

SMART WATER WATCH

Aliaxis plants flag in the digital water space

The Belgian pipe giant's investment in wastewater network monitoring firm Kando will be the first of many in its drive toward digitisation. How does it intend to use its new venturing arm to build up its capabilities?

Aliaxis Ventures, the new corporate venture arm of Belgian plastic pipe giant Aliaxis, announced last month it would be making its first investment in Israeli start-up Kando. With a mission to partner with the latest smart water innovations and the funds to make it happen, Aliaxis is determined to make a splash in the digital ecosystem.

Fabian Seunier joined Aliaxis to start the company's first corporate venture arm in December 2019 after 18 years of working in strategy consulting, investment banking and corporate investment. He has since been on the lookout for technology start-ups that will complement Aliaxis' portfolio of plastic pipes, valves and fittings. One criterion is crucial: they must be open for collaboration. "We are looking for a partner, not a quick commercialisation or a passive investment," Seunier told GWI. This was the rationale behind the investment agreement with Kando, the financial details of which have not been disclosed.

Though Aliaxis has already experimented with digital projects, such as Living PlanIT's real-time water quality sensors (*see GWI May 2019, p43*), its involvement with smart water has been limited. The Kando deal marks a change of tack, with Aliaxis hoping to take advantage of innovation in the start-up sector to catalyse its digital transformation.

"[Kando] have a really good team that is very knowledgeable of their field and they have a full solution with both sensors and AI," said Seunier. "They can go to their customers – the utilities – and say 'We will put this solution on your network, provide you with visibility to trace sources of pollution and it will translate into savings for you.'"

The advantage of this kind of solution to Aliaxis is it can be fitted onto its existing range of pipes. "One obvious area of co-development would be smart pipes so instead of them doing a retrofit and us doing a new project, we could do new projects together with infrastructure that will include Kando," explained Seunier.

It is expected this relationship will set a precedent for Aliaxis' future investments as it is Seunier's view that "corporate venturing only works if the corporation and the start-up are aligned." For Aliaxis' investments, these opportunities for collaboration could open doors in new markets. Turning over €3 billion annually, the Aliaxis Group has a particularly strong presence in Europe, North America, India and Australia, serving construction, industrial and utility customers, with an emphasis on potable water. Access to a network like this could provide a huge boost to fledgling start-ups.

Aliaxis Ventures is busy scouting for more potential investments, especially in

NEW EXPERTISE

Aliaxis hired investment specialist Fabian Seunier to head up the firm's new venture arm.



Source: Aliaxis

the digital water space. "Amongst our priorities would be water quality monitoring and management, leak detection and pipe repair because they represent huge challenges for the water utilities," said Seunier. "A lot has to be invested in revamping the infrastructure to avoid the leakages in the potable water supply and these are areas where Aliaxis could bring a synergy and a value."

It is not written in stone how much Aliaxis Ventures has to invest. Though it is a separate legal entity of Aliaxis, it is not a fund and Aliaxis will provide the money on a deal by deal basis via an investment committee. Aliaxis Ventures hopes to make several of these investments a year, with the size of the investments varying from case to case. Though Aliaxis is geographically agnostic, it will likely focus its investments in companies from areas rich in innovation, such as Israel, Western Europe and North America, especially Silicon Valley.

Whatever its next investment, Aliaxis Ventures will likely play a major role in the digitisation of the Aliaxis brand, which has hitherto focused mainly on plastic equipment. "The digital transformation of Aliaxis is something that has to make sense for customers so it's about more customer centricity, more solutions, providing more value to them and Aliaxis Ventures will help explore those trends and support the consequent development of our products," said Seunier. ■

EYES ON THE SEWERS

Kando's solution will grow Aliaxis' expertise in wastewater network monitoring.



Source: Kando