

ABERDARE CABLES

Driven by **Powertech** 



ABERDARE CABLES – SUPPLYING POWER CABLING TO SOUTH AFRICAN INDUSTRY FOR MORE THAN 60 YEARS

Founded in Port Elizabeth in 1946, Aberdare Cables has developed and expanded into a major power cable manufacturing organisation with three large production sites in South Africa that in 2008 made 72 000km of heavy power cables and 242 000km of general wiring. The combined total of 314 000km would stretch almost all of the way to the moon.

Power Technologies (Powertech), wholly owned by JSE-listed Allied Electronics Corporation Limited (Altron), has a 70% shareholding in Aberdare Cables, the remainder being held by empowerment group Izingwe Consortium, a significant investor in mining, engineering and infrastructure development.

The Aberdare power cable manufacturing sites at Port Elizabeth, Pietermaritzburg and Johannesburg have recently been upgraded in three separate projects. Altogether these plants now add up to 106 000m² of production area under roof.

Over the past two years Aberdare's continuous improvement initiative has made great progress at all of the manufacturing facilities and the initiative is delivering benefits from the total alignment of production facilities with Aberdare's value streams. The objectives included expanding production capability and capacity in line with future demand with new machinery while at the same time achieving production line balance with existing machinery.

A manufacturing execution system (MES) has been implemented with the objective of becoming the "heartbeat of the Aberdare manufacturing environment", aligning all shop floor activities with Aberdare's business requirements and serving as an enabler to improve process efficiencies and the effectiveness of staff at both shop floor and management level. New equipment includes multi-wire drawing machines, multi-core lay-up machines, bunching machines, an insulation line, sheathing machines, rod-breakers and a strander machine that have increased factory capacity.

To remain globally competitive, Aberdare has continuously assessed its manufacturing processes and capacity against customers' needs. Apart from the upgrading and installation of new machinery, factory lay-outs have been adjusted into value streams to ensure efficient production and maximum cable output. These investments will be completed during 2009.

A new group polymer research and development laboratory at the Port Elizabeth site has been completed and enables Aberdare to execute in-depth studies on polymer materials applied to cables and electrical distribution systems.

Logistics efficiencies have been refined and turnaround times improved with a new, high-tech 12 000m² warehouse and distribution centre near Elandsfontein on the outskirts of Johannesburg where many thousands of Aberdare line items are stored and distributed as well as 160 000 tons of electrical cable and associated products.

Emphasis continues to be placed on customer interaction to ensure their individual needs are met in terms of products, support and service. Aberdare engineering specialists work with customers to create specific design adaptations that meet their specific requirements.

From this solid local base, Aberdare Cables has acquired and developed offshore manufacturing operations. Alcobre Condutores Eléctricos, which has a factory and warehouse near Porto in Portugal is wholly owned by Aberdare and is a specialist producer of low voltage domestic power cables, distribution cables and copper cables for telecommunications markets.

More recently Aberdare acquired 100 percent ownership of Cables de Comunicaciones, a manufacturer and supplier of copper telecommunications cables, associated products and services, based in Zaragoza, Spain. A variety of export markets are served and these operations keep Aberdare at the forefront of international trends, changing requirements and new specifications.

A branch has been opened in Hong Kong to service existing customers, promote market growth in Asian countries and assist in raw materials procurement. In Africa, Aberdare has a plant in Mozambique that manufactures and supplies a range of power cables to EDM, the Mozambique national electricity generator, and to consumer markets in the region; and a distribution set up in Namibia based at Windhoek and Swakopmund sources cables manufactured by the South African operations of Aberdare and sells to utility and consumer markets.

This global spread has become an important part of the Aberdare business particularly as the very dynamic, competitive power cable industry means it is sensible to have factories in or very close to the target markets. Continual exposure to new trends, changing requirements and new specifications keep the company sharply focused.

The environmental friendliness of the materials that go into Aberdare's products receives on-going focus with the result that during 2008 all heavy metals have been eliminated from the chemical composition of the PVC cable material and the colour pigments used in polymeric/rubber materials, considerably reducing environmental impact. Recently a halogen-free rubber sheathing compound was successfully used in the production of cable for Spoornet.

Aberdare continues to invest heavily in skills enhancement initiatives that enabled more than 2 000 employees to extend their capabilities. More than R19-million of a total of R24-million allocated during the financial year ended 2008 was directed to the development of historically disadvantaged individuals.