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# Quick and steady, SriCity adds to its brand value

**A business to business brand, the integrated business city has been able to attract multinational brand owners such as PepsiCo and Mondelez International**

PHOTOS: THINKSTOCK

**T E NARASIMHAN**
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As consumers become more self-aware in India, brands feel the need to develop a personality of their own to stay relevant to them. But how does a business brand raise its sales pitch and address foreign customers, too? By making it easier for its customers to do their business.

For example, the Chennai-headquartered SriCity. The integrated business city comprising a special economic zone (SEZ), on the borders of Tamil Nadu and Andhra Pradesh, was recently *adjudged as one of the 100* most valuable brands of 2014, by the Asian brand rating and ranking company, World Consulting & Research Corporation (WCRC).

The project was entered for the WCRC awards under the category of infrastructure. SriCity found itself in the company of well-known consumer brands, which also figured in the top infrastructure-brand list, such as Asian Paints, Dulux, Greenlam, Tata Steel and Ultratech.

**Adjudged as one of the 100 most valuable brands in India, SriCity, wants to target more multinationals in recession-proof sectors. Other brands which got a similar recognition were Asian Paints, Dulux, Tata Steel and Ultratech; left: Expats at the business centre**

Siddharth Behal, director, KPMG, *whose team evaluated* and audited WCRC's brand report, says that the procedure involved transparent primary and secondary research and consumer survey to establish accurate linkage between the brands and their respective consumers.

The assessment took into account the consumer feedback as well. In the case of SriCity, it meant the feedback of companies that have signed up to open shop in its compound.

SriCity has been able to sign around 30 memoranda of understanding, worth ₹8,000 crore, in the last two years, a period when SEZs faced the heat of the global *economic meltdown and* policy issues in the country. Some of the major brand-owners which have come on-board include PepsiCo (₹1,200 crore), Mondelez International (₹1,000 crore), Colgate-Palmolive, Kellogg's and Isuzu Motors.

Ravindra Sannareddy, the *managing director and the* promoter of the project, says that by way of marketing the complex, he invites foreign delegations and diplomats almost every month to SriCity, besides participating in international fairs and delegations representing India abroad. "My customers and my guests are my brand ambassadors," says Sannareddy.

While it had received private equity, Sannareddy has since bought back the stakes of Chintalapati Holdings, with interest in media, retail, infrastructure etc. and Credit Asia Capital, a Singapore-based Asian special situations investment firm.

*Sannareddy says that* the decision to continue to invest in infrastructure helped the brand establish itself among prospective customers, as tax benefits are a feature offered by all SEZs. According to Sannareddy, the ability to aid customers in starting *production within* nine-10 months of signing up, even when the going was slow, mattered. After the hiccups in the downturn of 2009-10, he says, "When the economy improved, we were ready."

## Single-window help

Some of SriCity's overseas customers, which have set up shop, point out its relevance. The CEO of the Indian arm of the UK-based manufacturing group, Andrew Industries, Lakshmipathy K N, says, "Our group, after scouting many of the other industrial locations, zeroed in on SriCity because of the way it is planned. Its location close to Chennai's its seaport *and airport also helped.* The management acted as the nodal unit (single window) to work with the government agencies for the necessary *approvals etc.*"

The Japanese Kobelco Plate Processing found most of its customers were in SriCity and hence, invested in the SEZ too, says its MD, Kei Yamana. For Premium Ingredients Food Services, a part of the Spanish industrial group, it was the transparency in the deal, the *management's vision and the* standard of the infrastructure, says Ravi Menon, the CEO.

It also helps that SriCity is the only multi-product SEZ within 750 km. The construction of the premises of consumer companies, which have signed up, are underway. Out of the 102 companies that have invested, 60 are functional, with the rest expected to turn operational by 2016.

The SEZ brand plans to target more multinationals in businesses that are recession-proof such as consumer sectors (electronics, automotive, apparel), renewable energy and light engineering (biotech, pharma, IT/ITes). With 30 *per cent of the land used so far*, there is scope for another 200-300 industrial units.

SriCity has also tried working around the challenges of inconsistent policies relating to SEZs by converting 1,000 acre of its 7,000-acre area into Domestic Tariff Area that is not subject to heavy government interference.