

## Manugraph Extends Reach Into Middle East Market With Packaging Equipment Offering

Manugraph signs agreement with Mercongraphics Sharjah to supply Masterwork products in Middle East region



Manugraph India Ltd. is known as the biggest Indian manufacturer of web offset presses. The company exports its machines to developed countries such as Germany, France, UK, & USA. In the year 2006, Manugraph acquired US based press manufacturing firm, Dauphin Graphic Machines Inc. (DGM) and formed the company Manugraph DGM Inc., which is based in the United States.

Today the company claims to hold about 60 to 70% market share in India and are on a constant drive to expand and diversify their operations. As part of that, the company has ventured into the packaging segment by coordinating with Masterwork Machinery Co. Ltd (MK), China, which manufactures automatic die cutting machines, automatic platen foil stamping with hologram system and automatic folding and gluing machines. As continuation of the dealership with Masterwork in India, Manugraph has expanded their Middle East operations by signing an agreement with Mercongraphics Sharjah, a Manugraph and Masterwork associate. With the agreement in force, the company would be supplying products to UAE, Saudi Arabia, Kuwait, Oman, Bahrain and Qatar.

ME Printer had a chat with Pradeep Shah, Managing Director of Manugraph India Ltd. to know the nitty-gritties of the agreement. Explaining about their extended operations, Pradeep Shah said that Manugraph's primary focus will always be to manufacture printing presses. "Our focus and our trust as a newspaper press manufacturer will not change. Right now we are embarking on a strategy, where we would like to assist other manufacturers through our network of distribution channels. By using our distribution channels and the goodwill the company has built over the years, we are aiming to pick out partner companies from around the world, who we believe

can work along with us as our partners in the distribution list."

Detailing their strategy, Pradeep said, "Our emphasis is to distribute some high end printing and packaging equipment to customers worldwide. For the newspaper business, we will be concentrating on our own products, while for the ancillary part of the business- we will be supplying products like die cutting machines, book binding and cutting machines. Diversification is what we are looking into."

He added, "In Africa, we have already started representing some Indian companies for brands like Linomatic, which is an automatic exercise book binding machine. We see this step as a strong pillar for our new machinery trading division. Our emphasis in the coming years will be to build and develop this new segment."

### Tie up with Masterwork

Reasoning his decision behind the alliance with Masterwork, Pradeep Shah said, "Market research done by Manugraph revealed that Masterworks was the most prominent manufacturer of die cutting machines in China. It is also one of the companies that supply products to Western manufacturers and gives them a run for their money. So, I met with the owners of Masterworks and they were extremely cooperative with our suggestions for various markets including India and the Middle East. We started the real activity about 6 months back in India and have now decided to expand it to regions like the Middle East and also Africa."

Pradeep Shah noted that the performance of Masterwork products justifies the quality it upholds and that they will be installing a machine in their showroom in Sharjah (at Mercongraphic FZC based in Sharjah Airport International Free Zone) by April this year. "We will be having a booth at Gulf Print & Pack this year, where we will invite

customers to the Sharjah office so that they can see live demos of the machine."

He added, "As far as training and after sale service is concerned, it will be set up at the respective offices in the region. We are currently planning to sell about 6 to 8 units of the machine in the ME region."

### Activities and Future Plans

Expressing his opinion about the newspaper business in India, Pradeep Shah said, "Newspaper business is not declining because India is a country where the literacy rate is still growing and even a 1% increase in literacy rate would lead printers to increase their plant capacity. Rural India is still growing, though metro cities appear saturated to some extent. Digital technology is still expensive compared to offset and there are a lot of hidden costs involved while printing digital. In general, I would say that though newspaper business is not booming, it's still growing on a marginal note." Pradeep Shah noted that eco-friendly packaging has a huge market in the Middle East, while in China there is a growing market for cigarette foiling and embossing.

Talking about the future plans of Manugraph, Pradeep Shah said that they are looking to enter into corrugation business and in the coming years would be more involved in trading business. "At Manugraph we produce about 6 machines per month in different configurations, though earlier we used to produce 10 machines per month. When it comes to machine sales, Manugraph is still number one in India, and we hold almost 60 to 70% market share. Today we have customers from all over the world including Latin America coming to us and buying presses. I would say that though there is a demand for presses, it's not that high as before," he concluded.