



Asia Cantech 2014

**Together We “can”  
Thailand Metal Packaging  
Manufacturers Collaboration.**

Thongchai Oranrigsupak  
th@benjamit.com  
29 October 2014

# Introduction

## Thongchai Oranrigsupak

Managing Director at Benjamit Packaging Co.,Ltd  
Member of Board, The Federation of Thai Industries.  
Vice Chairman of Thai Metal Packaging Association.  
Vice Chairman of Thai Can Cluster.

## Education

Indiana University of PA

Master of Business Administration (MBA), Finance

King Mongkut University Technology Thonburi

Bachelor's Degree, Electrical Engineering



# CONTENT

1. Thailand Overview
2. Thai Metal Packaging Overview
3. TMPA ( Thai Metal Packaging Association)
4. Can Cluster of Thailand.
5. Success of Thailand Metal Packaging Manufacturers Collaboration



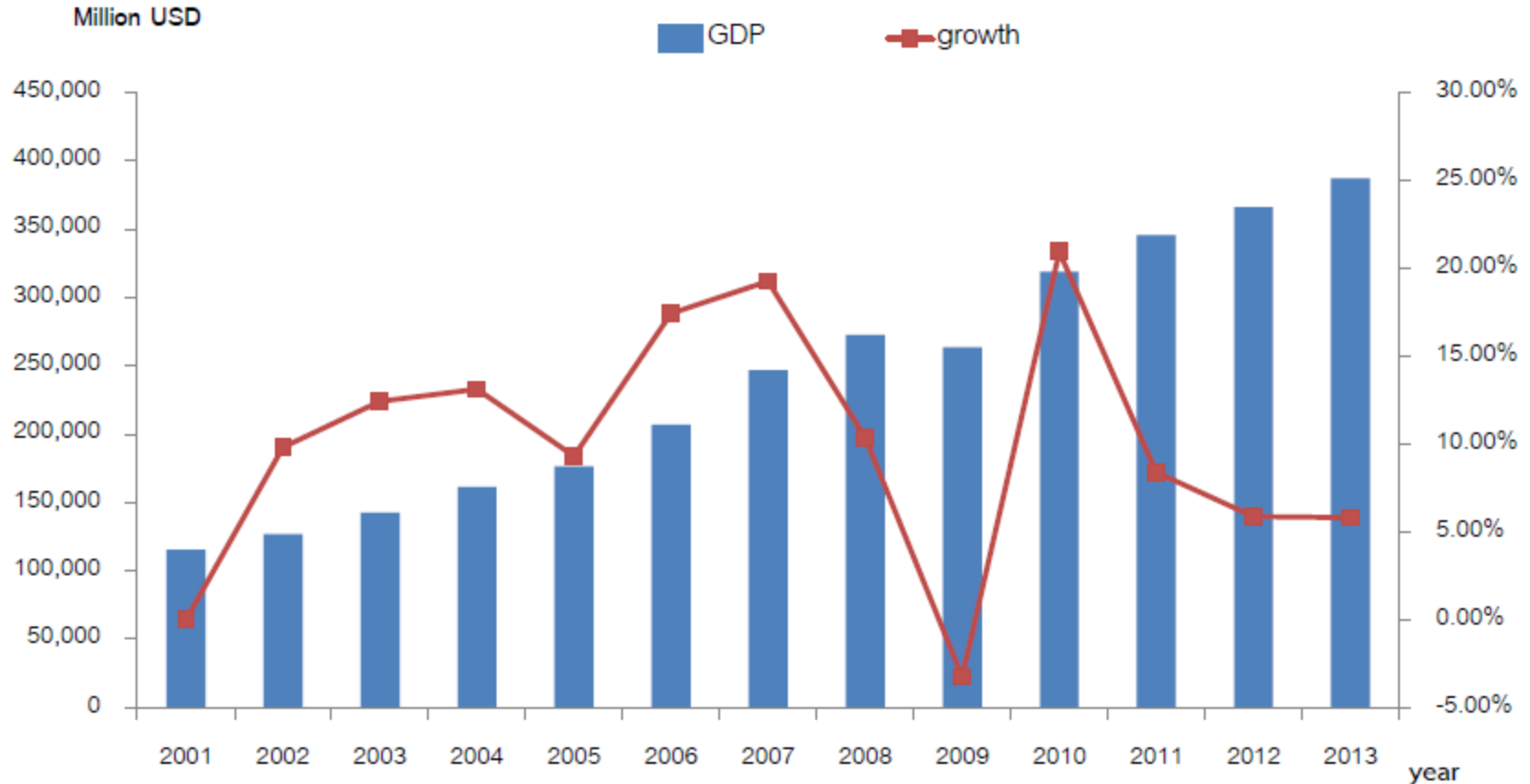
# Facts about Thailand

Population (2014 October)	67.6 million
ASEAN Population	600 million
Minimum Wage	300 Baht/day
GDP (2013)	US\$385 billion
GDP per Capita (2013)	US\$5,647
GDP Growth (2013)	2.9%
GDP Growth (2014, projected)	1.5-2.0%
Export Growth (2013)	-0.2%
Export Growth (2014, projected)	2.0%
International Reserves (2013)	US\$167.23 billion



