

AAA merger an offshore bonus

MELBOURNE: The merger of fabric wholesalers AAA Wholesale Fabrics and Mindex Textiles looks set to drive enhanced offshore sourcing and sales for the new entity.

The move, which took effect on March 20 following [AAA parent] AAA Trading's acquisition of Mindex for an undisclosed sum, now gives AAA access to Mindex's China-based offices in Shanghai.

The sale entailed the acquisition of Mindex staff – numbering around 20 at the Melbourne office – bringing AAA Trading's total onshore staff to around 140.

AAA Trading CEO Menachem Vorchheimer said the acquisition included Mindex stock, trademarks, and plant and equipment.

This would strengthen AAA's sourcing and sales activities particularly with regard to Australian companies manufacturing product out of China. It would also result in a more powerful and focused entity in the Australasian apparel and craft fabrics sector, Vorchheimer said. "Mindex's expertise in knits and design as well as in the craft fabrics area will be of great benefit."

An expanded product range and enhanced supply chain were among the benefits of the merger, as well as the expertise of Mindex heads, Reuben and Dean Poswell, he said.

"Reuben and Dean Poswell have been in the industry a long time and bring over 20 years of experience and expertise to the company."

Both Poswells and Mindex staff would continue employment at the merged entity, operating from AAA Trading's facility in the Melbourne suburb of Dandenong South, following the expiration of the lease on Mindex's former premises.

The Mindex Textile name would continue to operate under the AAA Trading banner and all current arrangements with customers and suppliers would continue, Vorchheimer said.

Reuben Poswell said the merged entity would continue to provide "unparalleled service" to customers, who ranged from small family businesses to larger corporate clients.

"Customers shouldn't look at us as too big. Our main objective has always been



The expanded entity resulting from AAA's acquisition of Mindex will operate from its facility in Melbourne's Dandenong South.

to keep them happy. The experience we have gained after many years in the industry is that the customer is the most important person."

The merged company would continue its strategy of expanding the finished goods market, leveraging

Mindex's suite of finished goods brands including kids home accessories labels Gelati House and Bliss, he said. "The fabric market is shrinking so it makes sense to increase our focus on finished goods."

Belinda Smart