

## CHINESE SPINNING MILLS EXPLORING AFRICA

### LOEPFE TALKED WITH MS. ZHOU YE JUN, PRESIDENT OF WUXI NO. 1 COTTON MILL

The level of China's investment in Africa is increasing fast. Until recent, Investments from China in Africa have been largely focused on large projects in a few sectors, including mining, oil and infrastructure. Chinese companies are the major players in the world's textile market and important customers in the cotton market. Cotton exports from Africa to Asian countries are increasing. Textile production in China is today confronted with rising wages, higher energy bills and mounting logistical costs, as well as quotas on the import of cotton. The combination of these reasons is leading Chinese textile companies to invest overseas. One of them, Wuxi No. 1 Cotton Mill Textile Group Co. Ltd., recently signed a memorandum of understanding with a partner in Ethiopia to invest in a 300'000 spindles spinning mill.

Wuxi No. 1 Cotton Mill Textile Group Co. Ltd. (Wuxi YGM Textile Co. Ltd.) established in 1919, is today the largest producer of high quality compact yarns worldwide. The group today produces in China with 500'000 spindles annually 26,000 tons of yarn.

Loepfe believes that such development is quite interesting and has spoken with the President of Wuxi No. 1 Cotton Mill, Ms. Zhou Ye Jun about the motive of this partnership as well as the current state of affairs of their China operation and their focus on quality as their key factor for success.

***“The encouraging message is that Africa has some unique advantages for Chinese investors. In comparison with Asia, Africa's location is physically closer to the European and American markets. Africa also enjoys more favourable trade policies with the European Union and the United States. Today's African market of textile manufacturing has less competition as well. The huge population and immense space in the continent provide great potential for manufacturers to develop. Africa's rich natural resources and low labour costs are very attrac-***

***tive to Chinese investors as well. As an investor, Wuxi No. 1 Cotton Mill is bringing advanced technology and management techniques to their southeast African partner that will help improve local production processes and finally ensuring that the investment will be sustainable and profitable for all parties involved.”***

Also for their China operation, innovation is the key factor to work successfully in the market. Today, Wuxi No. 1 Cotton Mill aims to strengthen the existing product lines and is constantly upgrading their manufacturing facilities. The quality demand for cotton yarns is ever increasing. To operate a spinning mill profitable, 2nd quality must be avoided by all means and contamination free yarn is expected from the demanding worldwide markets. That's why Wuxi No. 1 Cotton Mill has only recently invested heavily in upgrading all their existing Savio winders with Loepfe's yarn clearing technology with foreign fibre functionality. Contamination, even if it's a single foreign fibre, can lead to downgrading of yarn, fabric or garments to 2nd quality or in the worst case, the total rejection of an entire order.

***“Loepfe Brothers Ltd. is the pioneer and worldwide market leader in foreign matter detection in yarns and we rely 100% on their competence in this field.***

***Industry 4.0 is the current trend of automation and data exchange in manufacturing technologies. Loepfe's MillMaster monitoring system is connected to all our existing Loepfe yarn clearers on our Savio winding machines. The information provided by Loepfe's MillMaster systems allows us to be promptly informed when there is a need to intervene and to steadily optimize the entire yarn manufacturing process in our mills. For Wuxi No. 1 Cotton Mill, we rely on this proven combination of total quality control by Loepfe Brothers Ltd. since many years.”***



From left to right: Ms. Liu Yan, Sales Manager CNT Beijing - Ms. Zhou Ye Jun, President Wuxi No. 1 Cotton Mill - Mr. Thomas Sifrig, Sales Manager Loepfe - Mr. Joel Zou, Import Manager Wuxi No. 1 Cotton Mill