

Executive Summary

Rainco Group of companies is one of the leading family businesses in Sri Lanka which has over 15 successful subsidiary companies. Main business being manufacturing and distribution of umbrella under the brand name of “Rainco”, most of the other conglomerate are in the sector of outdoor solutions. Rainco is the leader in the umbrella industry having more than 60% of market share in Sri Lanka started its journey in 1977 as a house hold business with mere 5 employees including the founder (current chairman) of the group Mr. S.L.M. Fausz.

Since its inception in 1977, the founder of Rainco has set traditions of trust, value and quality in the industry. Beginning with the manufacture of umbrellas, today Rainco boasts an expanded portfolio adding garden/ beach umbrellas, raincoats and mosquito nets under one wing.

Reaching towards the vision of the company “Reaching heights in creating passionate brands that enrich our lives”, today the company has been able to create multiple successful brands in the outdoor solution and protection sector such as “Rainco”, “World of Outdoor”, “Meubel House”, “Home Lux” and “Light & Shades”. The success of Rainco is deep-seated in the dedication to improvement, manufacturing efficiency and ever-expanding local and international presence.

The authors were motivated to select Rainco for this study, due to its strong brand, phase of growth achieved in the recent past, and also the exemplary leadership style demonstrated by the chairman Mr. S.L.M. Fausz. This study focuses on Rainco’s approach to reach its dream; the strategy or the pathway the company is taking to create passionate brands that enrich the lives.

Ardichvili et al (2003) argued that the “Personality traits”, “Social networks”, “Prior knowledge”, “Market knowledge” and “Type of opportunity” are the decisive factors of “Entrepreneurial opportunity recognition” whereas Morrish (2008) argues that “Human capital”, “Social Capital”, “Motivation” and “Attitude to Risk” leads to portfolio entrepreneurship in Family business.

The theme of this case study is “how opportunity recognition and portfolio entrepreneurship lead a house hold business into a successful group of companies” and the authors are following the framework suggested by Ardichvili et al (2003) and Morrish (2008) about the opportunity recognition and portfolio entrepreneurship to best describe the success story of Rainco

Further this case study will reveal the charismatic leadership and personal traits of its founder Mr. S.L.M. Fausz, who consider everything he sees around as an opportunity to sets an inspiration to all the upcoming Sri Lankan entrepreneurs.