

Speech Ir L. de Vries, President and CEO of Royal Ten Cate on the occasion of the introduction of digital finishing in Nijverdal, the Netherlands, on Monday 1 July 2013

Ladies and Gentlemen. Welcome to TenCate in Nijverdal on the occasion of the introduction of the first production machine for digital finishing using inkjet technology. This special occasion marks – after 161 years – the official transition from analogue to digital finishing of technical textiles. So a historic moment!

During the celebration of the 300th anniversary of Royal Ten Cate in 2004, I appealed to the imagination of those invited by asking them to pinpoint digital finishing on our horizon. Today this vision has become a reality.

Now – almost a decade later – TenCate Protective & Outdoor Fabrics is capable of delivering on demand, mass customized products from a differentiated portfolio, thanks to a flexible and cost-efficient production process. This is a remarkable achievement. At the same time I can say it has been a long journey, during which we have learned a number of lessons regarding innovation processes. I will come back to that.

Digital finishing is not a question of *product innovation*, but *technological innovation*. There are often misunderstandings on this point. In our view technological innovation is *groundbreaking innovation* and the driving force behind new business. Technological innovation is one of the cornerstones of the TenCate business model. It generates new possibilities for the changing demands of end-users.

What are the achievements of this technology? You can think of rapid market-driven response; increased design freedom; quick product processing; new and improved properties; greater flexibility; small quantities and low stocks. And above all, cost-effectiveness.

The TenCate business model enables us to systematically translate worldwide trends and developments into safe and sustainable customer-oriented solutions. That's why I'm happy to meet so many important business relations from day one – from Greece, Italy, Denmark, Germany and the Netherlands. And at the same time important potential customers.

For a moment I would like to consider the three phases of research that have been or are still being carried out.

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From 2006 to 2010 basic research was conducted in the European DIGITEX project. This yielded a *proof of principle* regarding digital finishing at nanoscale, or ten to the power of minus twelve. Then in 2009 and 2010 applied research was carried out in the European TREX project. This resulted in a *proof of concept*. The aim of the European DIGIFIN project – running from 2012 to 2015 – is to secure the *proof of production*. So currently TenCate is on track to *full-scale production*. This machine is the first in a series, and each future machine will again offer new technological possibilities.

And here I would like to say a word of thanks to the government authorities and institutes that shared our vision and always gave their support – financial or otherwise – to these research projects. These include the European Union, the European Technology Platform for the Future of Textiles and Clothing, the province of Overijssel, the Twente region, the University of Twente and our business partner Reggiani Macchine. But above all the people involved.

It's true we are talking about high technological developments, but actually here everything revolves round the knowledge and skills of people. One of the lessons we have learned is that innovative concepts must flourish first within the widest possible frameworks in order to finish up later in a rigid management regime. Groundbreaking innovations of this kind are very complex affairs.

On our way to that digital spot on the horizon we were forced to turn aside from our path a few times. It became clear to us that the world of inventors is not necessarily the business world. Innovation is also the connecting of different realities. So the past nine years have also been a challenge.

Ladies and Gentlemen. With the transition to industrial production – however small-scale at present – TenCate is on its way to the future. In the end, groundbreaking innovation of techniques and technologies is *organized chaos*. It delivers creativity that ultimately requires structure. Again this characteristic rests with other people rather than the original inventors. This demands planned execution, pragmatic entrepreneurship, customer-orientation and above all *people management*.

In this new phase of industrial production, innovation offers new opportunities among companies, inside and outside value chains. The key word is connection. By allowing businesses to work together. In this way you can discover techniques and technologies collectively and then innovate independently.

In a network of business partners, sector innovations contribute to new combinations of products, markets and technologies, the PMTc's. A cluster-oriented approach will continue to feed and facilitate the process of groundbreaking innovations, as we see not only here today within TenCate, but also through

AMMON for example, the Advanced Materials Manufacturing cluster in the East Netherlands.

In conclusion I would like to say that digital finishing of outdoor fabrics is the promising first step towards new characteristics in existing products that meet changing wishes of customers. These materials will now make the difference.

I would now like to invite Gerrit Koele to give a specific explanation of digital finishing. Afterwards Theo Rietkerk, representative of the province of Overijssel, will officially commence operation of this digital finishing machine. Finally I would like to thank him for his personal and mental support throughout this groundbreaking innovation process.

I thank you for your attention.