

# Successful Company Network

**Interwoven Divisions.** It all started in 1956 with five workers sewing polyamide raincoats. In 2002, the Bonazzi S.p.A. group of companies, based in Verona/Italy, had a workforce of 3325 and recorded its highest ever sales of EUR 516 million. This was reason enough for *Kunststoffe* to attend an international press conference at the end of January 2004 in Arco/Italy to find out more about the company, its manufacturing facilities and its products.

**B**onazzi claims to be one of the world's leading manufacturers of synthetic textiles. The company is divided into two divisions: Aquafil S.p.A. (synthetic fibres, polymers and chemicals) and Aquafabric S.r.l. (natural and synthetic fabrics), and posted sales in 2003 of EUR 442 million (estimated). Of this, the Aquafil division accounted for 67 % and Aquafabric for 33 %.

The Aquafil division comprises four business groups with 18 firms. Its sales are divided up as follows:

- 52 % fibres for the carpet industry, production facilities in Italy, Slovenia, Belgium and the USA
- 23 % fibres for the textile segment, production facilities in Italy, Slovenia and Croatia
- 21 % engineering plastics, production site in Italy
- 4 % caprolactam and other chemicals, production site in Slovakia.

In the natural and synthetic fabrics division, cotton drill accounts for 47 % of sales, cotton cloth for 19 % and synthetic fabrics for 34 %. The ladies' wear segment is one of the main customers.

## Production Network Safeguards the Future

A highlight of the event was a presentation from Giulio Bonazzi on the subject of supply chain integration at Bonazzi. To be in a better position to satisfy customer needs, the company has separated its production facilities from its marketing activities. Bonazzi went on to explain how the Group had turned the individual production sites into an efficient production network. Its basic goal is to comply with absolutely all the customers' product requirements – starting with benzene and going right through to masterbatches – and to offer the best possible service to go with the products.

The firm Cenon in Slovakia produces cyclohexane, cyclohexanone, cyclohexanol, CO<sub>2</sub>, nitrogen, sodium carbonate and oil additives. Aquachemia, also in Slovakia, processes Cenon's raw materials into caprolactam and ammonium sulphate. Aquafil in Italy and Julon in Slovenia turn



**Alessio Carminati, Managing Director of Aquafil, talked about the company's strategic products**

the caprolactam into PA 6. At the facility visited by the press, this material was being polymerised on a large scale at 250 to 330°C to produce melted PA 6. PA 6 and PA 66 fibres are manufactured predominantly by the melt spinning process. They have high abrasion resistance and tear strength, good weather stability and alkali resistance, and high elasticity. Aquafil produces fibres for the carpet and textile industries at several sites. In addition to supplying straight polymers to compounders, the company also achieves added value through its own compounding operations. In Italy, it produces not only PA 6, PA 66, POM etc. compounds but also regrind material from the production scrap from fibre manufacture. ▶



**Giulio Bonazzi, Managing Shareholder of Bonazzi S.p.A., explains the company's management concept**

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The compounding activities fall under the Aquafil Technopolymers business group, also based in Arco, which the journalists visited on the second day of the press conference.

### Defining the Core Business

Bonazzi sees growth in particular in the field of engineering plastics for high-grade applications. In 2003, the company produced 39 kt engineering plastics, of which 63 % was compounds, 33 % straight polymers and 4 % masterbatch. The export quota was 39 %. Of the 25 kt compounds, 73 % was PA 6, 13 % PA 66, 6 % POM and 8 % others.

PA 6 and PA 66, with a production volume of 22.2 kt in 2003, are the strategic products for Aquafil Technopolymers, said Alessio Carminati in his paper entitled "Focus on our core business". For compounding, the company had 10 extrusion lines in Arco with a capacity of approx. 22 kt/a. Areas of application for Aquafil Technopolymers' engineering plastics range from transport (28 %), electrical/electronics (24 %) and industrial equipment (21 %) to construction and furniture (19 %). ■