

Daily Thai News Updates: 26 October 2016

1. TCMC buys 75% stake in UK furniture maker

Source: **Bangkok Post** ([Link](#))

SET-listed Thailand Carpet Manufacturing Plc (TCMC), a leading carpet manufacturer under the Tai Ping and Royal Thai brands, has clinched a deal to acquire a 75% stake in DM Midlands, a furniture group in Britain, for 1.6 billion baht. After the acquisition, TCMC expects to roll out the English furniture business in the Asia-Pacific market next year. TCMC chairman Pimol Srivikorn said he was confident in the potential of DM Midlands and its acquisition was a great deal. The regional furniture market expands at least 6-7% per year and should increase thanks to higher spending on furniture, especially in Thailand and China, he said. "We found people in Asia-Pacific are fond of home decorations the past few years, so the furniture market has continued to grow," said Mr Pimol. DM Midlands plans to set up a furniture plant in the region to facilitate market penetration. The price of English furniture will be more competitive made locally while the design is still from the UK. After acquiring DM Midlands, TCMC expects its total revenue will nearly double to 6 billion baht next year, up from 3.2 billion forecast this year.

2. Siam Asset partners for cheaper modular homes

Source: **Bangkok Post** ([Link](#))

Property developer Siamese Asset Co has teamed up with modular home manufacturer Sekisui-SCG Industry Co to develop factory-made homes at more affordable prices. Siamese Asset's managing director Kajonsit Singasansern said the partnership with Sekisui-SCG would lower the construction cost, with Siamese Asset carrying out the installation of homes. "Foundation, mechanics, engineering and fitting will be our job, which can reduce the construction costs of modular homes. Materials and specifications will remain the same as under Japanese standards," he said. The first "Siamese Heim" modular home design project will be located on a 26-rai site opposite Fashion Island on Ram Intra Road. With a total sales value of 800 million baht, the project will comprise 107 units, including 64 townhouses and 43 detached houses. Prices for the modular home will start from 5 million baht, lower than 30,000 baht per square metre, compared with over 40,000 baht per sq m Sekisui-SCG offers to retail customers. Masaya Fujiwara, corporate management director of Sekisui-SCG Industry Co, said it is the first time Sekisui-SCG has collaborated with a property developer after introducing SCG Heim modular homes in 2009. "The cooperation with property developers under economy-of-scale manufacturing will make modular homes more affordable," he said.

3. Phuket leader urges islands' solidarity

Source: **Bangkok Post** ([Link](#))

Phuket's deputy governor has stressed the importance of cooperation among the world's island cities at a tourism forum in Sri Lanka. In his speech entitled "Environmental conservation and tourism of island cities" at the 20th Inter-Islands Tourism Policy Forum (ITOP Forum) yesterday, Deputy Governor Thira Anantaseriwitthaya emphasised the importance of cooperation among member islands in promoting cultural tourism and maintaining good relations. Phuket is one of 12 other island cities and regions attending the annual forum held in the Southern Province of Sri Lanka from Monday until Thursday to showcase sustainable tourism development. Each year, more than 13 million people visit Phuket and enjoy the diversity of the island's natural beauty, beaches, and "East meets West" culture, said Mr Thira. The popular tourist destination is committed to developing tourism along with preserving the environment, he said, noting that Phuket's 2014-17 strategic plan commits to a vision to make the island a sustainable international tourism city. In this regard, he said, Phuket gives equal priority to both tourism development and environmental protection projects such as historical conservation, creation of new and environmentally-friendly tourism sites and promotion of public participation in environmental protection. An energy-preserving project called "Smart City" has been launched to encourage renewable energy usage, he said.

4. Breakthrough buoys SCG Chemicals

Source: **The Nation** ([Link](#))

SCG chemicals has achieved key breakthroughs in its research and development (R&D) efforts, including two new products that it hopes will disrupt the petrochemical and non-petrochemical industries worldwide and create a huge new revenue stream for the company. The chemicals business unit of Siam Cement Group (SCG), one of Asean's leading industrial conglomerates, is currently showcasing the new products – a “next-generation” high-density polyethylene (HDPE), and CIERRA, a functional material – at “K 2016”, an international trade fair being held in Dusseldorf for the plastics and rubber industries. Today is the final day of the event, which opened its doors on October 19. President Cholanat Yanaranop said SCG Chemicals was gearing up to launch the new HDPE – a result of the company's R&D collaboration with its Norwegian research arm, Norner – late next year or early 2018. CIERRA, which is a result of its collaboration with Oxford University in the United Kingdom, is expected to be launched towards the end of 2018. SCG expects CIERRA to create a “big bang”, due to its wide variety of possible applications and potentially huge markets, he said. The material has three main applications: anti-microbial, flame retardant, and controlled permeability for barrier packaging and film. “If we can get into the right business models, it [CIERRA] can bring in tens of billions of baht in sales revenue,” he added. Timothy McCaffery, 38, former executive at a global specialty chemicals and performance materials company, was recruited in June to spearhead SCG's new business under the title of global business director for New Materials and Technology. He said the company was using the “K 2016” event to find potential partners to help it bring CIERRA to global markets. The potential market for CIERRA in the flame-retardant segment is in the tune of “a billion US dollars”, while for packaging it is “tens of billions of dollars”, and for the anti-microbial segment, “hundreds of millions of dollars”, he suggested. Cholanat said CIERRA, thanks to its better properties, could replace aluminium foil in the packaging market and silver nano in the anti-microbial market.

5. Ten Thai firms to join US film-industry trade event next month

Source: **The Nation** ([Link](#))

The department of International Trade Promotion will participate in the “American Film Market & Conferences” next month to promote the Thai movie, animation and computer-graphics industries, expecting that Bt330 million worth of trade will be negotiated at the event. The conference will be held in Los Angeles from November 2-9. The department says the Thai movie and animation industries have earned a reputation for producing high-quality work at reasonable prices. The market value of the movie industry is about Bt26.5 billion, while that of the animation and computer-graphics business is Bt3.5 billion, it said. Exports accounted for 10 per cent of the two business groups’ total market value last year. At AFM Conferences, the department will facilitate trade negotiations and set up an information stand to advise international business operators. Eight Thai movie-production companies and two animation and computer-graphics firms will participate. The eight production companies are Mono Film Co, Benetone (Thailand) Co, Film Frame Productions Co, G2D Co, Kantana Sound Studio Co, Sahamongkol Film International Co, Wandee Media Co and Matching Broadcast Co. The two animation and computer-graphics firms are The Monk Studios Co and Yggdrasil Group Co. The department believes that participating in the Los Angeles event will help the Thai entertainment industry become more competitive on the global stage, leading to trade, investment, co-production, subcontracting and networking.

By Nandini Malhotra