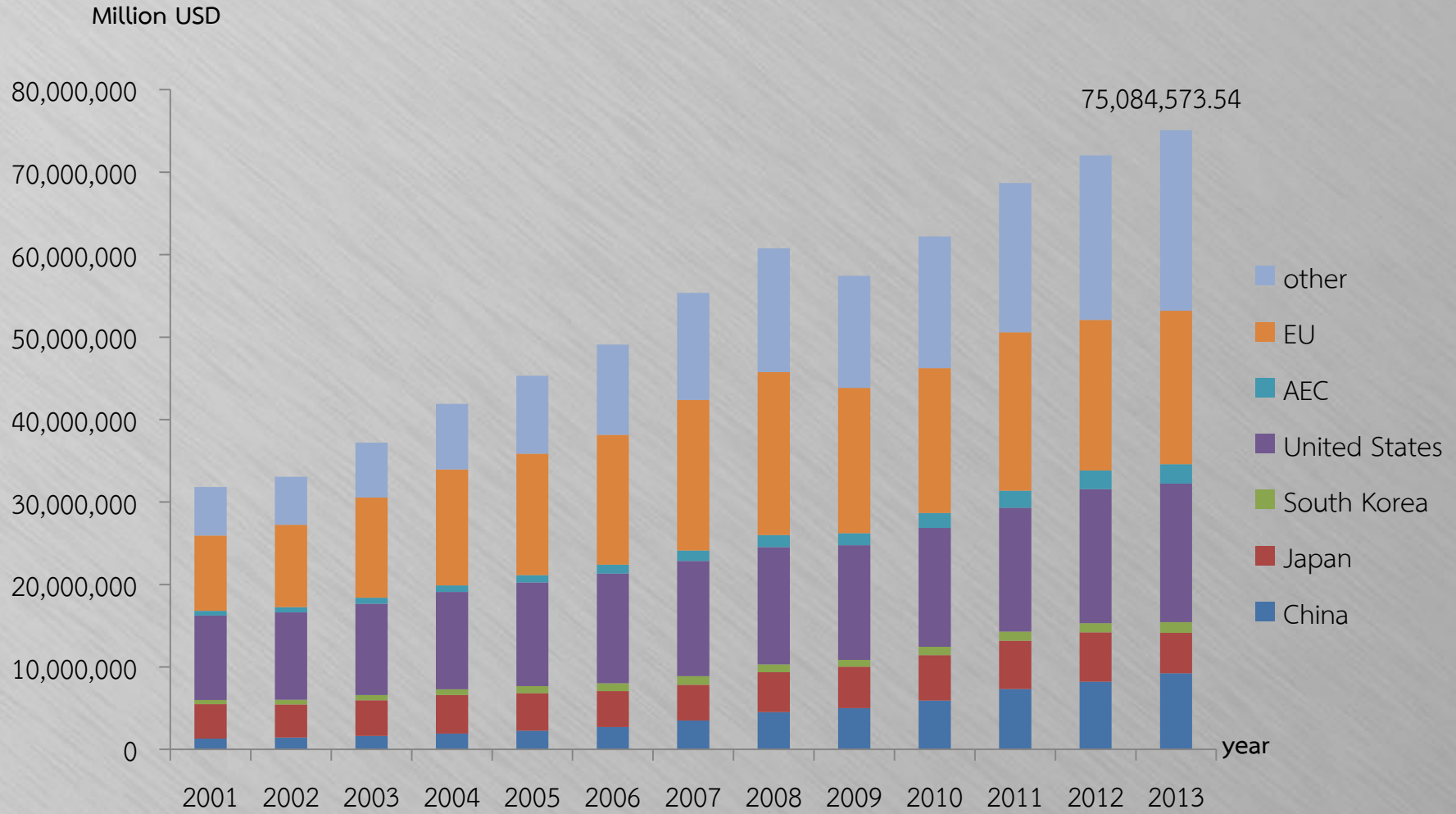
# Facts about Thailand

## GDP of Thailand : 2001-2013



Growth (%)	9.82	12.42	13.11	9.30	17.43	19.26	10.37	-3.25	20.93	8.39	5.87	5.82	AAGR 2001-2013 = 9.75%
------------	------	-------	-------	------	-------	-------	-------	-------	-------	------	------	------	------------------------

