

TWD Fibres – Year 1 at 4K Invest

The new owner of TWD Fibres looks back over the last year

Approximately one year ago, Markus Zöllner, a partner at 4K Invest, reported on their acquisition of TWD Fibres GmbH. What has happened since then? Where are 4K Invest and TWD Fibres today? Which objectives were achieved and how effective are the implementation of the measures taken?

Mr. Zöllner, did your view of TWD Fibres change during the last year? At that time you told us about several processes that you had started to strengthen the company. How do you assess the situation now?

MZ: TWD Fibres has worked in the field of man-made fibres since 1959, so it is typically what you would call a long-established company. Just as in most cases, long-established companies build lots of knowhow but also gather dust from their history. Fossilized structures and opinions needs to be broken up. Here, we have invested a great deal of energy. All processes, workflows and approaches have been scrutinized and within partial cross cutting measures, newly defined. Restructuring is from our point-of-view now completed. Since a couple of weeks, we are only busy in further optimization of new processes, workflows and approaches.

Could you name some concrete examples?

Well, for instance we revised our whole in-company logistics. This new concept not only tied up lean management processes, but because of sensible stock management and space consolidation, we require much less space than before. Each processing step in production, internal material flow and transit from spinning via different texturizing steps down to twisting and package-dyeing received a thorough examination. As a result, we gained a much better machine performance and clearly achieved more speed in order processing. Complementary to this, we refined systematically our maintenance concept – away from reactive maintenance

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culminating to preventive maintenance. We began by a comprehensive assessment of the status quo and derived appropriate maintenance schedules and spare part inventories. One important aspect here is the ongoing monitoring of deviations from the set parameters on critical processes. A specially programmed database and defined processes support has initiated of corrective and preventive actions. This has brought about a substantial improvement in machine availability.

One further example is our enhanced quality assurance system. By means of mobile handheld scanners, every single processing step is documented, starting from machine modification, via equipping and commissioning, down to process monitoring and maintenance. Fabrication and quality are improved through better monitoring and prompt optimization. This system covers all different sections, even our packaging department, where the packaging tables in our manual packaging section have been modernized. A tablet PC displays order-related packaging instructions. Every single yarn package is weighed. According to the result, the yarn package is categorized in quality classes and is labelled with a unique identification.

One of your objectives had been to reinforce the research and development department. What happened here during the last months?

As planned, we invested in this department. We recruited new employees and by implementing an IT-base, all production sections across our processes have significantly gained higher results. Right now we are close to launching three new products. With TIMBRELLE®**THERMO**, we are now manufacturing a Polyamide PA 6.6 hollow fibre. This filament yarn features the typical properties of a hollow fibre (reduced weight per unit with a thermo-regulating effect). TIMBRELLE®**THERMO** is appreciated by our stocking costumers and offers a true alternative to already known trademarks. In the area of mélange, we have also successfully concentrated

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effort. Besides classical color mélanges in polyester and polyamide, our R&D department is focusing our **TWD Fibres INDUSTRIALblends**. In blends, we offer a combination of yarns of various provenances and functionalities – especially for technical textiles. Our first tests with target customers have been extremely promising. For our customers in the apparel branch, our new **SMARTDRY** fibre should be interesting. **SMARTDRY** will be available as Polyester- and as Polyamide PA 6.6 fibres. The use of a special cross-section, together with physical effects, enables this fibre to bring about an optimized moisture transfer and improved wear performance in outdoor- and functional textiles. In addition, tests with some customers in the healthcare sector also show good potential.

Last year you informed us of some “internal homework” that is necessary to successfully position TWD Fibres within textile markets. What homework has been done during the last months?

As previously said, we applied effort in our product portfolio as well in internal processes. Beside this, we started to invest in all different areas. Large sums went into our twisting department and spinning plant. Our jets workshop in our spinning plant received new equipment and a substantial investment in a new spinning process will come soon, which will open doors to further product launches. We also provided money for our coning and package-dyeing sections. In the twisting department, we invested for both volume and product quality assurance. In total we have already invested an amount of several millions Euro.

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In May 2015 you assessed the position of TWD Fibres being quite good in competitive textile markets. Have you found that your evaluation confirmed this or has your opinion changed?

In general I think I was right. Automotive, technical textiles and healthcare are still growth engines for our expansion. Also in other branches I still see potential for TWD Fibres to grow. Our experience

is that many European clients appreciate their geographical proximity to us as supplier. Our implemented quality system certified according to ISO 9001:2008 and regular quality controls in our internal laboratory offer our clients certainty for providing their products with the best possible lifetime. An annual check on harmful substances, tested by independent organizations like Hohenstein additionally ensures the company is certified to the OekoTex Standard 100. And of course suppliers with production sites in Germany have some more important advantages:

Geographic proximity supports our customers in refining their products according to market demands jointly with us – flexibly and promptly. Collaborative development meetings regarding special yarn configurations always lead to an advanced product benefit. Collaborative development meetings are an integral part of our future orientation: we are problem solvers to our customers.

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About the companies:

Since January 2015 **TWD Fibres GmbH** is part of holding company 4 K Invest International with headquarter in Munich. TWD employs about 700 staff and generates an annual turnover in 2015 of more than 90 million Euro. As a fully integrated producer and specialist for filament yarns located in Deggendorf, Bavaria, TWD Fibres covers the entire range of polyester & polyamide 6.6 filament yarns. With an average annual production capacity of 15.000 tons each for polyester and polyamide, TWD Fibres is a global partner for texturized, package or dope dyed customized yarn solutions. The high quality yarns are available in various qualities and additional functions. In close partnership with its customers the company develops "customized yarns" that are tailored towards specific applications, including the technical sector.

TWD Fibres GmbH has one of the biggest and most efficient dye houses in Europe with more than 5.000 tons of dyeing capacity per year. The most important application markets are automotive, clothing, home textiles, and medical as well as technical applications.

4K Invest International is a privately owned holding registered in Luxemburg with headquarters in Munich. Since 1992 the 4K invest team has specialized in improving the operational capacity of companies and is investing in medium sized European enterprises aiming to develop sustainable values.

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