SPINNING A YARN

Since its establishment nearly 40 years ago, Ferney Spinning Mills Ltd has become one of the world’s biggest names in the knitwear sector and a leading producer of carded yarns in pure wool and noble blends. Georgina Cutler catches up with General Manager, Mr Mishtaq Ahmad Sooltangos, to find out the reasons behind the company’s reputation as a Mauritian firm with European standards. Written by Gemma Carter.

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Founded on the island of Mauritius in 1978 by sister company Floreal Knitwear Ltd – at the time, already a successful local knitwear factory that specialised in producing woolen sweaters for the European market – Ferney Spinning Mills was set up with the assistance of French spinner La Société Amalric, a company based out of the city of Castres, in south-western France. By gleaming the French company’s long experience and expertise, Ferney Spinning Mills commenced operations with a strong continental savoir-faire in the woolen yarn industry, and managed to gain a reputation for being a Mauritian company with European standards.

The plan was to create a vertically integrated set-up, with Ferney Spinning Mills as the yarn supplier, and Floreal Knitwear knitting the sweaters at its factories in Mauritius and elsewhere. “We started in 1978 with two lines of production, and in 1980 we set up our own dye house,” Mr Sooltangos reports. “After that, the company grew rapidly to become a six-line factory producing 2,000 tonnes of woolen yarn by the early 1990s.

“In the 1990s, we established a production collaboration with a Scottish mill called Laidlaw and Fairgrieve, which belonged to Dawson Group. This was an extremely worthwhile experience because it enabled our team to enhance its technical know-how, our Scottish partner being highly experienced in the production of woolen yarn. A little further down the line we also benefited from a similar collaboration with Italian expertise and know-how in woolen yarn manufacturing.”

High-performance woolen yarn
For its first 26 years in business, Ferney Spinning Mills had been producing yarns exclusively for Floreal Knitwear, although that changed in 2004 when the company’s senior management made the wise decision to allow Ferney to sell and export its yarns to other knitters in the market, as Mr Sooltangos tells us: “We quickly built up an export market, and the main change came in the development of a market in the woolen weaving industry in the UK. This was significant for the company because it meant that we had diversified away from producing yarn only for knitwear, and started producing yarn for the weaving industry. We also approached the Italian and German markets, and as of today we sell 40 per cent of our production outside Floreal Knitwear.

“Of course, Floreal Knitwear remains our main customer, taking around 1,000 tonnes of our total production, and our contribution has played a pivotal role in the company’s regional development – Floreal now has factories in Madagascar and Bangladesh, as well as in Mauritius. We supply quick-response products to our customers, with very short delivery times, while the real highlight of our product portfolio is our Total Easy Care 100 per cent lamb’s wool, which is machine washable and suitable for tumble drying. This product, which is used to produce sweaters, is faring extremely well in the European market, especially in the UK.”

The remaining produce is sold to other businesses, predominantly clients based in Europe. “Customers in Europe demand high-quality, high-performance woolen yarn for their sophisticated weaving facilities, and we fulfil that demand,” he asserts. “Over the past four years we have launched many new yarns and colour palettes for ladies’ woolen and woven garments in Europe and the UK, and this is very important growth area for Ferney. Another area in which we have been very successful is the woolen upholstery business in the UK, and we see this as a fast growing sector, going forward. The increasing use of wool in interior design is mainly due to the high resilience and durability of wool, in addition to the fact that it is flame retardant, which negates the need for flame retardant certification of products that are certified 100 per cent wool. This makes wool ideal for upholstery production purposes, and we see this trend moving into Italy, too.”

The company’s products are generally used in the manufacture of knitwear, woven blankets, knitted and woven accessories, apparel fabrics and upholstery fabrics. “Around 40 per cent of the 1,000 tonnes that we sell to Floreal Knitwear is Total Easy Care.”
is vertically integrated and incorporates a full range of production processes, from woolen yarn dyeing to blending, carding, spinning, winding, twisting and finishing. Our newest production line was set up in January 2012, while we are currently in the process of upgrading the preparation and winding stages of the operation.

