

## 4004 Inc draws up growth plans

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4004 Incorporated, the company responsible for procuring all of American retail chain Steve and Barry's sellable and non-sellable merchandise, has drawn up ambitious growth plans.

At present, the Mumbai-headquartered company procures from 25 countries around the world and aims to increase this base by 30 per cent by December 2006. In addition to the Mumbai office, the company has an office in China and Jordan and is looking to set up seven more by the end of the year.

Thailand, Egypt and Bangladesh are some of the countries it is looking at.

"The India base was set up in 2001 and the growth has been over a hundred per cent every year.

"There are now about 140 Steve and Barry stores in the US. As they are growing, we need to expand to meet their procurement needs," said Ms Khyati Bhide, Marketing Manager.

The procurement portfolio of 4004 Inc includes knits and woven apparel for clothing like jeans, jackets, t-shirts etc., as well as footwear and accessories like bags, scarves and belts.

"We are able to source the products for 50 per cent lower than others. Steve and Barry had a 100 per cent growth plan.

"One thing led to another and we kept growing," said Mr Avi Sonpal, Managing Director, 4004 Incorporated. "We started procuring their non-sellable items as well. They use air-conditioners, flooring, furniture etc. and we procure all of this for them.

"Our skill is that we procure products at a very low cost. We invest about 10 per cent into R&D," said Mr Sonpal.

### 'TARIFF ENGINEERING'

The company is able to keep up with Steve and Barry's price strategy by sourcing merchandise at rock bottom prices through what they call tariff engineering. "We have an intensive team that studies tariff structures all over the world. Where the duties are more, where they are less etc. We have a strategy for cutting costs," said Mr Sonpal.