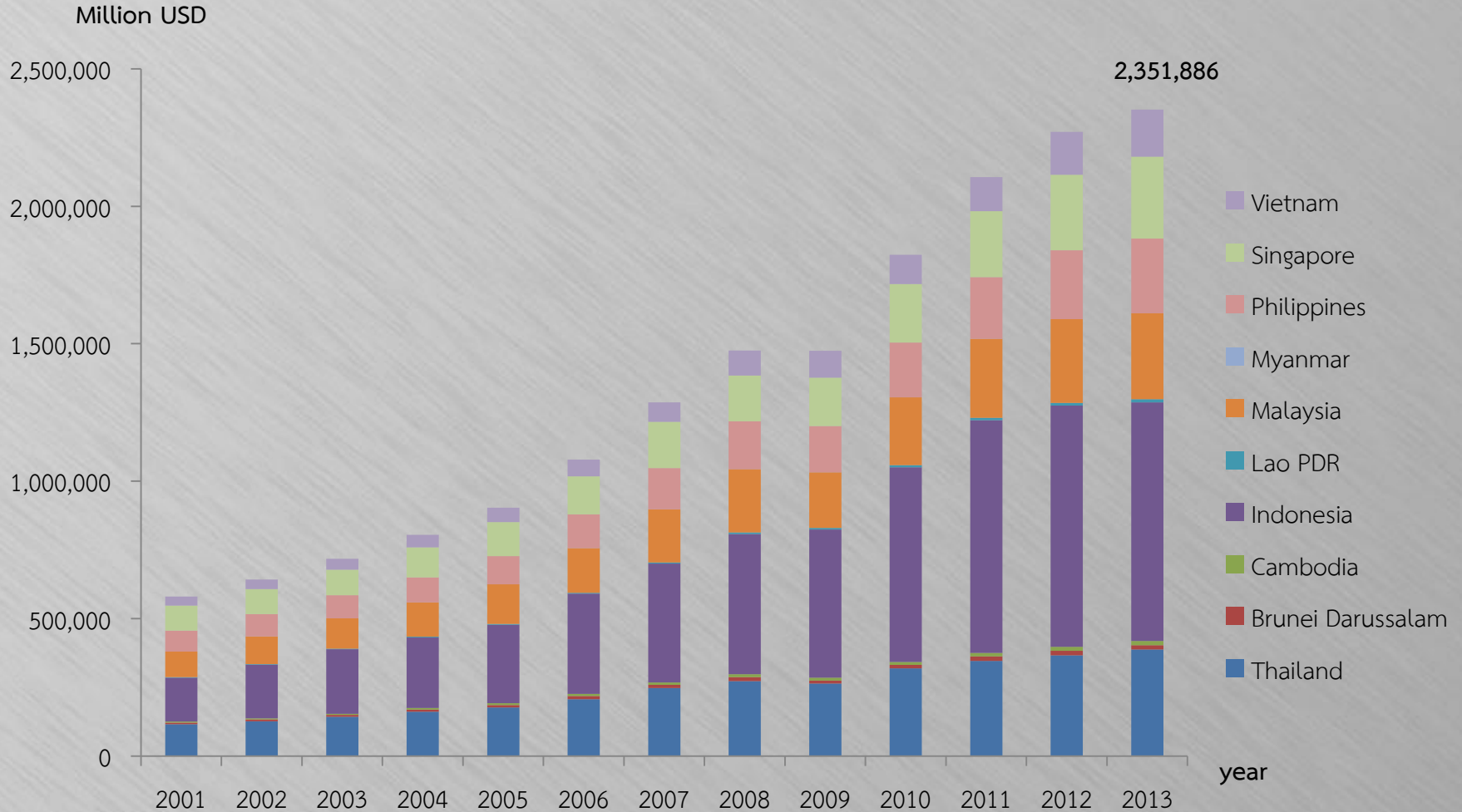
## World GDP: 2001-2013



Growth (%)	3.90	12.54	12.61	8.12	8.35	12.82	9.75	-5.49	8.32	10.43	4.83	4.25	AAGR 2001-2013 = 7.42%
------------	------	-------	-------	------	------	-------	------	-------	------	-------	------	------	------------------------

