

## Daily Thai News Updates: 24 August 2016

### 1. New Thailand-Bhutan Joint Trade Commission meets today

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

Thailand and Bhutan aim to increase bilateral trade and form closer cooperation in investment and tourism through their first Joint Trade Commission. Commerce Minister Apiradi Tantraporn said yesterday that the two countries would strengthen ties in trade, investment and other forms of cooperation, particular in the agricultural sector, through the JTC. The proposals for enhanced cooperation will be discussed at a JTC meeting in the Bhutanese capital Thimphu for two days beginning today. Apiradi will lead the Thai delegation, while Bhutan's trade minister will chair the meeting. "The two countries will discuss trade promotion, investment and agricultural cooperation. We have had close relations for a long time through the two Royal Families. With emerging seamless trade, we will cooperate in many ways to drive economic growth together," she said. Two Thai enterprises have already invested in Bhutan's hotel business. They are Haven Resort in the town of Paro and DhusitD2 in Thimphu.

Bhutan is Thailand's eight-largest trading partner among South Asian countries, and 166th globally. Trade between Thailand and Bhutan was quite small at US\$11 million (Bt380 million) last year.

### 2. New 'Hotel Asean' booking website planned

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

Thai and other Asean hoteliers plan to set up their own booking website, Hotel Asean, to attract global tourists and fill rooms in legal, small and medium-sized hotels. Thai Hotels Association president Supawan Tanomkiatipum said the association will work with the Asean Hotel and Restaurant Association in creating a central website for hotel bookings in the region, and aimed to have 1,600-2,000 hotels under its network. Room bookings would be directed to members of the two associations. It was expected up to 200 hotels from each country would sign up. It was planned to launch the website early next year.

The website would provide a platform for small hotels to strengthen their marketing and be more competitive, while reducing their dependency on a few large foreign online travel agents, which charged high commissions of 25-30%. Ms Supawan said the new website would charge only 10%.

### **3. VGI acquires major stake in Rabbit from BTS Group**

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

VGI GLOBAL Media has acquired a major stake in the Rabbit e-payment business from BTS Group Holdings, aiming to become an integrated provider of ad-media services. VGI reported the acquisition yesterday to the Stock Exchange of Thailand. According to VGI chief executive officer Surachet Bamrungasuk, the Rabbit business will help the company become a "data-centric media hypermarket". VGI will use the data-analytics capabilities of Rabbit to aid in the creation of an innovative audience-targeted ad-media service. Furthermore, this will broaden VGI's reach to 25 million consumers per day and boost its annual revenue-production capacity from Bt3.9 billion to Bt7.3 billion, the company predicts. Surachet said the company's board of directors had approved the acquisition of 90 per cent of Bangkok Smartcard System Company (BSS) and 90 per cent of BSS Holdings Co. The investments will require total funding of Bt1.95 billion. Through this acquisition, VGI will enter the e-payment business that provides the Rabbit Card for travel on the BTS Skytrain and for purchasing merchandise from retailers countrywide.

### **4. Oracle joins competition for domestic cloud market**

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

The market for cloud computing services in Thailand continues to defy all expectations, with software giant Oracle Corporation racing to compete with well-established Amazon Web Services and Microsoft to capitalise on the burgeoning segment. The California-based Oracle is making a massive investment on cloud infrastructure in Thailand as internet-based computing services play an increasingly prominent role across businesses. Amazon Web Services established its local presence in Thailand early this year.

"Oracle is gearing up to promote a broad range of cloud-based enterprise solution services that can cater to a wide range of businesses," said Natasak Rodjanapiches, managing director of Oracle Corporation (Thailand). The local operating unit of Oracle has set up a new business team for cloud services. Mr Natasak said Oracle expects strong demand for enterprise resource planning systems, human capital management and cloud-enabled customer experience solutions. In its fiscal 2016 financial results for the fourth quarter ended in May, Oracle reported cloud revenue of US\$859 million globally, accounting for 8% of total revenue.

### **5. Cotton USA expands licensee categories to include Quiescent**

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

Quiescent is the first brand in Thailand to offer sanitary napkins made from 100-per-cent US cotton in compliance with Cotton USA's criteria to assure consumers of premium quality. In a one-day promotion, each purchase today will contribute to Siriraj Foundation's funds for poverty-stricken patients and/or medical equipment/hospital construction. It targets sales to grow to Bt10 million in three years from the target of Bt3 million this year.

Kraipob Pangsapa, Asean representative of Cotton USA, said yesterday that its marketing strategy for this year was to continue broadening consumer awareness of its brand through focused communications on three distinctive benefits of US cotton - purity, quality and responsibility. The company hopes to reinforce consumer awareness of Cotton USA as the trademark of quality cotton fibre and encourage local consumers to switch to high-purity cotton products.



**By Nandini Malhotra**