



A Romanian Steel Force

Sirme Si Cabluri Harsova is one of the most famous European manufacturers of steel wire ropes, wires and drawn steel products with low carbon content. Nicoleta Olteanu, Head of Sales and Marketing for Sirme Si Cabluri, speaks to the editors at AIM GLOBAL about the operations, challenges and future plans of the company.

Overview

Giving a brief overview of Sirme Si Cabluri, Ms. Olteanu says, "Sirme Si Cabluri is Romania's largest manufacturer of its kind, a distinction we achieved in 2013. We started as a small company, but through our dedication to creating value for our customers, and through our focus on leveraging technology to create superior products, we've slowly established ourselves as a player in the market. As a result, we've long been known across Europe for our wide variety and high quality wires and ropes. Today, we have the technology that enables the production of a variety of drawn wire galvanized and ungalvanized, steel wire ropes, wires for springs and ACSR type and products with low carbon steel (galvanized and black annealed wire). It is known in the market that our product quality and flexibility is tailored to our customer's requirements, which is a big draw for our clients. We have our own laboratory

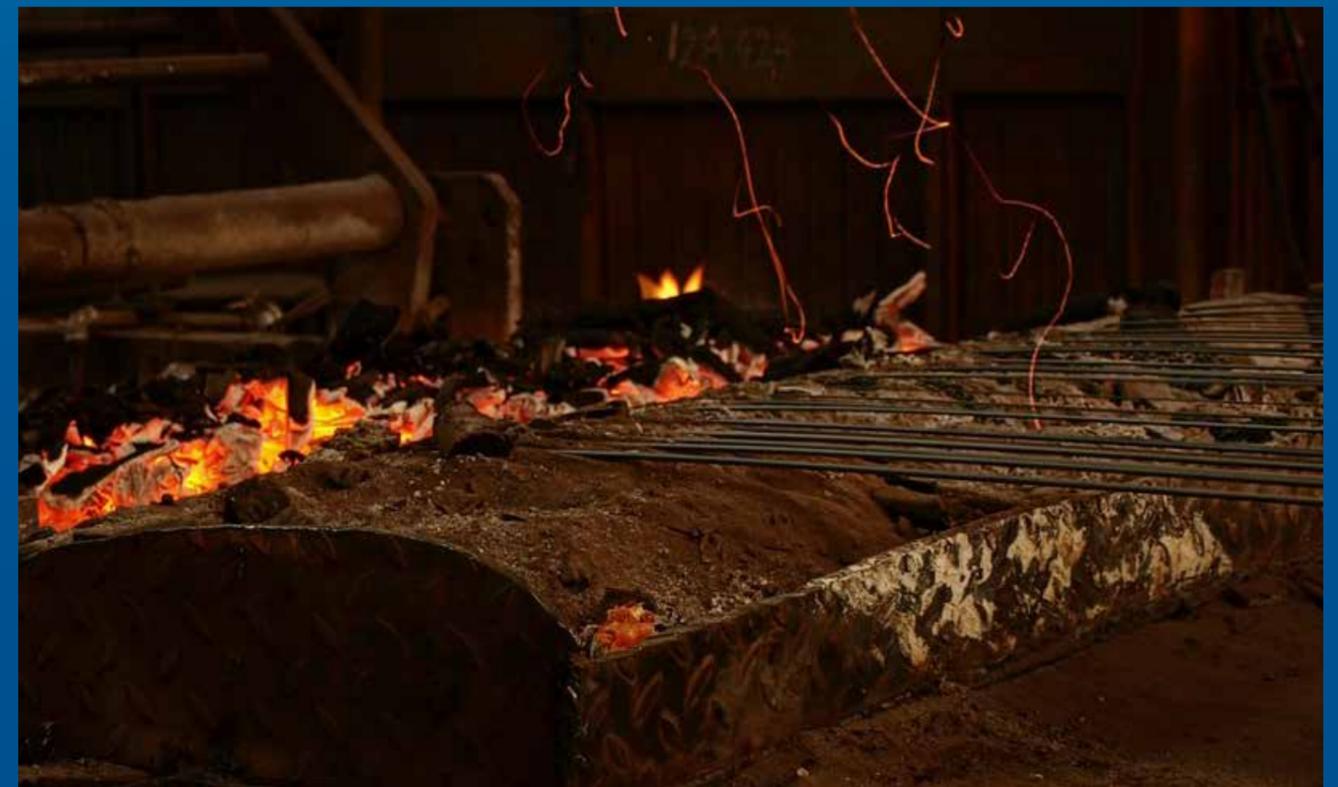
and our products are carefully controlled and are tracked according to our customer's requirements right from the production flow to the wire pickling, to the rolling stage and finally to delivery. Satisfying the customer is the most important value for us. For us, pleasing our customers goes beyond just delighting them with politeness and offers. We believe that our business must prove it can consistently show up for our customers throughout their lifetime relationship with our company, regardless of the hour, situation or channel of their time of need. We are always ready to answer our customers' questions and tirelessly working to reach the golden ring of customer service – loyalty."