# Facts about Thailand

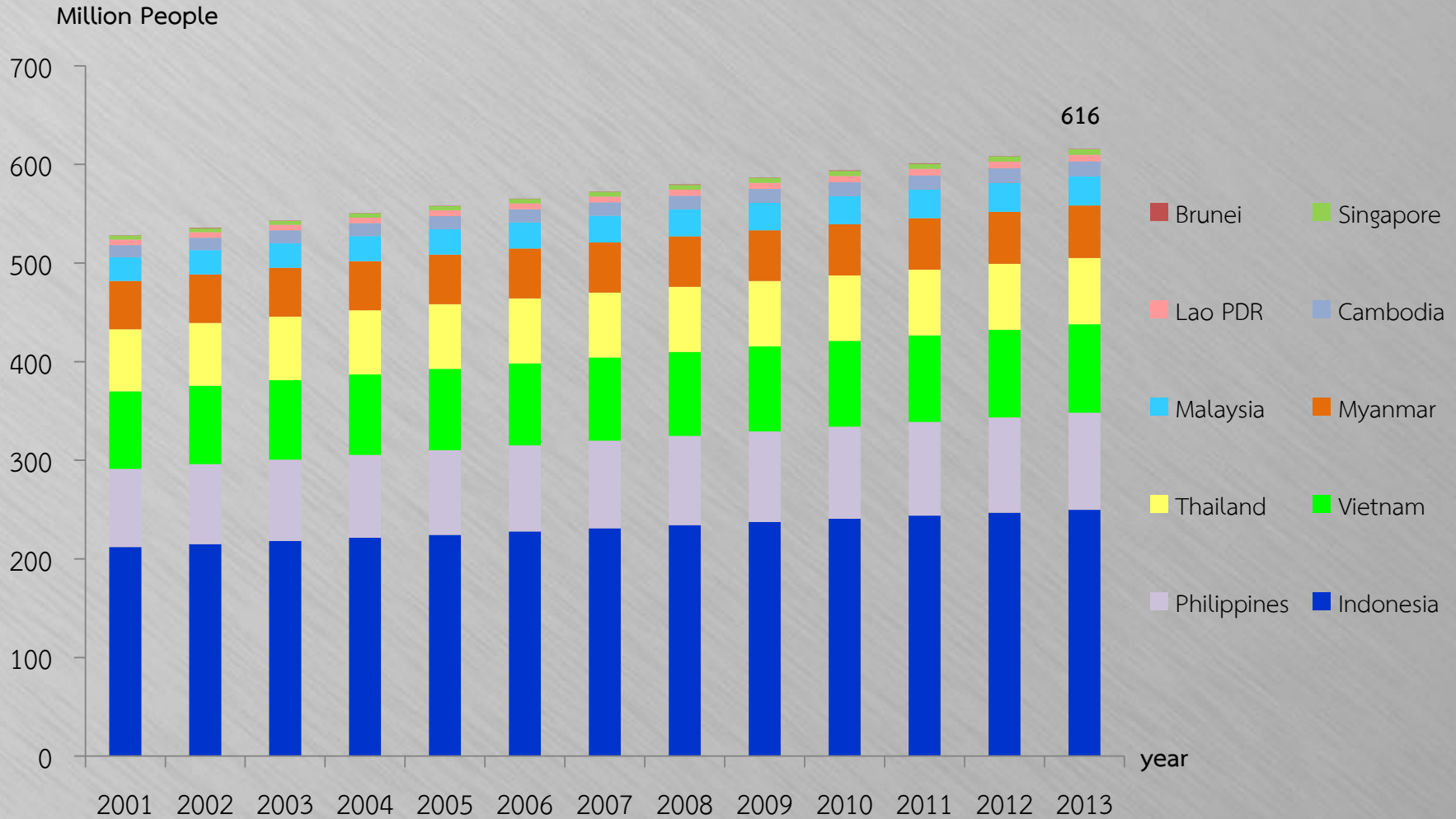
## GDP of AEC Members: 2001-2013



Growth (%)	10.70	11.74	12.12	12.32	19.36	19.27	14.68	-0.10	23.73	15.48	7.79	3.60	AAGR 2001-2013 = 11.42%
------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	------	------	-------------------------

