

Brikor JSE suspension lifted, notes increased demand for bricks

Brikor Limited's (BIK) suspension on the JSE since 2013 has been lifted after coming out of provisional liquidation in 2015, the company recently announced. The manufacturer and supplier of building and construction materials has also noted an uptick in demand for bricks, according to Garnett Parkin, CEO of Brikor.



Garnett Parkin, CEO of Brikor

The company closed for Level 5 lockdown until the end of April 2020, with no production or sales. "We generated limited sales in May from essential services customers. At the end of May, we had sufficient stock to deliver our current order book and the phased return to full production enabled us to deliver on additional orders," explains Parkin.

He says as soon as Brikor started up again at Level 3 lockdown, the company started doing "exceptionally well". "Now we do not have enough stock of bricks. If we could buy another brick factory tomorrow, we would," he says.

Returning to work

Brikor has also adapted to the online environment and customers can order bricks via the website or telephonically. During lockdown, various initiatives were implemented to preserve liquidity, such as reduced variable overhead costs and limited spending only on critical fixed costs. This enabled Brikor to honour loan and other commitments, Parkin explains.

In April, Brikor began operating at reduced capacity and a small number of employees returned to work, while it could operate at 50% from 1 May. The company followed a phased-in approach to start up production on 1 June, returning to full planned production at the beginning of July.

"We phased in our people with a disaster management team that includes a full-time doctor and nurses on site. We also ensure that our Covid-19 contact-tracing process is done properly."

Brikor is now seeking prospects and opportunities to expand its local footprint.

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