Our factory has a production area of 50,000 m2 out of a total of 110,000 m2 and is located Harsova, in Romania.

Facility

Describing the facilities that Sirme Si Cabluri has acquired, Ms. Olteanu says, "We have a state of the art factory with cutting edge technology, the largest of its kind in Romania, on the Danube and not far from the port of Constanta. The location gives us a big advantage in that we are able to give speedy delivery to our customers. Our quality and flexibility are most important for us. We have a laboratory that checks the wires from beginning to the end of the process following customers requirements, and we are quite stringent in our quality controls. Currently, we have about 350-400 employees working with us."



Major Projects

Asked about the main markets and major projects that Sirme Si Cabluri caters to, Ms. Olteanu says, "While we do have a domestic market, a vast majority of our products are exported. We have customers all over Europe, in every country, and have gained a good reputation over the years. Recently, we've also ventured into territories such as the USA, Canada and other countries. Currently, I'd estimate that 60-70% of our products are exported, since in Romania the market is not that defined."

Asked about the notable companies they have worked with in the past, Ms. Olteanu says, "Because of our range of products our customers are from many diverse industries. From its use in forestry, to extracting, to construction and drilling, from elevators to agriculture and general individual use- our ropes and wires have a diverse application, and find themselves with a foot in many industries. "We supply to many big and strong companies across the world".

Asked about plans to work with the government, Ms. Olteanu demurs, "While we have had projects in past working with the Romanian Government, we decided to change our strategy. Our policy now is to supply to contractors who work with government instead of directly to the government, since there is a complex tender process that we don't want to focus on."



Technology

On the topic of technology, Ms. Olteanu talks about the many investments that Sirme Si Cabluri has made. "Our factory is making investments in technology all the time. We only recently installed a new line of galvanization machines from FIB Belgium. The lines are controlled with nitrogen and create heavy galvanized wire. We have also invested in 4 machines for ropes, 2 planetary machines and 2 machines that will create ropes that have a bigger diameter so that we can cover a larger range and satisfy more customers. Additionally, we have started production of zinc aluminum ropes. We've also invested in machines from Lesmo Italy and Tenson."

Planetary machines and 2 machines that will create ropes that have a bigger diameter so that we can cover a larger range and satisfy more customers.



While the low cost strategy might suit a company in the short term, a company must have a thorough understanding of costs and how to continually reduce them to keep it working.

Challenges

Asked about the challenges faced by Sirme Si Cabluri, Ms. Olteanu says, "The biggest challenge we face is that the market has been driven down by the large influx of imports from Asia. The only advantage these products have is their low cost. We try to overcome it through technology and by producing materials that are far better in quality. In the long term, many of our customers find that investing in quality materials eventually creates cost benefits."

Ms. Olteanu continues, "While the low cost strategy might suit a company in the short term, a company must have a thorough understanding of costs and how to continually reduce them to keep it working. Generally, this means that eventually the dedication to R&D and strictness about quality becomes low. The company must also be willing to standardize its offerings in order to manage costs, which implies that exceptions requested by prospective customers must be limited or excluded in order to keep costs down. This is where Sirme Si Cabluri is very different. We invest in R&D and make sure that we are always ahead of the market in terms of the technology we use. We also make sure that we are customer centric, and that we are flexible enough to incorporate any changes and any special needs that a customer has."

Client Satisfaction

Discussing the company's commitment to servicing its clients, Ms. Olteanu says, "We always have a team at hand to discuss the client requirements. We are also very flexible when it comes to creating products that are tailored to the client's needs. At any time, we are ready to discuss with our clients and help them find solutions to their unique challenges. Every year we send our clients a feedback form, and we have always received positive responses. However, in our mind, the most important feedback is when the customer reorders and we build a long term relationship with them- after all, this is the best sign that they are satisfied with our product from a quality perspective."