# Facts about Thailand

## AEC Population: 2001-2013

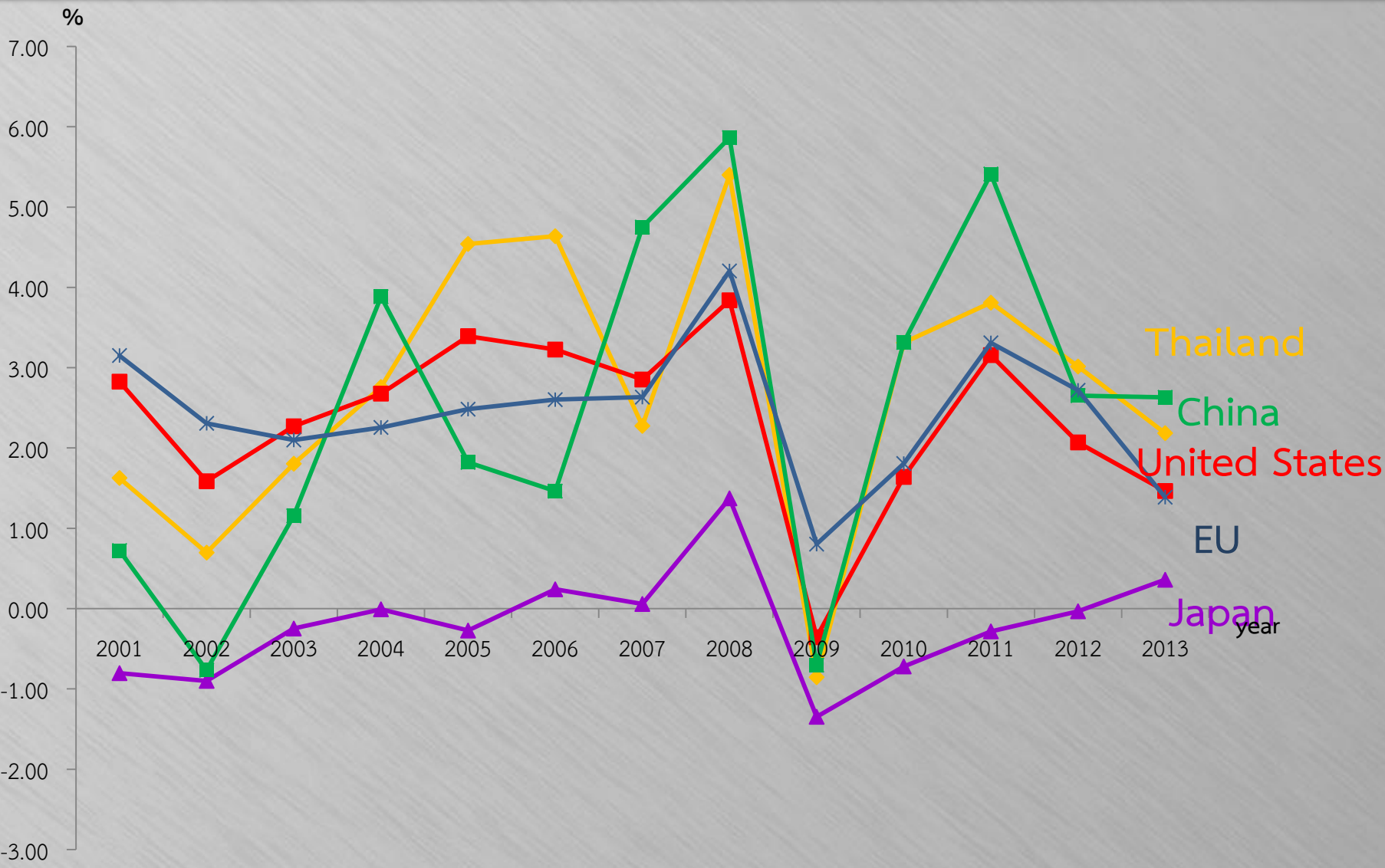


<b>Growth (%)</b>	1.44	1.38	1.38	1.34	1.30	1.27	1.26	1.22	1.21	1.21	1.22	<b>AAGR 2001-2013 = 1.29%</b>	
-------------------	------	------	------	------	------	------	------	------	------	------	------	-------------------------------	--



# Facts about Thailand

Inflation Rates of Thailand & Economic Powerful Countries: 2001-2013



# Facts about Thailand

## In 2014, Thailand was the world's:

- 31st biggest economy
- 24th biggest economies by purchasing power
- 28th biggest exporter
- 17th largest manufacturing output
- 9th largest agriculture output
- 15th most tourist arrivals

Source: The Economist's Pocket World in Figures, 2014

# Facts about Thailand

**In 2012, Thailand was also the world's**

**3<sup>rd</sup> largest exporter of fishery**

**12<sup>th</sup> largest exporter of total food**

**6<sup>th</sup> largest exporter of rice and grains**

**2<sup>nd</sup> largest exporter of sugar**

**6<sup>th</sup> largest producer of sugar**

**12<sup>th</sup> largest exporter of total food**

**#1 exporter of cassava**

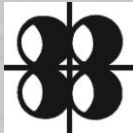
**10<sup>th</sup> largest producer of automobile**

