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Infinity Aims to 'Go Deep' with Fast Growing 'Premium Budget' Strategy

When Al-Dobowi Group executives Surrender Singh Khandari and his son Harjeev Singh Khandari founded Infinity tyres six years ago, they probably didn't envisage how quickly their ambitious plans would come to fruition. What began with a series of informal meetings with key employees and potential suppliers in 2004 has since grown into an international exclusive/private brand operation present in 60 countries around the world. The kernel of a concept the Khandaris planted back then has developed through key partnerships with Chinese supplying manufacturer Shandong Linglong Co., Ltd. (see following article for more on this company's latest developments including its plans to construct a $200 million proving ground) and key distribution partners in Europe and Africa. With the recent addition of a Canadian distribution arm last year and with fledgling partnerships in both the Russian and Ukrainian markets, the company's global ambitions are clear.

One limiting factor in Infinity's growth has been the speed at which its supply partner can expand its own operations. But this is more of a testament to the Infinity brand's increasing sales volumes than suggesting Linglong is lagging behind in anyway. Far from it. For the last eight years Infinity's Chinese manufacturing partner has consistently exceeded annual growth rates of 30 per cent, according to company president Wang Feng. This has been coupled with a tyre production capacity expansion programme that saw annual output reach 22 million in 2009. This is scheduled to exceed 30 million units a year in 2010.