

# Pacific Jeans aims for higher growth

*Its director Syed M Tanvir says the company set a growth target of 12-15pc a year*

DWAIPAYAN BARUA, Chittagong

**K**EENLY watching his father's work at their family business forms a major part of his childhood memories. But even then, Syed M Tanvir, a director of Pacific Jeans Ltd, said becoming a successful entrepreneur was not an easy task.

"It took a lot of hard work and innovative ideas to come to this stage," he told The Daily Star in a recent interview.

A student of Saint Placid's High School, Tanvir earned his bachelor's degree in finance from Independent University, Bangladesh and got his master's degree in international marketing from University of Leeds, UK. He joined his family business 10 years back when he was only 24.

Even when he was a student, he spent his holidays in the factory, working in different departments.

As a fresh graduate, getting to know the functions of each department was not only challenging, but also exciting, Tanvir said. His designation demanded a high-level of interpersonal competence to take hold of the diverse business operations and prove his ability to run the organisation.

"Garment manufacturing is such a business where you experience new problems every day. If you are not involved and experienced enough, you can't solve these problems efficiently," Tanvir said.

His father M Nasir Uddin started a factory, NZN Fashion Ltd, in 1984 with only 500 people. The factory began manufacturing jeans for an Italian brand in the following year when there was no denim laundry in the country. The factory used to stitch the jeans and ship them unwashed to Italy. His father established the first denim laundry in Bangladesh in 1986.

In 1996, Nasir set up Pacific Jeans in Chittagong Export Processing Zone with 1,500 people.

From a small garment factory established in 1984, Pacific Jeans has now been transformed into a supreme institution for premium jeans.

"Since then, we have had consistent growth. In 2000, we added another produc-



Syed M Tanvir, a director of Pacific Jeans Ltd, says garment manufacturing is such a business where one experiences new problems every day.

tion facility, Jeans 2000 Ltd. In 2008, we expanded further with Universal Jeans Ltd. And our latest addition in 2014 is NHT Fashion Ltd," Tanvir said.

Pacific Jeans has eight production units employing around 27,000 people. It produces 40 million pieces of jeans a year, exporting to more than 30 countries. The group has an annual export turnover of \$360 million.

The young director said Pacific Jeans has set a growth target of 12-15 percent a year.

Exporting products to the US and around 20 countries in Europe in the last decade, Pacific Jeans has also focused on unconven-

tional markets in Asia like China, Japan, Thailand, Malaysia and Singapore.

There is scope for value addition in these markets, said Tanvir, adding that they are also trying to enter Brazil, Argentina, South Africa and Russia.

The group's management takes good care of their workforce by allowing them to participate in decision-making, so that they develop a sense of belongingness.

Instead of following a business model that offers a variety of products to customers, Tanvir prefers a different strategy, which is to specialise in one single product and to keep climbing up the value chain.

The young director has a mission to strengthen the business further by focusing on consistency in quality and become a world leader in premium jeans manufacturing.

He feels there is a need to diversify the business portfolio, but it should not take their time and focus away from the existing business.

In 2013, the group tied up with Marriott International to construct a 5-star luxury business hotel in Chittagong.

