

Pantaloons Retail to team up with Videocon

Mayur Shekhar Jha and
Joji Thomas Philip

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KISHORE Biyani's Pantaloons Retail is joining hands with home-grown consumer durables major Videocon to give Mukesh Ambani a run for his money in his ambitious retail foray.

According to well-placed industry sources, Pantaloons will be sourcing the complete range of consumer durable products from Indian manufacturers and retail at discount prices under the existing brand names 'Koryo' and 'Sensei'.

In the future, Videocon will be the biggest vendor for these brands, sources said. Interestingly, retail of consumer durables is one of the biggest models that Reliance Retail has been looking at.

Pantaloons is also in talks with a host of other well-known manufacturers for such consumer durable items, which cannot be manufactured by Videocon.

When contacted by ET, Mr Biyani said: "Consumer durable retailing has always been a top priority for us, and is not influenced by any competition. As for

sourcing, we will be sourcing from multiple vendors." On the other hand, VN Dhoot, managing director, Videocon India, said: "We are not averse to the idea of contract manufacturing for retail players and are in talks. However, no deal has been signed as yet."

At present, these brands — Koryo and Sensei — are already present in some consumer durables segments, following the test launch in May '06.

Industry sources said that Pantaloons will soon be diversifying these brands to include every segment of the consumer

durables sector, including hand-grinders, TVs, washing machines, refrigerators and also air-conditioners.

Currently, while the Koryo brand caters to the price-sensitive consumers of the value market, Sensei is available at a higher end, and this format is likely to be continued, sources added.

Sources say that Pantaloons will also be looking at some large and exclusive formats for sale of consumer durable goods at its outlets.

Through these formats, apart from sales, the company will also be looking at end-to-end services, of both for its brands and other products in the market, sources added.

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