

STONEWATER AND FAITALPRO: AN OEM COLLABORATION

Q&A WITH VIKRAM SHETTY (STONEWATER)

Over the years, the team behind Indian company "Stonewater" has been responsible for award winning products and has become the preferred choice of installation sound for many premium global brands in the hospitality, entertainment and retail industry



within India. Stonewater comes with a rich technical heritage of over 42 years of experience with cutting edge innovation in the field of electronics and electro-mechanics. A strong R&D is coupled with a global manufacturing base that spans between Europe, China and India. Specialising in loudspeaker development, their state-of-the-art laboratories are equipped with precision measuring equipment and the latest simulation software required for development. Their true asset however, is an enthusiastic team of brilliant engineers who bring with them decades of industry experience in India and Europe. The development team also includes professional musicians. Their keen sense for tone and balance allow to make the best use of both machine-based objective testing, as well as the sensibilities of seasoned human experience in the engineering workflow.

Andrew Richardson FaitalPRO: MR. VIKRAM SHETTY CAN YOU DESCRIBE SOME KEY POINTS OF YOUR BUSINESS?

Vikram Shetty Stonewater: Drivers and other key technical components for our premium



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enclosures are manufactured in High Tech European, Japanese and American factories. The non technical parts like wooden enclosures, plastics, clamps etc are manufactured in India and China under strict quality control. Such a balanced spread of our manufacturing base, allows us to keep a tight handle on product cost while still delivering world class performance. The end result is that our customers do not need to pay more than they need to.

The Commercial Installation market in India is often blighted by equipment installed without the finesse and expertise that a good audio setup requires. We believe that great products are only a step towards providing what the customer is ultimately after - a great audio experience. At Stonewater, an In-house team of specialists closely analyse the characteristics of the listening area and then, using that as the basis, decide on aspects such as the exact configuration of the equipment, position of speakers, cabling, acoustic treatment of the environment and various other elements that contribute to a truly rich audio experience. We believe that it is our holistic approach combined with a rigorous attention to detail that has won us the trust of numerous multinational customers. Our customer list includes reputed cafes, pubs, fitness centres, spas, houses of worship, malls, recreation centres, Bowling alleys, Holiday resorts and more.

Here is a partial List of our Pan India customers: Golds Gym, Starbucks, Burger King, Dunkin Donuts, Jamie's, Wendy's, Barista Coffee, Barbeque Nation, Absolute Barbeque, Snap Fitness, Apple Store, Nike, Tata, Louis Phillipe, Van Heussen, Levis, Cocoberry, Funcity recreation centres, Gloria Jeans Coffee, Sbarro Pizza, Subway Restaurants, F Beach House (F-Bar), Pouring Barrels, Sayaji Hotels

A. R.: WHO ARE YOUR TARGET CLIENTS?

V. S.: In the first phase, we are looking at high end bars and clubs as our primary targets. In phase two we will look at high end rental companies.

A. R.: HOW DO YOU SEE TODAY THE PRO AUDIO MARKET?

V. S.: I think the Pro-Audio market in india is gradually evolving from a brand purely brand conscious to a quality conscious market. This is good news for us. A few years ago, people would buy a product just because its a western brand. Now i see that is changing steadily. Customers are increasingly basing their purchase decision more on the quality of the product and less on the geographic origin of the brand.

A. R.: WHAT DO YOU THINK IS THE MAIN REASON BEHIND YOUR SUCCESS AS AN INDIAN BRAND IN INDIA?

V. S.: The most significant factor that separates us from the rest of the Indian brands, is a truly world class in-house R&D department. Most Indian audio brands are little more than traders buying finished products from China, rebadging them and selling them in the Indian markets. Stonewater on the other hand, from the very beginning has laid a huge emphasis on high quality research. This has led to products that not only perform well, but also address some very specific and peculiar needs of the Indian market.

A big part of the credit for nurturing this culture of innovation at Stonewater, goes to my business partner, chief designer and founder Mahendra Palesha, a technical genius who is always relentlessly looking at ways to better his last successful design, no matter how good that last design was.