**2<sup>nd</sup> largest producer of natural and synthetic rubber**

**Sources: The Economist Pocket World in Figures, 2013 edition, OICA, and National Food Institute, 2012.**



# The Outlook of Thailand Metal Packaging





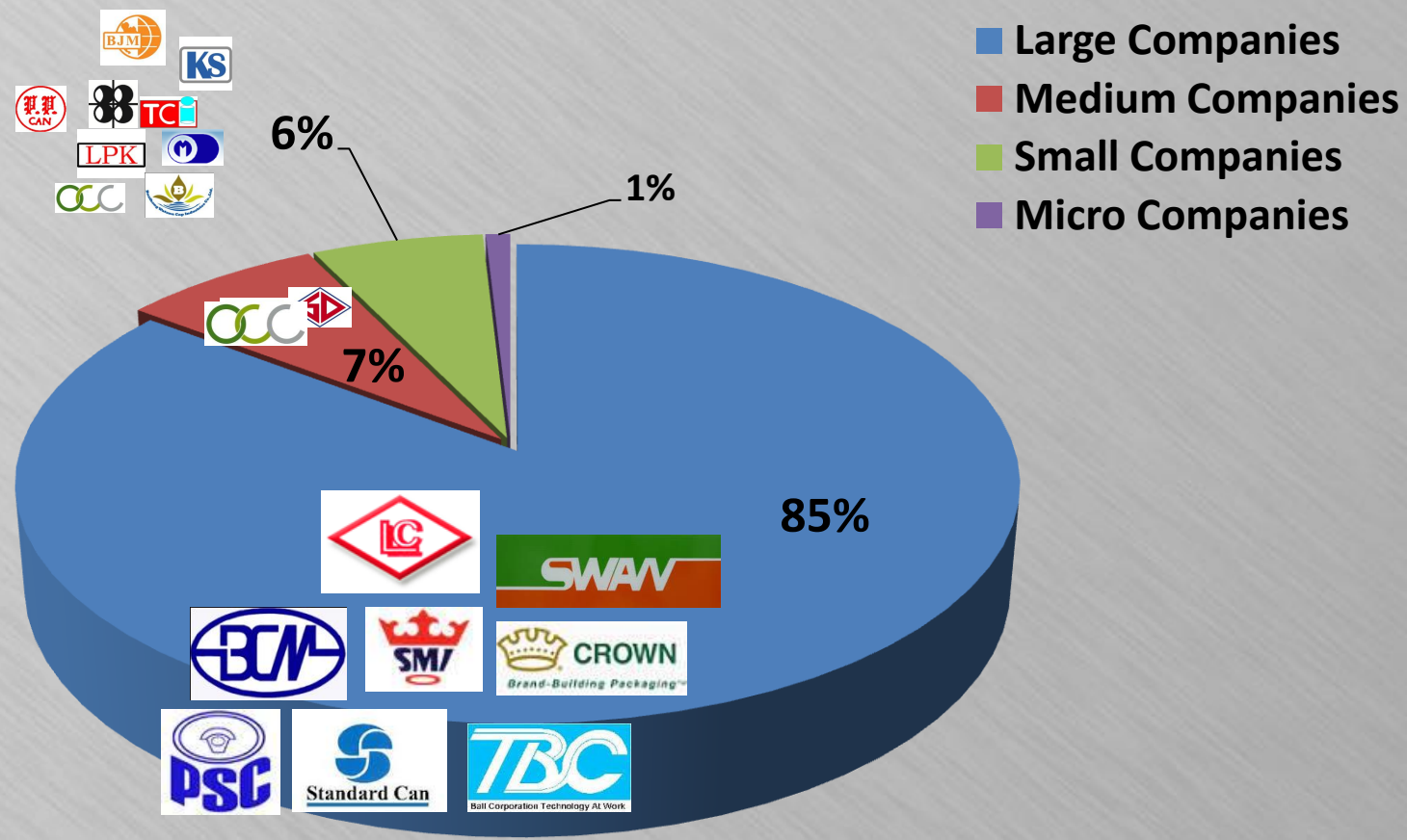
# Thai Metal Packaging Categories by Main Revenue of Companies

There are 45 metal packaging companies in Thailand

- **Large company** (Revenue > 2 bil. baht) 11 Companies including Swan, Lohakij, Crown Group, ThaiBev Can, Bangkok Can, NCI, Poonsub Group, APC, Soonthorn Group, Standard Can and Royal Can
- **Medium Company** (Revenue 0.5-bil. baht) 4 companies including Saha Group, Oreintal Can, Tritact, Thanaserm.
- **Small Company** (Revenue 50-500 mil. baht) 17 Companies including Benjamit, Omax, PP Can, LPK, GMP, etc
- **Micro Company** (Revenue <50 mil. baht) 10-20 Companies

