KORDSA GLOBAL is reinforcing ASIA

GREEN: GOING BANANAS OVER ECO-PLASTICS

RUBBER: TYRE MAKERS BREATHE EASY
The recent major investment by Kordsa Global in Indonesia has turned the Turkey-based company one of the biggest players in the Asia-Pacific Region. The world’s leading producer of industrial nylon, polyester and tyre cord and single end cord has adopted a strategic expansion policy that aims at easier access to thriving markets and to offer more efficient service to customers.

Kordsa Global, world’s leading producer of industrial nylon, polyester and tyre cord and single end cord for the leading global tyre producers, has reinforced its presence in the Asia-Pacific region with the opening of its second tyre cord fabric and polyester yarn facility in Indonesia. Since 2007, operating under the title of Indostar, this $100 million investment makes Kordsa Global one of the biggest players in the Asia-Pacific region. The Turkey-based global player is on a strategically timed expansion drive in the region. With this investment, Kordsa Global will have much better accessibility to the Asia-Pacific markets, which have emerged as the main hub of economic development in the world.

Kordsa Global is opening two new plants – an 18,000 ton tyre cord fabric plant and a 14,000 ton 3rd and 4th generation Polyester H.K.S yarn plant. There will be over 200 people employed within the two new facilities.

KORSDA GLOBAL is REINFORCING ASIA
Acqaunv Chairman of Sabancı Holding, Ahmet Pakur, Industry Group President of Sabancı Holding and Korosas Chairman of the Board of Directors, Cemik Alper, Korosas Global CEO, Indonesia government officials and local administrators have all joined for the inauguration of the new facility in Bogor, Indonesia, located on the west part of Java Island.

Cemik Alper, Korosas Global CEO, said that the investment made by Korosas Global demonstrated the trust that the company has in the tire industry and with it not only Korosas Global would enhance its position in the Asia-Pacific region but the customers also would benefit from it.

Since the company started its investments in 2017 in the Asia-Pacific region, the local and global teams have continued to strive for creating more value for the stakeholders, by bringing Korosas Global standards to the region, by improving the quality, cost and service levels.

Alper added: "With these brand new facilities, we are going to offer added value by designing special solutions for our regional and local customers. By increased capacity and perfection, high quality standards and workforce that have embraced Korosas Global’s core values, we are going to provide continuously for our customers’ needs."

Korosas standards
Alper said that the total size of the investment is reaching $100 m. "Showing our strong commitment to tire industry, specifically targeted to reinforce our Asia Pacific position. Since 2017, from the moment we invested in Asia Pacific, our local and global teams have continued to strive for creating more value to our stakeholders by bringing Korosas Global standards to the region, by improving our quality, cost and service levels."

Talking about the growth strategy and investment details in Indonesia Alper added: "With all respect to their strategy and position, we strongly believe that as Korosas Global we can successfully compete with them via our innovative total cost of ownership solutions. If you consider the total product and service package we are customising for our customers, we believe that we are the champion in value per unit of cost. The new polyester and tire cord fabric plants in Indonesia are very good example of this principle."

Our new TCF facility is the new design of our process and engineering teams targeting for environmental friendly and cost efficient products and processes. The energy requirement of our new dipping line is much lower than a traditional line and we can also produce our new product families like high adhesion retention technologies, and HP Free (reversing formaldehyde free) dipping technologies. The process quality and manufacturing improvements in our new weaving and dipping lines guarantee defect free fabric quality."

"The Reinforcer"
In a separate interview with Polymers & Tyre Asia, Alper had said: "The rapid change in the industry presented us with an opportunity and we redefined our business to expand our operations with "The Reinforcer" positioning. Aside from core business initiatives, Korosas Global invests in all stakeholders; creating value added technologies and innovative products."

"Operational efficiency has become the key driver for every step we take and being where our customers are is the ultimate objective to deliver our cutting edge technology and products to competitive markets. Automotive is a global force for economies around the world and being a part of this industry helps us to become more creative and results driven in our business."

Referring to the new strategic expansion drive, particularly in the Asia Pacific, Alper pointed out: "Our decision on geographic..."
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expansion is shaped by the tyre industry that we provide for; we evaluate the opportunities and dare to take bold steps. Our corporate philosophy, "We will be where our customer is" is a solid commitment to the customer, the market and we are determined to be the leading provider.

