

EUROCONDRA

### Bulgarian Subsidiary Grows European Market Share

Condra Bulgaria Ltd, fledgling European subsidiary of South African crane manufacturer Condra, has received orders worth some €½-million in the past six months, and secured further contracts for the ongoing supply of end-carriages to crane manufacturers in England and Spain.

The subsidiary's latest order comprises components for a 10-ton overhead travelling crane recently delivered to a Russian company, where customer support is being supplied by Energoprofit Moscow, Condra's newly appointed agent in that country.

These successes are independent of orders worth several million Euros placed by Russian companies directly with the South African parent in recent years. It was to bring manufacturing capabilities closer to the Russian market that the Bulgarian subsidiary was established, while Energoprofit Moscow has now been appointed to deliver technical support and after sales service directly to the heart of that country.

The latent potential in Russia's lifting equipment market was identified by Condra as far back as 2000, but it posed the twin obstacles of widespread Russian scepticism of any and all capital equipment of African manufacture, and an ingrained confidence in traditional supply from Poland and Bulgaria, designated suppliers of lifting equipment to the former USSR.

When Bulgaria entered the European Economic Community in 2007, legislated acceptance of foreign subsidiary companies paved the way for establishing a subsidiary in Pazardzhik, an industrial town outside the country's second city of

Plovdiv with an acceptable national address. This took place in 2008 and, combined with Condra's German origins and connections, it provided the correct platform from which to address Russia, employing skilled staff from the pool of artisans left underemployed by a Bulgarian crane industry much troubled after the opening up of the region to global competition.

Participation in a Plovdiv exposition in 2010, and in two expositions in Moscow in 2011, resulted in the subsidiary's first orders as well as a working relationship with the Russian NGO Vniptmash.

The installation of Condra overhead cranes at Kazakhstan's Varvarinskoye gold mine afforded potential Russian customers the opportunity to visit working examples of the company's capabilities, and orders from Vniptmash followed soon afterward; first the components needed for two 100/20/5-ton cranes, then four complete machines: two 90/20-ton machines and two 38-metre span 70/12,5/5-ton double girder electric overhead travelling cranes.

The combined value of these four cranes was just short of €3-million, though this number was excluded from Bulgarian sales figures on account of manufacture being executed in the South African factory to meet the exacting demands of machine complexity that included lift heights of 28 metres and lift speeds of up to 12 metres per minute.

The next step was for Condra Bulgaria to seek out a foundry ahead of the start of local production. A working relationship was established with the Tisina foundry in Dryanovo, which in turn led to a partnership between the two companies and the construction in 2015 of a production facility of some 3000m<sup>2</sup> in Gabrovo.

Early last year, Condra Bulgaria moved from Pazardzhik to Gabrovo, with Nicolai Dyankov, Tisina's owner, heading up the company as managing director.

By December 2017, the Gabrovo operation had already supplied four double girder electric overhead travelling cranes to Bulgarian veterinary supplies giant Biovet, with capacities ranging from 3,2 tons to 25 tons and spans of between 14 metres and 30

metres, and these successes were quickly followed by orders taken early in 2018 for four 18-metre span single girder machines with capacities of 3 tons, 5 tons (two of) and 8 tons.

Asked to comment on the subsidiary company's achievements to date, Nicolai Dyankov said that the drive for Russian market share would be helped by the certifiably lower overall lifetime costs offered by the Condra product.

He pointed to examples of cost-lowering product improvements such as the use of live-axle drives in place of ring-gear designs, and the introduction of adapted V-belt technology already tested and proven in the motor vehicle industry.

"Component manufacture in South Africa has for several years made use of high quality materials, such as a 36B case-hardened material on most pinions," he said.

"This is an expensive material, but it is beneficial in extending crane lifespan.

"A further example can be found in the high tensile-strength ropes fitted to hoists. These have a smaller rope diameter, which enables use of a reduced drum diameter and a more compact gearbox and motor, all of which help contain costs.

"These benefits are now available to the European market through Condra Bulgaria, where I believe they will contribute to a sustainable competitive advantage into the future," Dyankov concluded.

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PHOTOGRAPH SHOWS: Cranes under manufacture in Condra's  
Johannesburg factory

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