# Categories by Size of Companies

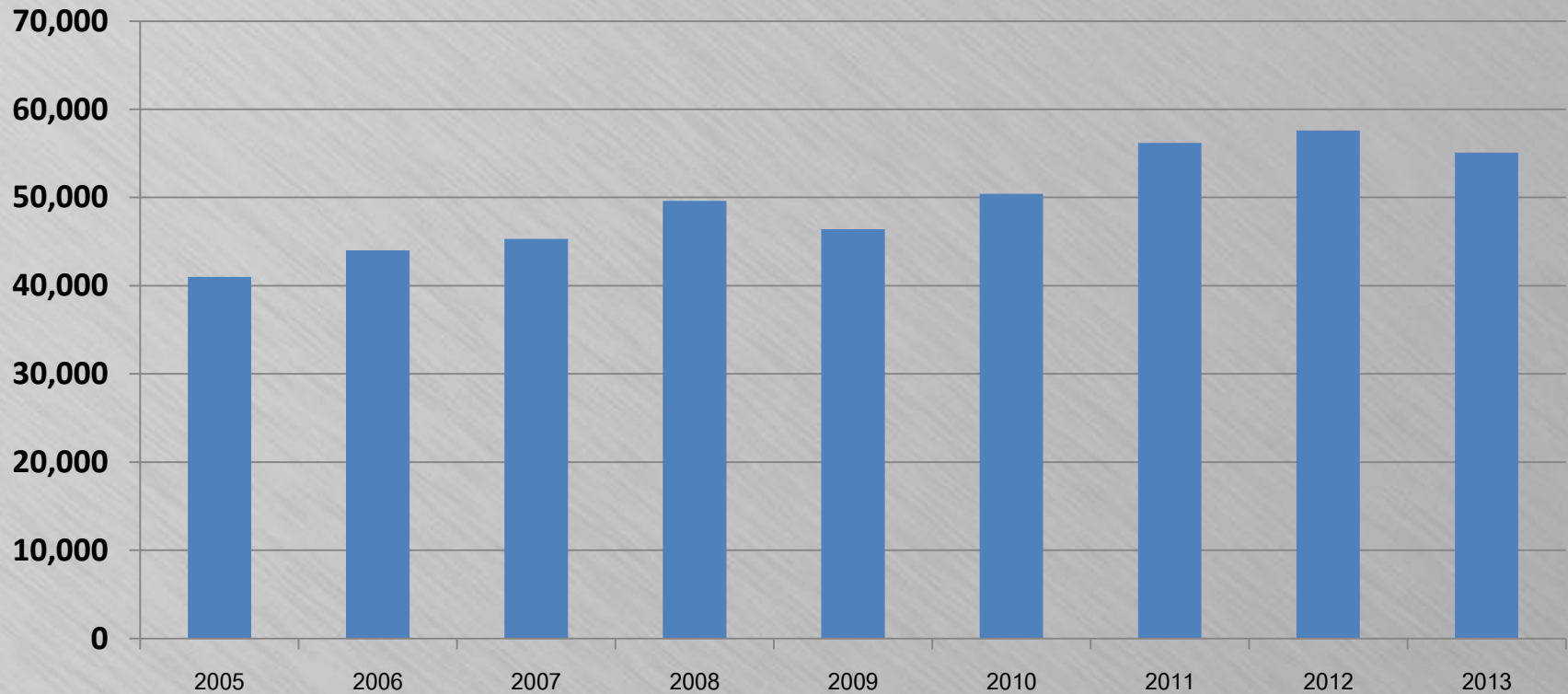
## Revenue of each Categories



Source: Business Data Warehouse, Department of Business Development

# Market Size and Historic growth

## Total Market Value of Thai Metal Packaging (million baht)

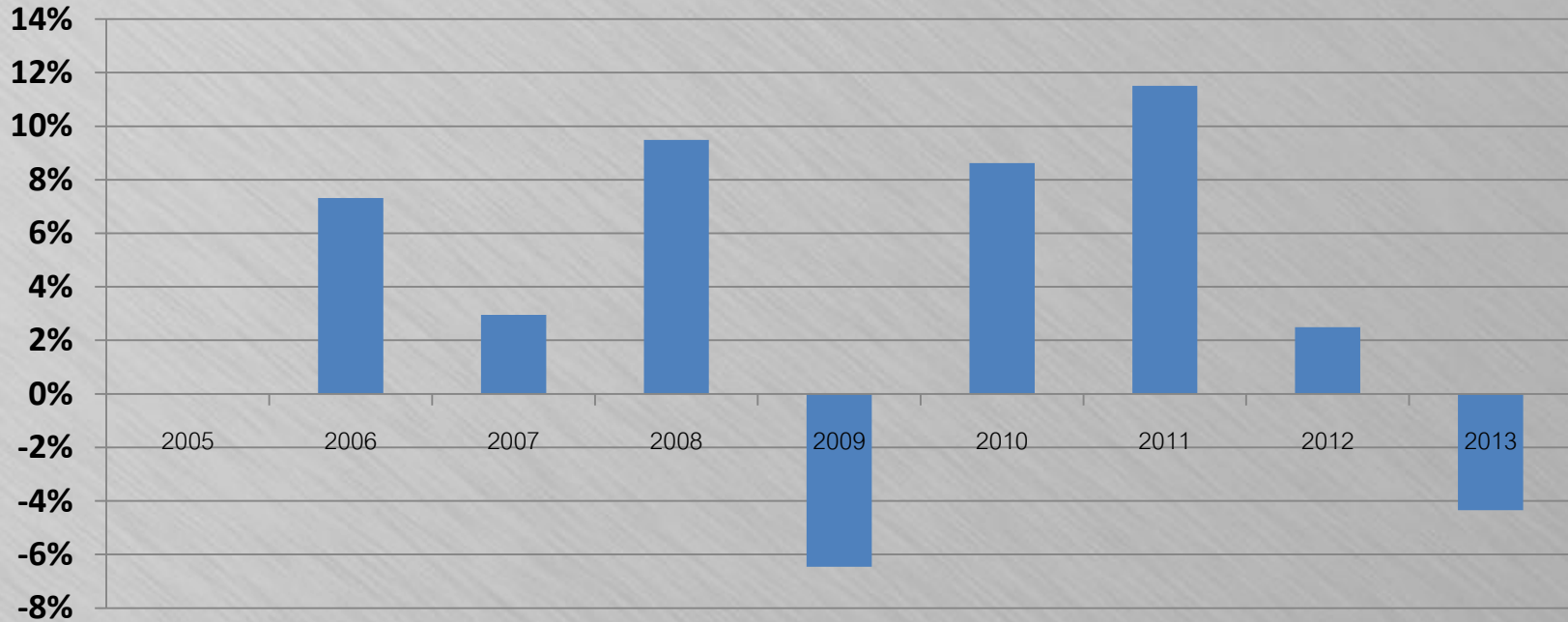


