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Volume: 01/159 TUESDAY JUNE 1, 2010 Price Rs. 20.00 Late City Edition

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Neil Umagiliya appointed to Monetary Board
TOP apparel industrialist and business leader Neil Umagiliya has been appointed to the Monetary Board of Sri Lanka.
Neil is the Managing Director of Dial Textile Industries Ltd. and fills the vacancy created by the resignation of non executive member business leader Thilak de Zoysa. Neil also serves as a Director of the ICT Agency of Sri Lanka and Vice President of the Sri Lanka German Business Council.
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Sri Lanka is on the right track – Global corporate ‘guru’ Dr. Ram Charan

BY MARIANNE DAVID

SRI Lanka has many positives and assets, along with the passion to take the country to the next level, said Dr. Ram Charan, addressing the media during a whirlwind 24 hour visit to the island on an invitation from Brandix Lanka yesterday.
Dr. Charan – who is a highly-

sought after business advisor and speaker famous for his uncanny ability to solve the toughest business problems – asserted that “the key thing everybody has to know in this world is that the speed and volatility of external change is very high. No one individual can master this change.”
“There is passion here to take this country to the next level, par-

ticularly in relation to the economy and education and positioning Sri Lanka in the changing world,” he noted.
Responding to a question on his first impressions of Sri Lanka, he said: “This is my first visit here to Sri Lanka. As you know, Sri Lanka has more in common with the Indian culture than some of the other countries. I am glad to see



Dr. Ram Charan

that you are on the growth path and transforming your economy”

For over 35 years, this business ‘guru’ has worked behind the scenes with top executives at some of the world’s most successful companies and has also shared his insights through teaching and writing.

Brandix “building a jewel”
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Sri Lanka is...

According to Dr. Charan, he visited Sri Lanka for two purposes: "Firstly, I love learning. The second is focused on how I can help Brandix in new ways with new ideas."

"The management of Brandix has a very forward looking, visionary and bold management and ownership to take this company forward towards number one in the world. And these are not light words from me because I am able to examine many companies in the world," added Charan, who consults for the largest and most powerful companies and is among the most sought-after CEO advisors in the world.

Touching on whether it would be wise for Sri Lanka to come out with its own brand, given its expertise in the apparel industry, Dr. Charan said: "See the market, see the change in the market, which gives you the understanding to create new things. Why not?"

However, CEO of Brandix Lanka Ashroff Omar was quick to point out that while branding was one matter, execution was another altogether.

Pointing out that there were other aspects that came before branding, he said: "For example, Apple Computers are built by a huge Taiwanese company which is almost as big as Apple. Providing the total solutions your customer needs is a different discipline. Brandix is not looking at its own brand immediately; we have to first master what we are doing."

Touching on some figures, Omar revealed that total apparel imports into the US stood at US\$ 65 billion, of which Sri Lanka exports 1.75 billion and China about US\$ 30 billion.

"In China there are apparel companies which are about a billion dollars today, which is not big. There are shoe companies which are close to four to five billion dollars. They don't have their own brand, but 35% of the world's shoes are made by one Taiwanese company. Our whole focus and plan is to be a mega supplier of apparel. As we go along, we will build our own brand if necessary - but we have to first be masters at what we do," he added.

"The market is so big. There is an over 100 billion dollar market in apparel. If you take the six or seven categories which the country is good at, that will account for more than 40 or 45 percent of the total buying."

Brandix “building a jewel”

By MARIANNE DAVID

DISCUSSING his perceptions of Brandix Lanka, global corporate ‘guru’ Dr. Ram Charan cited Singapore as an example, stating that although there was no place to do intra-country flying in Singapore, Singapore Airlines was a worldwide airline. “That’s where Brandix is now. You are building a jewel,” he asserted.

Commenting on the state of Sri Lanka’s apparel industry and the company’s ability to cope with challenges, Dr. Charan said: “Here you have a very professional, innovative and seasoned management. It has systems; it has feedback systems from the customers.”

“In this business, even though Europe was not going through this kind of recession, there are cycles. So the management knows how to adjust. The key here is that the management has systems to adjust as volatility takes place – and they are world class.”

‘World class’

Why did Brandix then choose to consult Dr. Charan? “When somebody says ‘world class,’ it is a historical comparison. It’s old. The management is on the offensive and is looking towards building the future. When you look at the Vishakhapatnam project, they are setting the standards that others will be compared against. In doing that, I would see what new tools and techniques could be incorporated from other industries. Managements usually don’t see outside the industry. People like me are able to probe and point out best practices.”

“The other part is that while Brandix is world class in some areas, it is still to be world class in some other areas. I may be able to help here because I do know some of their customers and have worked with them,” he added.

Asserting that the plant in India featured a new and lasting business model, with the



Brandix Lanka CEO Ashroff Omar

entire operation integrated in one place, he said it created a competitive advantage on a worldwide basis.

Dr. Charan further noted that Brandix Lanka was highly customer- and productivity-oriented and therefore willing to make investments that other companies were not willing to or unable to do.

What did Brandix learn?

Speaking to Daily FT on what Brandix Lanka learnt from Dr. Ram Charan’s visit, CEO Ashroff Omar said: “We learned a lot. We invited him in order to get to the next level. The main thing is his sharing of experiences – he is dealing with companies that are far bigger than us. We are miniscule in comparison.”

“It’s about mindset – how the management and CEOs think, how the senior management team interacts, how they deal with their customers and so on. I think it was a phenom-

enal experience for the Brandix team. We are extremely pleased that he was impressed with what he saw at Brandix in a short time. We are thinking of working with him for a longer term to develop our strategies and networks,” he added.

Going global

Discussing Asian markets and Brandix Lanka’s focus in this region, Omar noted that Brandix had just commenced exports to Japan.

“Our shipments have just started going there. That’s an entirely new market. Japan has FTAs with Vietnam and Indonesia while Bangladesh has duty free entry. We will work with our Government to probe whether the same is possible.”

“We have to think global. The Indian operation is going well. There is a misconception that we were moving away from Sri Lanka but then, we would not have put up this plant,” he added, referring to the company’s LEED Gold certified ‘Brandix Essentials’ plant in Ratmalana.

Touching on India, he noted that in Indian there were one billion people and exports were US\$ 9 billion to the US and European markets, which was only three times that of Sri Lanka, despite having 50 times the population.

“Indian and Bangladeshi facilities are using Sri Lankan technicians. So why shouldn’t we use our expertise and India’s resources? Out potential is very high, if we do it the right way – it’s all about economies of scale,” he asserted.

Couriering for convenience

ON a lighter note, referring to his habit of having his clothes couriered from Dallas to wherever he is in the world and sending them back for laundering in the same manner, Dr. Ram Charan said: “I’ve tried buying new clothes – but I’m cheap and I don’t want to pay US\$ 15 for cleaning a shirt in a hotel. More than being cheaper to courier, it’s convenient.”