



Let History Shall Not Repeat!

I got a few feedback reports for my editorial in the last month issue of FRP TODAY about “the winds of change in the composites way”. They indicated that there is wind alright, but it is not smooth and is not soothing. Like the rise in steel price, the prices of raw materials in the composites industry also went up which occurred four times in four months. The problem for the fabricators is not the price rise as such, but its frequency. Some price increase is inevitable. The problem for them is that, many industries submit quotations to their clients based on the ruling raw material price. By the time production starts, the prices go up eroding their profit margin and in some cases leading to even losses. A price rise once in six months or even once in three months as it is done in many foreign countries can take away this problem, I was told. They can have time to plan the product pricing properly. It will be good for the industry if this request is considered by all raw material suppliers.

One another problem occurring in the industry arises from the supply of materials on credit. This time it is the problem created by fabricators. Transaction through credit is not a bad thing. It becomes a problem only when repayment is not done or delayed. It affects the profitability of the raw materials suppliers.

The net effect of these anomalies in the financial discipline is that, in some cases, the product manufacturers and raw materials suppliers tend to get over the losses by cutting down on the quality. A similar situation arose during the late 80s and early 90s when there was a world wide shortage of glass fibre. The basic financial problem vanished later when import was made easy. The tendency to cut down quality did not vanish. We must learn from the history and must solve problems.

It is not good to repeat history.

A handwritten signature in black ink, appearing to read 'N.G. Nair'.

Dr. N.G. NAIR
Honorary Editor