

Manufacturing



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Evolution of tiles

SAJJADUR RAHMAN

THE use of the first clay tiles has a very old history, about seven to eight thousand years ago. Some analysis found that the usage of wall and floor tiles was traced back to as far as the fourth millennium (4000 BC) in Egypt. In those days, tiles were used in Egypt to decorate various houses. Clay bricks were dried beneath the sun or baked, and the first glazes were blue in colour and were made from copper, very exquisite!

During that period, ceramics were also known to be found in Mesopotamia. Later on, in China, the great centre of ceramic art, a fine, white stoneware with the earliest Chinese glaze was produced during the Shang-Yin dynasty (1523-1028 BC). The usage and the art of

making and decorating ceramic tiles had spread and by 900 AD, decorative tiles had become widely used in Persia, Syria, Turkey and across North Africa.

As transport and communication systems developed, tile usage and its penetration in other territories increased. Wars and territory take-over caused this art to spread even faster. The Romans introduced tile making in Western Europe as they occupied territories. Northern Europe also had acquired the technology from Persia.

By the end of the 12th century, the use and manufacture of ceramic tiles had spread across Italy and Spain and into the rest of Europe. Till that time, they were mainly used to decorate the floors of Cathedrals and Churches. Through the centuries, tile decoration was improved upon, as were methods of tile manufacture.

In those early days, tiles were hand-made. Each tile was hand-formed and hand-painted, and thus, each was a work of art in its own right. Today ceramic tiles throughout the world are produced automatically. They are used in an almost infinite number of ways and people do not have to be wealthy to own them. In commercial buildings, where both beauty and durability are in consideration, ceramic tiles will be found, particularly in lobby areas and restrooms.

A major change that took over the ceramic tiles industry was the introduction of vitrified and porcelain tiles. Now, ceramic products have expanded to tableware and sanitary ware. Bangladesh, being a third world country, cannot keep itself out of its usage. Now it has spread to all over the country -- from the capital city to district and thana level homes. Affluent residents

MAJOR TABLEWARE PRODUCERS

Shinepukur Ceramics

Established in 1997 and commissioned in 1999, it is the second biggest manufacturer of porcelain tableware after Monno. The factory has 65,000 pieces a day production capacity. It produces items from dinner sets to salt and pepper pots. Its main export market is Europe. The factory, which is located at Gazipur, uses indigenous natural gas as its chief source of energy. It is a listed company in Bangladesh's stockmarkets.

Monno Ceramics

Monno Ceramic Industries began producing porcelain tableware for the domestic market in 1985. It got its first export order in 1986. Monno soon earned an enviable reputation for both quality and value. The company, with a manufacturing capacity of two million pieces a month, was the first exporter of porcelain dinnerware 'Made in Bangladesh'. It is also a listed company in the stockmarkets.

FARR Ceramics

Established in 2005 with Tk 120 crore, the factory was commissioned in 2007. It now grabs over 10 percent market share of Tk 300 crore exports of ceramics. It exports to 18 countries, including Italy, Germany, Switzerland, Poland, Spain, Turkey and India. Renowned five star hotels in India, such as Marriott, Taj, Grand and Ramada, use FARR ceramics tableware. FARR is investing another Tk 50 crore to expand capacity to 70,000 pieces a day from 30,000 pieces at present. The company is planning to get listed on the stockmarket.



Crafted out of ceramics

SAJJADUR RAHMAN

CERAMIC tiles, tableware and sanitary ware have become an integral part of today's life. It makes a world of a difference to the look and characteristics of one's interiors and outdoors.

Though the use of ceramics dates back to a thousand years in history, its mass use began much later. It has become a world in Bangladesh that gained momentum since 2000. The large number of shops selling porcelain products in retail points -- at both district and thana levels is also evidence of its widespread use.

The Bangladeshi ceramic industry, despite a slow-down in many other manufacturing sectors, continues to grow at a healthy 15 percent a year, reflecting growing demand both internally and externally. This is mainly because of cheap natural gas, the chief energy source required to manufacture the products.

The country enjoys comparative advantages in manufacturing ceramic products, as it is a gas-based, labour intensive and skills-oriented. Value addition in ceramics stands at nearly 70 percent.

Ceramics and tiles are an emerging industry in Bangladesh. Over Tk 3,000 crore has so far been invested in the sector from home and abroad. The local market size of the product was Tk around 1,500 crore in 2010, according to market players.