"Our R&D is a non-stop process ensuring our technological leadership. In addition to current production facilities in Indonesia and Thailand, we have recently extended our investment in Indonesia; our venture IndiaKordsa is ready to change the game once again."

The company with 42 years of experience has become a world leader thanks to its strategic acquisitions and strong alliances. Apart from the Asian bases, the company continues its operations in Turkey, Egypt, Germany, USA, and Brazil with 8 facilities, one representative office at China and employs more than 4,000 people.

Kordsa Global has signed the UN Global Compact in 2014. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary driver of global action, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

Green commitments

Kordsa also has very strong commitment to eco-friendly initiatives and Green processes. The company operates according to its goal of zero waste production in the source. Alper said: "To minimize the requirement for processing or disposal and to protect resources, we reuse materials and design them to ensure recycling. Our priority is to combat with emission. Preservation of energy and natural resources are our principles and we are extremely careful for the efficient use of coal, oil, natural gas, minerals and other natural resources. We ensure the management of company assets to reinforce living environments for natural life."

The company has introduced a state-of-the-art RF free dipping technology, eliminating formaldehyde used to achieve initial adhesion. This highly special finishing prepared by Kordsa Global out of resin and fibers solutions was nominated to the "Environmental Success of the Year" award of Textile Technology International Awards 2014. Kordsa has been honored with a number of environmental awards. It received the Energy and Environment Award by Istanbul Chamber of Industry in the "Innovative Environment Friendly Product" category.

Kordsa Global recently announced plans to invest 65 million USD (52,802 million) in a composite materials reinforcement project. This is a joint initiative with Sabanci University and is targeted to create new milestones for its business.

"The investment is to establish a Composite Technology Excellence Center, to provide pre-graduate education, fundamental research, applied research, product development, manufacturing, incubation services and commercial products based on composite material technologies. Doctorate and post-doctorate researchers will join academics and engineers to develop and manufacture composite reinforcement technologies and products all these people will work together simultaneously," Alper said.

Kordsa Global is the world leader with 36 per cent of market share on heavy

the success story of Kordsa started in 1973 with a tyre cord factory investment in zmit, Turkey. The company, in which Hacıımer Sabancı Holding, one of the leading conglomerates in the Turkish economy, has a 91.1 per cent shareholding, exhibited continuous growth and with its global production capacities, continues to lead the sector, rapidly adapting its operations to changing market dynamics, while at the same time searching for new markets.

Strengthening its R&D investments, the company has introduced innovative high-performance and green products to the sector and with the reinforcement solutions that it developed, it has begun to catch the interest of the composite and construction sectors.

Kordsa Global stands in the first tier of Turkish Patent League. While the number of patent in 2003 was two, in 2014 the number of application was 176, with 68 patent applications for Turkey and 108 international.

Kordsa Global R&D Technology Centre has been awarded the first R&D Centre amongst the private sector in textile category by Ministry of Science, Industry and Technology in 2013 and 2014 and in 2013 the second R&D Centre and in 2014 the first R&D Centre among all industry categories. The Centre incorporates pilot dipping, spinning and twisting units, physical and chemical analysis, instrumental analysis, reology, optical analysis and dye analysis.

The company has been nominated as the Most Reputable Textile Company by Capbank Magazine in 2014 and selected as third in Textile and Textile Raw Material category by Turkish Exporters' Assembly and Istanbul Textile and Raw Material Exporters' Association.
Growing as ‘The Reinforcer’

Kordsa Global, world’s largest producer of tyre reinforcement products, has been on the path of constant innovation. The Turkey-based global giant has redefined its business to expand operations with “The Reinforcer” positioning. In addition to the current production facilities in Indonesia and Thailand, the company has recently extended its investment in Indonesia, Cenk Alper, CEO, Kordsa Global, told Polymers & Tyre Asia. Alper joined Kordsa Global in 2007 as Global Technology Director, later promoted as Vice President – Technology & Market Development, and VP - Operations. He assumed the position of CEO in 2013. Excerpts from the exclusive interview

introduce innovative processes and strive for leanest operations. Furthermore, we believe leadership is not limited to products and services and it must be crowned with technological leadership as well. Every technological milestone we achieve is another leap forward for better operations globally.

One of the most important efforts by tyre makers is to produce light weight tyres. How is Kordsa supporting this through your reinforcement products like cords, fabric etc?