"As Mauritius is a very small island, we are very dependent on transportation and logistics, and the process begins with the import of raw materials," he continues. "We import around 1,700 tonnes of wool annually, mainly from Australia, New Zealand, China and South Africa, while we procure most of our dyes, chemicals and auxiliaries from China and Europe, and nearly all of our spare parts and accessories come from Europe, China, South Africa and India. We rely heavily on air and sea transportation in order to bring all of these materials into Mauritius."

On the export side, Ferney exports its products mainly by sea to the UK, Italy, Germany, Canada and Bangladesh, and some further countries are due to be added to that list in the near future, Japan being one of them. "We also have a delivery service in the UK in the form of a bonded goods warehouse in Bradford," describes Mr Sooltangos, "from which we offer a 24-hour delivery service, while we have a highly competitive air freight deal for exports to the UK, which enables us to ship our products at a rate of £1.20 (~US$1.88) per kilogram. Indeed, we keep a close eye on transit times, freight costs and the reliability of the different shipping lines in order to prevent any disruption to our supply chain, and we are continuously trying to reduce shipping and clearing times by ensuring that we have the appropriate documentation, while making any other necessary changes to keep our customers satisfied."

Manufacturing Excellence

The company currently employs 527 people, who work on a flexible shift system that can be live to seven days, depending on demand. Ferney has its own maintenance team in France, supplying customers such as Carrefour, Célio, Camaieu and others.

"We export directly to the following customers in the UK: Abraham Moon & Sons, Wooltex, Brierley Brothers, Gardiner of Selkirk (which has been owned by Brierley Brothers since 2001), and Johnstons of Elgin. In Italy we work with the world-famous Gabel Group and Marzotto Group, while in Germany we supply Biederbeck, which has been producing high-quality blankets for 125 years. We also export to customers in Canada and the USA," he adds.

Competitive shipping

Ferney has always invested in state-of-the-art equipment for its production facilities, procured from the best European suppliers of textile machinery. Mr Sooltangos elaborates: "When our customers see our equipment they feel very safe and confident that the quality of the yarn will be excellent. We produce around 5,500 kilogrammes per day and we have an installed annual capacity of 2,000 tonnes. The company is vertically integrated and incorporates a full range of production processes, from woolen yarn dyeing to blending, carding, spinning, winding, twisting and finishing. Our newest production line was set up in January 2012, while we are currently in the process of upgrading the preparation and winding stages of the operation."

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nance facilities and the company employs engineers to manage this department, while training has always been high on the agenda, as Mr Sooltangos assures us. "Certainly, over the last 36 years we have built a training-oriented culture at Ferney, such that our success can be attributed to our well trained employees. We provide induction and orientation programmes together with other continuous learning programmes, all of which are carried out using multimedia, and we were one of the first companies in Mauritius to introduce, in the 1980s, quality circles and Kaizen methods, which involved sending some of our employees to undertake training with Toyota in Japan. "In fact, we regularly send all of our top management and senior staff to companies in Japan, China, the UK and elsewhere in Europe, where they remain for a period of two to three weeks on a training basis. During their time overseas they learn proper benchmarking and observe the local work ethic, and upon their return we do not hesitate to change some of our methods, should there be areas in which we could improve," he affirms. "The training of grassroots workers is equally important, if not more important than developing the best managers, because if we do not have the right people handling the overall production process then we will not achieve results. For that reason, we have always started with training on the factory floor and gradually worked up to the top, and I truly believe that one of our greatest strengths is our grassroots training."

Indeed, the survival, resilience and growth of Ferney is not a miracle – it is based on very clear factors. "Nearly all of our competitors on the island of Mauritius have closed down, while many spinning mills in Asia and Europe have also ceased to exist," Mr Sooltangos informs us. "In such a cut-throat market, one element that has been crucial to our ability to survive is our sister company Floreal Knitwear, which uses Ferney as a strategic knitting and weaving base. Moreover, in 2004, when we started developing an export market, we decided not to compete with the Chinese as we would almost certainly have failed. We chose instead to compete in the European market, and we have since been dedicated to building our business in Europe."

