



"WE MADE THE RIGHT CHOICE"

We spoke to Dmitry Kochergin, Commercial Director at SLT Aqua, about how his company forges relationships with partners and creates new products.

– Amid the pandemic, the past two years have been tough for the construction industry, where key consumers of your products operate. Could you tell us how your company managed to keep going?

– These past two years have given us a wealth of experience working with restrictions and regular lockdowns. For the first few months, the market did not know what to do, or where things were going. Nonetheless, we were able to withstand the first and subsequent lockdowns without having to lay anyone off; in fact, we even took on more staff. Of course, we shifted to remote working and minimised personal contact in our operations to keep our people and partners safe. The vast majority of meetings still continue to be held online.



DMITRY KOCHERGIN,

Commercial Director at SLT Aqua

– How have production volumes changed at SLT Aqua over the past couple of years?

– We posted significant year-on-year growth in 2020 on the back of a huge expansion in our equipment stock and an influx of new customers. Following 2021's increase in raw material prices – and not only for polymers – the market saw a downturn and a drop in production volumes of about 30%–40%. From April to May 2021, many construction sites ground to a halt, with installation works for utility systems suspended. This had a knock-on effect on every player in the construction market. Due to the ongoing changes, we expect 2021 production volumes to be flat on 2020.

– Based on your estimates, what is SLT Aqua's market share, and who are your core customers?

– SLT Aqua controls around 4% to 5% of the market. Our core client base consists of trading companies, but we also work with construction and installation companies, as well as design institutes. Our sales footprint is expanding across Russia as we are building a loyal customer base. On top of this, we are starting to ship pipe systems to the CIS, too.



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– Which tools and methods has SLT Aqua leveraged to attract new customers? How do you adjust your sales policy?

– We actively participate in industry exhibitions, organise training seminars for fitters, and engage with the media about new technologies and innovations. We are building our sales policy and forging relationships with partners on a number of pillars: getting fully on board with the customer's tasks, providing industry-leading solutions and ongoing support for any issues, and taking responsibility for our work and products. With our actions, we strive to maintain our reputation as a reliable partner and a supplier of quality products.

– Your company has introduced two new products to the market: the SLT AQUA polypropylene axial expansion joint and the SLT BLOCKFIRE fire suppression system. Tell us about the benefits of these new products and where you are selling them.

– Looking at the axial expansion joint, we have created a product that allows us to expand the use of polypropylene pipe systems, especially in high-rise developments. The core area where expansion joints are installed is in pipe risers, where space is at a premium. It is impossible to use L-shaped, U-shaped or looped expansion joints, since they make the system difficult to operate once it expands when heated. The axial expansion joint is compact, and boasts a larger compensating capacity compared to other types of joint, all while allowing you to meet the technical requirements of the construction project.



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OUR DAILY PRODUCTION CAPACITY STANDS AT 30 TONNES OF FINISHED PRODUCTS. WE DO NOT AIM TO STOP THERE

We launched SLT BLOCKFIRE back in 2019, and showed off all its capabilities at the 2020 AquaTherm exhibition in Moscow. The fire suppression system sparked a great deal of interest, and we closed several supply contracts literally on the spot. Today SLT BLOCKFIRE is successfully used in automatic fire suppression installations and internal fire pipelines at a number of facilities, both in Russia and the CIS.

This year we are launching production of large diameter polypropylene pipes and fittings (125 mm and 160 mm), which will expand the use of polymer pipe systems and create a more durable solution than steel alternatives.

– SLT Aqua’s production facilities are located at the Togliattisintez Industrial Park. Is any kind of expansion (facilities or staff) on the cards?

– Our daily production capacity stands at 30 tonnes of finished products. We do not aim to stop there. We are getting positive market feedback both on our customer-facing activities and our innovations. We plan to significantly expand our product range and create new products that will improve polymer pipe systems and streamline the installation process. Naturally, the growth of the company entails growth in our workforce across various professional fields.



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IN THE AXIAL EXPANSION JOINT, WE HAVE CREATED A PRODUCT THAT ALLOWS US TO EXPAND THE USE OF POLYPROPYLENE PIPE SYSTEMS, ESPECIALLY IN HIGH-RISE DEVELOPMENTS

– When and why did SLT Aqua start to partner with SIBUR? What has this partnership meant for your company and its future growth in the market?

– When we launched production in 2016, we took a deep dive into the raw materials market. Our key criterion was quality; we did not want anything inferior to European materials. For this reason, we studied samples of foreign raw materials and compared them to domestic manufacturers. SIBUR's feedstocks came out on top. The quality of our products proves that we made the right choice, and by using Russian raw materials, we can also offer the best value for money for our products.

– What do you expect from 2022? Could you tell us a little about SLT Aqua's plans?

– We will continue to expand our equipment stock, seek out young talent, and work on our business processes to make sure our partners also feel happy and comfortable working with us. One of our company's key priorities is to maintain a high level of customer service. Our third product line is in the works: flexible pipes made of heat-resistant polyethylene, which can be used in water supply and heating, both underfloor and radiator.