items in India so there is a price advantage to the customer, without compromising quality. The office has also enabled us to make our portfolio even larger." ■



Ashutosh Joshi (right) on-site with customers.

#### FURTHER INFORMATION:

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