Traditionally, Japan, UK, Germany and other European countries dominated the export of ceramic products to world markets. But a jump in production costs, including wages and currency appreciation, made ceramic manufacturing unfeasible for many of those nations, even in China.

Presently, around 40 ceramic factories are manufacturing porcelain wares -- tiles, tableware and sanitary ware. A third of them are tableware producers and most of the rest are tile and sanitary plants. Leaving aside expansion, nearly 10 new factories have appeared on the scene in the past few years.

Aggregate annual production capacity of these tableware and sanitary is 70,000 tonnes and tiles 400 lakh square metres.

According to industry insiders, Bangladesh has certain competitive also enjoys the generalised system of preferences (GSP), which allows the country's to export duty-free to Europe. There is no quota restriction either on the export.

"The ceramics industry has been expanding fast due to a rise in demand both from the domestic and export market," said Iftekhar Uddin Farhad, chairman and managing director of FARR Ceramics.

FARR Ceramics was set up in 2005 and started commercial production in 2007.

"We are getting export orders from new countries, like Turkey, India, Argentina and Brazil," said Farhad.

Fast-growing FARR Ceramics recently invested over Tk 50 crore to double its porcelain production capacity to 70,000 pieces a day from 30,000 pieces.

Farhad said the company is injecting funds into adopting modern technologies and capacity expansion. "We'll use raw materials in a dry format instead of a wet format to improve the quality of the products," he said.

After expansion, he said the company's export earnings would reach nearly Tk 85 crore a year from Tk 30 crore at present.

Shinepukur Ceramics, a concern of Beximco Group, has invested an additional Tk 80 crore to expand its bone china production capacity last year by 4.5 tonnes to 7.5 tonnes a day.

A new factory will be set up with the funds, said a top official of Shinepukur Ceramics, the leading exporter.

"We are trying to grab a bigger share of the international market," said Rizvi-ul Kabir, chief operating officer of Shinepukur Ceramics. Fund are being poured in to make and export premium-quality bone china products, he said.

Bangladesh exported ceramic tableware worth nearly \$35 million in fiscal 2009-10, of which, over 80 percent was destined to Italy, UK, USA, Germany, France, Canada and Sweden. Recently, India has become an export market for Bangladeshi ceramics products.

Local consumption is much higher than export volumes. According to some estimates, the local consumption of porcelain tableware would not be less than Tk 1,000 crore. It is growing fast with an increase in the affluence of the growing middleclass. An estimate by

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Bangladesh Ceramic Ware Manufacturer and Exporters Association shows despite tremendous growth of the local industry, the country still imports to meet 20 percent of its demand.

Not only tableware, porcelain tiles are also gaining popularity in recent years. People are increasingly using tiles to make their homes or offices look good.

Mazharul Quader, chairman of X Ceramics, a joint venture porcelain tiles maker, said there is a good prospect for tiles in Bangladesh and exports too.

X Ceramics, a new entrant in the tiles industry, has a European brand manufacturing licence. It produces Majorca, Monica and Eurotiles.

Quader, however, said they have to import 95 percent of the raw materials required to make porcelain tiles. Moreover, they have to pay 30 percent value added taxes, which he said is high and cuts competitiveness. A shortage of gas supply is also hindering growth of the industry.

RAK Ceramics Bangladesh, which started business in 2000, has become a major market shareholder in the porcelain tiles category. It produces a very wide range of products -- wall and floor tiles, décors and Listellos, pencils and cappings and borders and corners.

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MAJOR PORCELAIN TILES MAKERS

RAK

RAK Ceramics Bangladesh started production in 2000. It added a sanitary ware unit in 2004 to strengthen its foothold. Now, it has around 20 percent of the total porcelain tiles market. The company's production capacity is 22,000 square metres of tiles and 2,500 pieces of sanitary ware a day. RAK exports to the world market via its UAE-based global sales outlet.

Fu-Wang Ceramic Industry

It is a joint venture industry set up in 1995. The company went into the capital market in 1998. Now the company's paid up capital stands at over Tk 60 crore. For its quality and design variety, the company exports to India, Bhutan and Taiwan. Fu-Wang uses advance technologies in producing quality tiles of European standards with affordable prices for Bangladeshi consumers.

X Ceramics

X Ceramics entered the market in late 2009. It is a European brand manufacturing licence holder, producing Majorca, Monica and Eurotiles in the name of X Monica. It has the exclusive right to all three brands of Majorca Spa for Bangladesh, India, Nepal, Bhutan, Myanmar, Sri Lanka and the Maldives.