

# “Our price is value for money.”

Lapp will be celebrating 20 years of its Indian operations in May 2016. **Marc Jerrault, Managing Director, Lapp India**, spoke to APF on his company's current situation and the plans that it will be implementing in the future. Excerpts:

## How competitive are you on a price point?

We are a premium brand with a four-value proposition: peace of mind; guarantee of 25 years; high performing cables and oxygen-free copper; we are where you are, we regularly visit dealers and customers; (we have increased) availability of our products, introduced service points where we provide plug and play solutions to our customers; we are investing 25 per cent in R&D; (we have an) engineering centre at Bengaluru coupled with a state-of-the-art lab — our price is value for money.

## What is your take on aluminium instead of copper in all kinds of cables including data communications?

Our cables are low voltage, below 1.2 KV. For higher voltage, aluminium has taken over. Copper is very ductile and malleable.

## What is your take on aluminium cables in light of frugal manufacturing initiatives by Indian manufacturers to ensure lowest cost of production which in turn provides a global competitive edge to suppliers?

We are looking at such frugal cables. For the past five years, we have been working on it in our R&D centre at Bengaluru, high technology aluminium



Marc Jerrault,  
Managing Director, Lapp India.

and fibre optic cables. At the end of the day, we want to meet the expectations of our customers.

## What is your assessment of the market for 2016?

So far we have been able to maintain a double-digit growth, this year too we expect a growth of 10 per cent, despite turbulence on commodity prices, which is affecting copper. But we have been working hard and have an active customer base of 3,500 and have served over 10,000

customers over the past 20 years — and we know that the potential is 50,000 in India. As such we have room to go deeper and develop a wider customer base spread over various segments.

## Could you give some idea about the market size in terms of value or kilometres of cables?

Last year, Lapp sold 130,000 km comprising data, control and power cables and related connectors and accessories like conduits and chains. We are looking at 10 per cent growth this year. Our financial year starts in November; in Q1, we did 12 per cent. We would like to mention that since 1996 we set up our first facility which was inaugurated in 1998, and our second factory in 2012 — and since then we have been investing Rs 50 crore for the past two years.

Low voltage wire and cable market in India is about \$3 billion or 3 per cent of the worldwide market. We have 40,000 products (we say it is Rs 6,000 crore); we see it growing to about Rs 10,000 crore by 2020 and we aim to get about 10 per cent of this market share. Maybe in a year, we will come out with aluminium cables and making our own pie bigger. So we are working on specifications suitable for the mining industry. Our conduits are imported from Germany.

## Why did Lapp come to India?

The vision of this family-owned business and shareholders is always long term. They had come to India to be Number One eventually. Today, we are Number Two which is great.

## What is your vision for India?

My vision is to become the most innovative and preferred end-to-end system supplier for our customers in all segments of the industry.

## Lapp in India

Lapp provides highly flexible cables, connectors and end-to-end systems, low voltage (<1.2 KV) four core types for industrial and data communication for industrial machinery and plant engineering. Its cables are used for paint shops, robots, body shops etc, which make cars and for factory automation. Lapp has a high focus on India. Recognising the potential in India, Lapp now has 600 retailers.