"Manufacturing excellence is a further important point to note about Ferney – we have based our entire business around manufacturing excellence – while we are committed to R&D, innovation and the regular introduction of new products," he comments. "All of these characteristics and qualities enable us to meet most of the market challenges, and are the main reasons behind our success and expansion, not only in the knitwear sector but also in the weaving industry. Today, we produce around 500,000 kg annually for the weaving sector, which is around 30 per cent of our capacity."

Ferney has managed a dedicated R&D department since the 1980s, and this division offers a range of personalised services from straightforward shade matching to the creation of a mixture of colours, marks and tweed effects, in accordance with both Ferney’s and the customer’s standards. The company carries out continuous research and uses all of the new technological fibres for producing knitwear and weaving yarn.

"We achieved a major milestone in 2006, when we formed a collaborative with an Italian yarn development office called Stylprojet, which is led by Giuseppe Cendron, a professional yarn designer and colour forecaster who worked with Benetton Group for 25 years before setting up his own office," states Mr Sooltangos. "This partnership has been extremely beneficial to us, and it is now driving all of our collections and yarn development. Stylprojet obtains information from all of the industry fairs and exhibitions in Europe, such as Pitti Immagine Filati in Florence, Première Vision in Paris and Milano Unica in Milan, and I have personally visited nearly all of those fairs together with the designer for research purposes. Such research activities are important because we have to offer seasonal colour and trend ideas that are tailored to our customers’ market needs. We present an annual knitting and yarn collection, and we conduct collaborative and specific development directly with our customers’ design teams, such as those at Marks & Spencer."

"Since the establishment of the business, we have been applying stringent quality management principles, and today our system is ISO 9001:2008-accredited," he notes. "Our in-house quality control laboratory is fully equipped to keep up with the latest trends."

Card Clothing
“In addition, we collect and re-use a large amount of rainwater – 72 per cent of the water that we use in our spinning mills is not from the government supply; it is from our own reservoirs, which is a major achievement and an excellent way to be environmentally-friendly,” he declares. “We also save water during the dyeing process, having changed our methods. The international standard for dyeing one kilogram of wool involves using around 110 litres of water, but we now use only 80 litres, most of which is harvested rainwater. This saving translates to a 36 per cent reduction in our water consumption, which we have also reduced our steam and electricity consumption. Our next step is to embark on a solar energy project – the capital expenditure for that project has been approved and we hope to have the necessary facilities in place soon.”

Leaders in a niche market

Generally speaking, the European market has been struggling for some time, and there are many challenges facing companies like Ferney. “Every cloud has a silver lining, however,” observes Mr Sooltangos, “and one major trend that we are seeing in the UK – our biggest market – at the moment, is the resurgence of what is left of the wool and textile industry. All of our main customers in the UK are investing in and increasing their production capacity in order to grow their business, and as a consequence they are also increasing their business with Ferney. What needs to happen now is for the UK to find a new equilibrium between what it is producing locally and what it is importing. This is a major opportunity for Ferney – we have been there throughout the bad times and we are hoping to reap the benefits of the good times.”

Looking ahead to Ferney’s future growth and development, the company has many projects on the pipeline, including an increase of its marketing firepower in the UK and the rest of Europe. Mr Sooltangos tells us more. “We recently appointed two new European agents and we are also strengthening our marketing team here in Mauritius, all of which will help us remain very close to the customer in the market. Secondly, we are putting a great deal of time and resources into the Italian knitting and weaving market, which will be our main focus for the coming year, where we are looking to achieve quite an ambitious sales target in a short period of time.”

“Furthermore, we intend to invest heavily in our plant in order to renew equipment in the winding and preparation divisions, which is an ongoing process, while we are also making changes to our shift system and working hours in order to adapt to the new realities of the labour market,” he explains. “We are also investing in solar panels, as I already mentioned, and we will continue to invest in training and development for the new generation.”

“Most businesses today are trying to be the alternative choice to Chinese suppliers, but that is not our aim – instead, we want to be the very best alternative to the leading European suppliers,” asserts Mr Sooltangos. “Where we first entered the UK market, in 2004, I spoke to our main customers there and told them that we were not in the UK to take their market share, but to supply them with competitive yarns that will help them grow their business. A decade later, all of our customers are growing – and Ferney is benefiting from that growth,” he concludes.

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