We are continuously solving for developing new products for high performing tyres. High performing tyres is different than high performance tyres. A high performing tyre is a faster weight and energy efficient, irrespective of the tire size and application area.

Through our patented brands like Capmax, Monolocks and Twinox you can produce lighter tyres or with RF Free or HaTech adhesion technologies you can develop greener tyres.

How do you face the challenge of keeping pace with changes in tyre manufacturer priorities?

The key is to listen and understand your customer needs in detail and align your strategies to theirs. We thoroughly analyzed the global shift in productions, the automotive industry has moved from the West to the East. That means every industry within the scope of this global driving force must be easy to reach and effectively responsive. We provide tailor-made solutions for global tyre manufacturers and we feel obliged to be present wherever our customers are.

Our decision on geographic expansion is shaped by the tire industry that we provide for, we evaluate the opportunities and take to take bold steps. Our corporate philosophy, “We will be where our customer is,” is a solid commitment to the customer, the market and we are determined to be the leading provides.

Our R&D is a non-stop process ensuring our technological leadership. In addition to current production facilities in Indonesia and Thailand, we have recently extended our investment in Indonesia, our venture IndiaKordsa is ready to change the game once again.

What is the main driving force behind Kordsa Global’s success as the world’s largest producer of tyre reinforcement solutions?

For starters, industry commitment and innovation. That may sound too simple, but there is an enormous background with decades of experience and commitment to achieve the best and only the best. The rapid change in the industry actually presented us with an opportunity and we redefined our business to expand our operations with “The Reinforcer” positioning. Aside from core business initiatives, Kordsa Global invests in all stakeholders: creating value-added technologies and innovative products. Operational efficiency has become the key driver for every step we take and being where our customers are is the ultimate objective to deliver our cutting-edge technology and products to competitive markets. Automotive is a global force for economies around the world and being a part of this Industry helps us to become more creative and result driven in our business.

What is Kordsa’s strategy to ensure operational efficiency?

We defined the sine qua non: No compromise when it comes to products and service quality. Those at hand, we focused on lowering costs to become more competitive, while introducing more innovative products to create value for our customers, we
Incubation services and commercial products based on composite material technologies. Doctorate and post-doctorate researchers will join academicians and engineers to develop and manufacture composite reinforcement technologies and products all these people will work together simultaneously.

A 10,000 square meters of closed area is reinforced with another 3,000 square meters of laboratory infrastructure, where learning and manufacturing will create a breakthrough ecosystem. Kordas Global will be able to manufacture high technology materials and composite parts which were subject to limited import procedures before. It is a very exciting project because students and academicians will team up with researchers, entrepreneurizing engineers and designers for a common objective.

**How modern are your production facilities? How big is your workforce?**

We are proud to say that our leadership vision is not just about market share; we are the leader in tyre reinforcement technologies. Our eight sites around the globe feature the latest technology with built-in R&D units to deliver the exact specifications that our customers need. Kordas Global is one of the companies synonymous with innovation in the world. Each and every Kordas Global employee observes the customers’ needs and requests very well and blend this information with technology, so they can present new products to their customers.

More than 50 researchers at Kordas Global are incorporating their efforts in order to develop innovative reinforcement solutions and they are backed up with other 4000 brilliant professionals for the best products in the market.

**What is your strategy in expanding your product range?**

This is a multi-tiered strategy. We are present where our customers are, we provide to every single need they come up with. Being the leading supplier of heavy-duty industrial nylon 6.6 and polyester (HMLS and Technical) parts, cord fabrics, industrial fabrics and single end cord products, and with heavy investment in R&D, our customers lead the way for new products whenever they ask for a solution.

Take one of our patented brands for example: Capmax™ is designed to provide significant cost reduction to the makers by eliminating some stages in the tire production process such as calendaring, cutting and slotting operations. Capmax™ is the ultimate choice for new generation eco-friendly green tires. Tires manufactured with Capmax™ consume less resource, energy and raw materials significantly reducing the carbon footprint of a tire.

Kordas Global recently announced plans to invest 65 million [US$8.2 million] in a composite materials reinforcement project. Please provide some details.

Our joint initiative with Sabancı University is targeted to create new milestones for our business. The investment is to establish a Composite Technologies Excellence Centre to provide post-graduate education, fundamental research, applied research, product development, manufacturing,