

Havells plans global branding strategy

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ELECTRICAL equipment maker and world's fourth-largest lighting products company Havells India will sell lighting products in the US under Havells, replacing its existing brand SLI and consolidating global branding strategy.

"We want to do away with multiple brands and just use Sylvania and Havells globally," Anil Gupta, joint managing director of Havells India, said.

Havells has been selling lighting products under Sylvania brand globally, after it had acquired European lighting major SLI Sylvania in 2007. This pushed it in the top league behind Philips, Osram and GE.

SLI Sylvania operated under the SLI brand in the US, where rights to sell Sylvania branded products is owned by German lighting firm Osram. Havells owns the brand in Asia, Europe and Latin America.

Havells management feels the rebranding in US will mark the company's next big leap in the US market. The company has also relocated its US headquarters from South Carolina to Atlanta and aims to quadruple its revenues in the country in the next three years from \$25 million for 2010.

"At \$100 million revenue, the company will capture 2% market share of the US lighting industry," Gupta said.

The decision to restructure US operations was expedited by the turnaround in its US business during the quarter ended September 2010. Its loss-making European subsidiary, Havells Sylvania, also moved out of the red in the same period that has also supported its earnings for the three months to December 2010. Havells' consolidated net profit for the quarter ended December 31 stood at ₹63.48 crore against a net loss of ₹173 crore in the year ago period due to turnaround in the overseas business. Net sales during the quarter rose 7% to ₹1,497 crore.