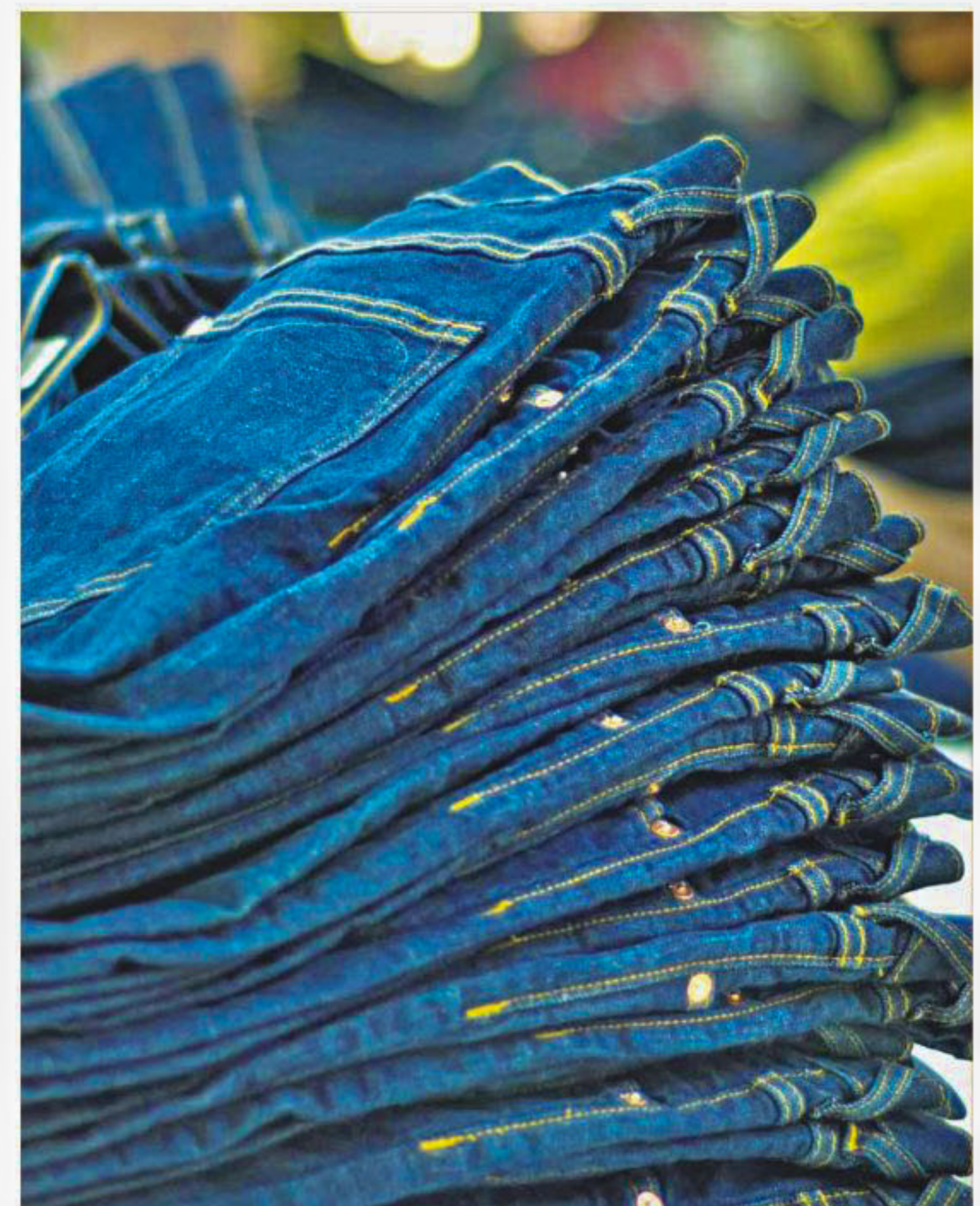
Tanvir said 2014 as a very challenging year for the country's garment sector that faced new fire safety and building safety requirements as well as social compliance and prod-

uct safety.

However, it was also an opportunity for the sector as it could ensure a sustainable and long-term future by complying with the requirements.

Tanvir's role model has been his father. "Since I was young, I have always been fascinated by my father's business ethics, integrity, market intelligence, hard work and passion towards his work. I have always tried to be like him."

For him there is no shortcut to success. "Young entrepreneurs should not target to become rich overnight by adopting wrong means," Tanvir said.



STAR

## Jaguar Land Rover to create 1,300 UK jobs



BBC NEWS

The new vehicle will be a derivative of the C-X17 concept car.

BBC News

**J**AGUAR Land Rover says it will create 1,300 new jobs to build Jaguar's first sports utility vehicle (SUV) at its Solihull plant in the West Midlands.

The firm has already invested £1.5bn in the Solihull plant to enable it to increase production, and it said its workforce there had almost doubled over the past three years to 9,450.

Jaguar Land Rover currently employs 30,500 people in the UK.

The car, called the Jaguar F-PACE, will be based on its C-X17 concept car.

That was first launched at the Frankfurt motor show in 2013. The new model is due to go on sale in 2016.

Jaguar Land Rover's UK executive director, Mike Wright, told the BBC the new vehicle would not be a "gas guzzler".

"We spend about £3.5bn on our product investment each year and one thing that we really focus on is making sure that our future cars are both economic in terms of fuel economy, in terms of CO2.

"This car's going to be built at one of the world's biggest aluminium body shops at Solihull that we've invested a huge amount of money in over the last couple of years. So gas guzzling? No".

The luxury car firm, owned by India's Tata Motors, said it had chosen the UK as the new model's manufacturing base because it wanted its cars to

be "crafted with that special British flair".

Jaguar Land Rover chief executive Dr Ralf Speth said the announcement demonstrated its "commitment to the UK and the advancement of a high-tech, high-skilled, manufacturing-led economy".