Emphasising some of the reasons that clients choose Sirme Si Cabluri, Ms. Olteanu says, "We supply to many big and strong companies across the world, we have network of sales, distribution, and technical support to serve them. We are the largest manufacturers of steel wires and steel wire ropes products in our country, and widely known across Europe. We are a market leader in ropes and wires domestically. We are a significant producer of specialized high carbon wire products, and we have a highly diversified product portfolio to meet any customer requirements."



We are the largest manufacturers of steel wires and steel wire ropes products in our country, and widely known across Europe. We are a market leader in ropes and wires domestically.

Corporate Citizenship

Discussing Sirme Si Cabluri's commitment to being a good corporate citizen, Ms. Olteanu says, "For our company, the overall aim is to achieve a positive impact on society as a whole while maximising the creation of shared value for the customers of our business, our employees, shareholders and stakeholders. We are invested in the environment, and we invest in products that will benefit the environment. In our company, we have a drive to make sure that we create processes that will reduce the environmental impact as well as create benefits for our customers either through quality or cost basis. Additionally, we comply with all the norms that are specified by international bodies and educate our employees on methods of reducing pollution."

Ms. Olteanu adds, "Another aspect of our corporate citizenship is that Sirme Si Cabluri donates regularly to schools, hospitals, and in the event of disasters."



"We comply with all the norms that are specified by international bodies and educate our employees on methods of reducing pollution."

The Human Factor

Discussing the importance of technical staff, Ms. Olteanu says, "We have about 350-400 employees, and the company considers that they are part of a large family. We are a developing company and so one major focus in developing our employees is training. We train our workers to keep pace with best practices across the industries as well as the technical needs for processes they will have to execute. In every department we have designated people who are in charge of training employees and conducting a knowledge transfer. Additionally, we also take the help of external experts, and frequently have lectures, seminars and workshops conducted

by external faculty."

Ms. Olteanu adds, "When it comes to health and safety, we have stringent protocols and train every employee regularly. Besides this, we are a company that genuinely cares about its employees. Our workers get a medical check conducted by the company twice a year, and besides this, their medical insurance is fully paid by the company. We do more than is mandatory because we believe that it has an effect on the morale, and thus the productivity of our workers. We understand that healthy workers and happy workers creates an atmosphere of trust which means better production and more success for us all."



"We have about 350-450 employees"

"Medical insurance is fully paid by the company"

Quality

Discussing the company's quality control, Ms. Olteanu says, "We are an ISO 9001 compliant company under the Lloyd's register. We also have naval authorization, bridges certifications and other certifications for our products. For us, quality starts with our raw materials, we use only suppliers that meet our qualification process after a careful vetting. In our day-to-day manufacturing process, our procedures clearly document how we produce each product. Each person measures and monitors product compliance with specifications at each step in the process. Random audits ensure accountability. On an ongoing basis, our quality department works with plant managers to set and attain quality-related goals. We identify best practices in each

department and share them across the factory. We monitor and measure quality performance constantly and report it widely throughout the factory. From random audits of machines and workers, we "grade" operators, supervisors, and plants and track results over time for improvement. In the field, we measure and monitor the product itself through observation and sophisticated testing. In every aspect of our production, we have a careful quality control to make sure that the end product is exactly as the customer desires. The results, along with customer feedback, enable our engineers to design new or improved products. So far, we have always been lauded by our customers for our superior quality."



In our day-to-day manufacturing process, our procedures clearly document how we produce each product.

Future Plans

Asked about their plans for the future, Ms. Olteanu says, "On a broad note, we plan to keep investing in technology, to create new products and try to enter new markets. Where technology is concerned, we have already been making changes and creating new products that have pleased our customers. Where new markets our concerned, our initial forays into some of them have been encouraging. We have an edge in the domestic market since we are the only ones that produce this in Romania. As to our exports, we are

dedicated to creating high quality products which, we believe will make a huge difference in the market." Signing off, Ms. Olteanu concludes, "Finally, we are a company dedicated to creating value for our customers. One of our core beliefs is that our customers are most important to us and they must be satisfied- this is the path forward for us as a company. Our vision is to create quality products and streamline our delivery. As a company, we are determined to prove that we can give them the best quality, best price and best delivery time compared to all others!"



We plan to keep investing in technology, to create new products and try to enter new markets.