

Daily Thai News Summary: 27 May 2016

1. Meet touts benefits of “Thailand 4.0”

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

The Government is pursuing its “Thailand 4.0” project by utilising innovative technology to improve quality of life, productivity and efficiency for all businesses in the nation. The government will also come out with new laws this year related to digitisation, while the Information and Communications Technology Ministry is setting up three "Digital Thailand" projects. Prime Minister Prayut Chan-o-cha said at a seminar called "Digital Thailand 2016" yesterday that the government would support the installation of information-technology infrastructure. It will also promote cooperation between the government and private sectors to develop human resources, hardware, software, and telecommunication equipment, and integrate all sectors such as smart agriculture to support the digitisation of the country. Moreover, the government will submit seven digital-related laws such as the Digital Privacy Law, Cyber Security Law and Electronic Transaction Law to the Cabinet for approval by the end of this year. It will also work with local and international businesses and foreign governments to drive the Digital Thailand project and will not leave its business partners behind, Prayut said. He added that the government would utilise technology and innovation to support the elderly as senior citizens account for a greater proportion of the population.

ICT Minister Uttama Savanayana told the seminar that the three digital projects the ministry would push this year were the Digital for Community scheme, the Digital Park programme for small and medium-sized enterprises, and the Digital Start-up Innovation Network. He said that for the Digital for Community scheme, the ministry would sign memoranda of understanding with government agencies and the private sector to provide new technology and innovations such as the Internet of Things to support SMEs and smart agriculture in communities nationwide. The ministry will adapt around 2,000 existing ICT community centres into digital community centres, which will be able to help people in each community offer their products online.

2. Bangkok Airways plans 3 China-Samui routes

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

Bangkok Airways plans to launch three more routes between China and Koh Samui by the end of this year after the inaugurations of two new flights recently, targeting a growth rate of 10 per cent this year. The two latest routes were a domestic flight from Chiang Mai to Mae Hong

Son, and an international service from Bangkok to Da Nang, Vietnam. The first Bangkok-Da Nang flight took off on Wednesday, highlighting the airline's position as the first Thai carrier operating flights to that destination in Vietnam. The company targets 20,000 passengers a year on four flights a week. The flight frequency to this destination will be increased to once a day in the future, if there is increasing demand, said the airline's president Puttipong Prasarttong-Osoth. He said the Bangkok-Da Nang route had high potential, given the popularity of the destination and the short direct flight. *"It saves three hours if flights from Europe transit at Bangkok to Da Nang compared with transiting at Hanoi or Ho Chi Minh to Da Nang,"* he said.

In addition, the carrier will implement three more routes between the Chinese cities of Chongqing, Chengdu and Guangzhou to Samui. The carrier sees growth opportunity in the Chinese market as there is high demand among Chinese for travel to the island, Puttipong said. These three routes to Samui also amplify the company's goal to make Samui Airport, owned and operated by Bangkok Airways, its second hub after Suvarnabhumi Airport. He said Samui Airport would be revamped, probably in the fourth quarter of this year, with a Bt1-billion budget to support the growing number of flights. The additional routes will add flight capacity of the airport from 44 to 50 daily, he added.

3. Pruksa sustains bright future with innovation

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

After leapfrogging expansion in the past two decades, Pruksa Real Estate looks to innovation to sustain its growth story well into the future. "We set three goals - to be one of the top 10 real estate companies in Asia, to be one of the top of mind brands and to grow sustainably," Lersuk Chuladesa, co-chief executive officer, said yesterday at a press briefing here. He did not reveal new investment plans for overseas, besides projects in India, the Maldives and Vietnam. To achieve the second goal, a customer satisfaction survey has been the guiding light to constantly improve the quality of services and products.

For sustainable growth, management consulting company McKinsey has been retained to draft a new corporate strategy, which involves the establishment of a holding company and the creation of new companies that will focus on recurring income. The process should be completed this year. "The new businesses are expected to generate consistent income for a span of decades," he said. In the process, Pruksa's brands could be consolidated from 46 to about 15. However, target segments will remain unchanged - housing for the low-end and premium markets that ask for over Bt10 million for a home, Bt7 million for a townhouse and Bt5 million for a condominium. Another highlight to achieve sustainability is innovation.

4. True Corp, IBM announce new “Innovation Studio” in Bangkok

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

True Corporation and IBM have jointly introduced the True IBM Innovation Studio at Bangkok, covering 1,500 square metres. Suphachai Chearavanont, president and chief executive of True Corp, said the collaboration with IBM aimed to make the studio the centre for developing innovations on the digital platform in Asia. The two partners look to leverage on their potential in terms of True's broadband, fibre-optic and fourth-generation wireless networks and IBM's world-class technologies and experience that are behind success stories of leading enterprises across the globe.

The collaboration is also expected to support new-generation business operators, start-ups, and enterprises from all segments by providing digital technologies that help increase competitive advantage of businesses and place Thailand as Southeast Asia's digital hub in line with the government's "digital economy" policy. True says it is determined to support research that focuses on developing innovations that can be genuinely utilised and create values for society and the country, now that Thailand is stepping forward into the age of digital connectivity. The True IBM Innovation Studio @Bangkok will cater to research and development requirements of not only the telecommunications business, but also all industrial and business segments.

5. S. Khonkaen eyes joint venture in the US

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

S KHONKAEN Foods, a major producer of traditional Thai foods, is negotiating the setting up of a joint venture in Los Angeles with a top trading firm that has a strong distribution network in the United States. The Thai company will also have its seafood-products subsidiary listed on the Market for Alternative Investment by November, so there is a flagship entity when it comes to penetrating international markets.

Chief executive officer Charoen Rujirasopon said the negotiations with the US-based trading firm, which is owned by a Thai national, were nearly complete. If the talks are successful, the joint venture should be set up by the end of this year to look after the distribution of S Khonkaen's products, including snacks and chilled food, in the US, Canada and Mexico. *"We will appoint a local manufacturer in the US to produce products via an OEM [original equipment manufacturing] contract, so we can control all product formulas. However, in the long term, we plan to build our own production facilities in the US once we have high sales volume or worth about Bt100 million per year,"* Charoen said. He added that the joint venture

would be set up in line with S Khonkaen's vision to become a leading manufacturer and distributor of Thai foods in the world market by 2020.

The company set up S Khonkaen Foods (Netherlands) three years ago to oversee the European market and has appointed a sole agent for the Australian market. This year, S Khonkaen will appoint another agent to look after the Middle East market, he said. Charoen added that S Khonkaen expected its annual sales revenue to hit Bt6 billion by 2020, of which about 30 per cent would come from export. Over this period, the company also hopes for 15-per-cent organic growth, while the rest will be driven by its joint-venture possibilities for snack and seafood businesses in the US, mainland China, Hong Kong and Japan.

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By Harsha Hazarika