Business Secretary Vince Cable hailed the decision as a "ringing endorsement" of the UK's car industry.

Cable said Jaguar Land Rover's decision showed the UK's car manufacturing sector was in good health.

"The UK's automotive industry is thriving with a new car rolling off the production line every 20 seconds, and increasing levels of investment that's helping to secure local jobs," he said.

Growth The announcement came as Jaguar Land Rover said it had sold 462,678 vehicles globally last year - a rise of 9 percent year-on-year - and the fifth consecutive year that sales have grown.

China saw the strongest growth, with sales up 28 percent, while in the UK sales rose 7 percent.

Economic growth in China has slowed in recent years, and a clampdown on government spending on luxuries is eating into many companies' sales growth in the country.

However, Wright told the BBC said there was little sign of slowing demand in China for its products.

"In the medium to long-term we see huge demand. The retail demand is still there in China," he said.

## India defends pace of change, promises faster growth

REUTERS, Gandhinagar

**T**HE government defended itself on Monday against critics who accuse it of being too slow with reforms needed to reboot a lacklustre economy, and top officials told investors the country was already heading for faster growth.

Prime Minister Narendra Modi was elected last year on hopes he would revive a languishing economy. But with industrial output making only a tepid recovery, investors are asking how much substance there is behind his promises of reform.

"The mood around the world for investment in India is very positive. I see in days to come investment significantly going up," Finance Minister Arun Jaitley told Modi's flagship investor summit in Gujarat.

Jaitley said the government had moved to fast-track changes needed to increase investment, citing executive orders, including one to lift limits on foreign investment in insurance.

The finance minister had said on Sunday that the government recognised Indians were "getting impatient", but he said it was also accused of moving too fast - a reference to the use of executive orders, or ordinances, to accelerate change.

"We did take decisions the right way, because that was also intended to convey a message to every Indian and the investors all over the world that even if one house of parliament takes some time to settle down and start functioning, India cannot stop functioning in the meanwhile," he said.

Ordinances have been issued to relax land acquisition rules, foreign investment in insur-



REUTERS

India's Finance Minister Arun Jaitley (L) and Reserve Bank of India Governor Raghuram Rajan attend a convocation ceremony for students at a university in Mumbai on January 9.

ance and to liberalise the coal sector. These will need to be ratified within six weeks of parliament being convened.

Jaitley also promised imminent changes pushing ahead key reforms such as the introduction of a nationwide sales tax.

He said he expects India would implement a common goods and services tax (GST) across the country in the course of the next year.

In December, Jaitley presented the GST bill

to parliament. Its enactment requires the support of two-thirds of members as well as ratification by at least half of the country's state legislatures.

Investors and manufacturers have long sought a GST as a game-changer that would simplify taxes while broadening the tax base. Many believe GST could add as much as 2 percentage points to the growth rate of Asia's third-largest economy.

## Food issues will not block EU-US trade deal: German minister

REUTERS, Berlin

**D**ISAGREEMENTS about food safety and farming are not likely to stand in the way of a free-trade agreement between the European Union and the United States, Germany's farm minister told Reuters on Monday.

The two sides are grappling with how to integrate Europe's food production and farm animal welfare standards into the proposed Transatlantic Trade and Investment Partnership (TTIP), which will be the largest free-trade

agreement in the world.

"I think this can be well achieved in the negotiations," minister Christian Schmidt said. "Our allies in this are the American consumers."

The support of the EU's largest economy will add momentum to negotiations that have divided public opinion, but which supporters hope to push through by the end of 2015.

Free-trade advocates say the TTIP will form a market of 800 million people, create millions of jobs and serve as a counterbalance

to growing Asian economic clout.

But political parties and campaigners from across Europe under the banner "Stop TTIP" oppose the deal, saying an accord will undermine European food and environmental laws and give too much power to US corporations.

"For Germany as an export country, the agreement is of great importance," Schmidt said. "We already export food worth 1.6 billion euros every year to the United States with a rising trend, so our agriculture also has an interest in the agreement."

Schmidt downplayed concerns that US farm products such as genetically modified organisms (GMOs) and chlorine-treated chicken meat could gain new access to European markets. "Some people want to convince the population that the TTIP only consists of chorine chicken and GMOs," he said. "This is false and misleading."

Nevertheless, Schmidt said the United States was likely to back down on its opposition to the compulsory labeling of products containing or fed by GMOs, a move Germany has advocated.