

South African company buys out American textile operator

A&E, the South African subsidiary of US company American & Efid, has been bought by Cape Town based sewing thread manufacturer ACA Threads as a going concern, which will see the 55 staff members from its Epping premises incorporated into the 86 staff at ACA Threads Brackenfell factory during the course of 2011. The combined turnover of the two companies is around R70-million per year.

Thanks to its 40-year association with leading German company Amann Group, ACA Threads has been a pioneer in many fields of its manufacture, with the introduction of the latest and most advanced technologies. It has signed a licence agreement with A&E International and will combine the two technologies and brands to service its Southern African client base that include Toyota, Bravo Group, Vitafoam, Seardel, Jonssons Workwear, Jockey, Peter Blond, House of Monatic, Coricraft, Reebok, Bata, Jordan, Watson Shoes and Palm Footwear Group .

Eckhard Marshing, CEO of ACA Threads, says the deal will ensure a world class supply base to satisfy existing and growing needs of retail for strong local manufacturing businesses. "There is an increasing trend to look inside of South Africa and its neighbouring countries as the Chinese are starting to retain their goods for their own use and import prices and logistical challenges attached to importing increase. South Africa is realizing that we need a solid local supply base, and government is supporting the process through its production incentive programs."

The company was started by Marshing's father Herbert in 1953. "Fifty years ago, we were just starting out, now we are moving into a leadership role in the marketplace. I view the deal as giving us the critical mass to afford continued investments into technology, logistics and people and a long-term positioning for Africa's role in textile manufacturing," he concludes.

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