A. R.: HOW IS THE BUSINESS ATMOSPHERE IN YOUR TERRITORY?

V. S.: India is probably one of the worlds most amazing and complex markets. High sensitivity to price and an extraordinary diversity in demographics are important factors to consider when one operates in the Indian markets. Just to give you an idea, we have over 1652 languages spoken in India. With that comes huge variations in culture and consumer behaviour too. One has to get the cost to quality ratio absolutely right. There is really not much room for error in this area. Like in any challenging environment, those that adapt the best tend to survive. Oftentimes strategies that serve well in western markets yield very different results in India. Consider the case of Apple. In the US, the worlds second largest Mobile Phone market, Apple enjoys an approximate 44 percent of market share. Whereas in India, the worlds third largest mobile market, Apple has a measly 1 percent market share. This tells you an interesting story.

A. R.: WHY DID YOU SWITCH TO FAITALPRO? PLEASE SHARE SPECIFICS.

V. S.: Getting the right cost to quality ratio had always been a priority for us. For a while we had been working with some premium Chinese drivers in our products. They were the best available from Chinese manufacturers. These were drivers that would normally be used in European products in Entry-Level to Mid-Level segments.

The results were good, provided we had stringent quality measures of our own, in place. Good products and smart pricing combined with an intense focus on after sale service helped us earn a reputation as an honest brand that offered good sound at a fraction of the price what western brands demanded for the same performance. When this was achieved, we felt it was time to expand into higher segments. So we decided to launch a new range of products that competed with top end brands in terms of performance, but would be priced in the range of Mid-level products

from western brands. We have a really good in house engineering/R&D department. However, even the best R&D in the world cannot result in good products unless your component quality doesn't match up. This is why we decided to look at european suppliers. Finally we decided to go with FitalPRO for a combination of reasons.

- 1.** They have one of the most modern and high tech manufacturing facilities in the world today. This results in a high degree of manufacturing consistency
- 2.** Most of their products sound really great. The compression drivers in my opinion are really musical.
- 3.** A very responsive and cooperative sales team. This is a very important but often neglected factor by many companies.

So we will continue to experiment with additional models and products from the company and look for a good affordable 18 Inch subwoofer with higher sensitivity than what's currently available.

A. R.: WHAT IS THE OVERALL IMPRESSION AND COMMENTS FROM YOUR CLIENTS SINCE MAKING THE CHANGE OVER TO FAITALPRO COMPONENTS IN YOUR DESIGN ENCLOSURES?

V. S.: Great performance with great consistency at hard to believe prices!

A. R.: PLEASE SHARE YOUR COMMENTS ON THE "BIG PICTURE" BY CHANGING OVER TO WORK TOGETHER TODAY WITH FAITALPRO, BE HONEST GOOD OR BAD.

V. S.: Fital's capability to manufacture quality components when married to our strong in-house Research and Development strengths have led to the creation of some truly outstanding products. These products can easily compare with industry leading products in terms of performance. The fun part is, due to lower operating overheads of development and assembly in India, we can make them much more affordable to customers when compared to competing brands of foreign origin using similar quality components. Partnering with FitalPRO has certainly increased the prices of our products. But what has not been damaged is the Quality to Cost Ratio. In fact i would even argue that there has been a net improvement in the quality to cost ratio, despite the increase in prices.

A. R.: CAN YOU UNDERLINE JUST ONE ON YOUR PERSONAL VIEWS WHICH BETTER DESCRIBE FAITALPRO PHILOSOPHY ON APPROACHING THE MARKET?

V. S.: Apart from the high quality of their products, i feel its Fital's OEM centric business approach contributes to a very fruitful partnership.



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A. R.: ANY IDEA FOR FUTURE PLANS?

V. S.: Currently we are busy setting up a larger, full fledged manufacturing facility in India. Within one year, leveraging on our partnership with FaitalPro, we are looking at building a range of Ultra High Performance loudspeakers in India and exporting them to Western and Middle eastern markets.