2009: Tinsplate and Tinfree price decrease 25%, World GDP decline 5.5 %, Thai GDP decline 3.25%

2011 : Severe flooding in Thailand

# Market Size and Historic growth

## Growth Rate of Metal Packaging Market

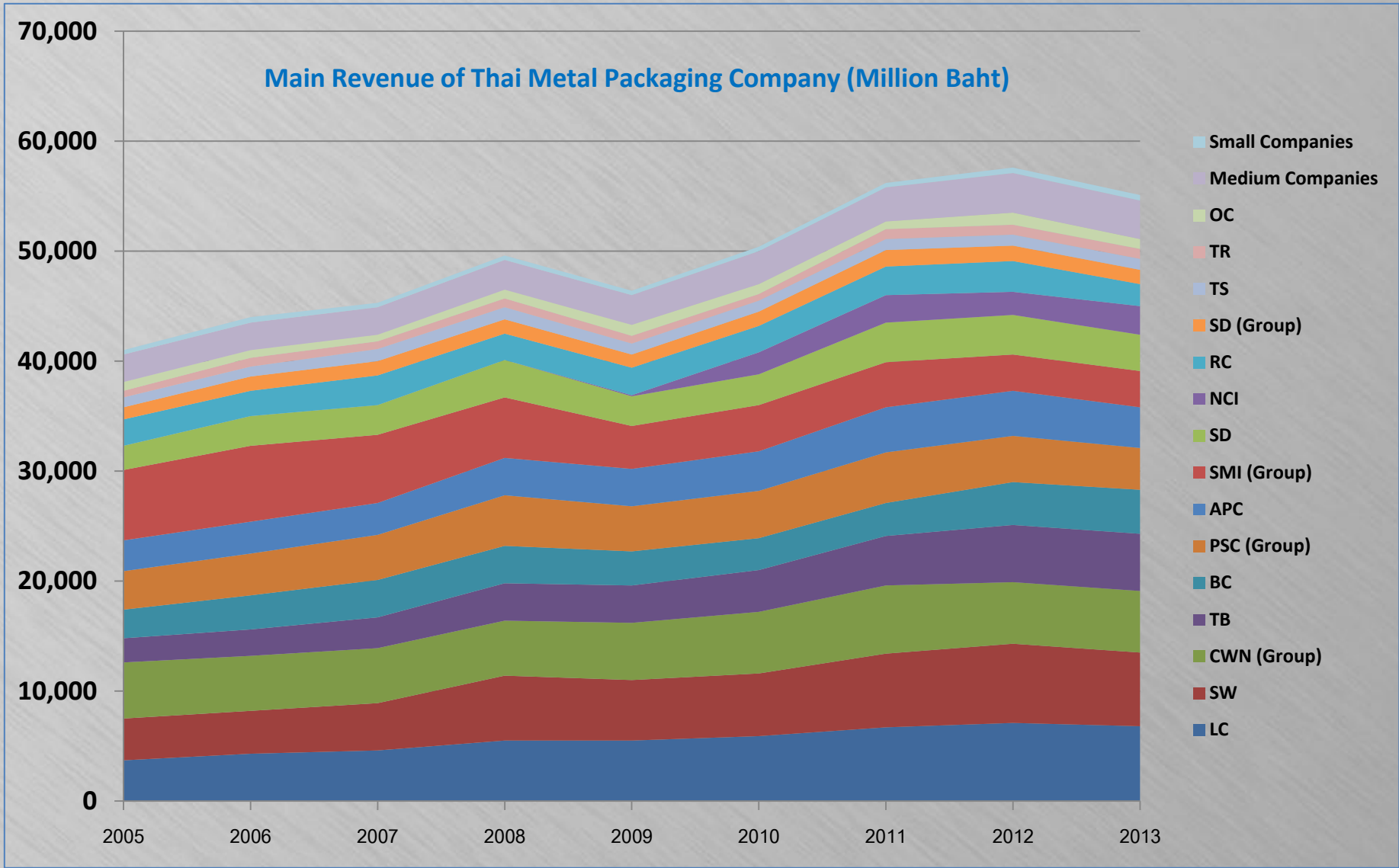


2009: Tinsplate and Tinsfree price decrease 25%, World GDP decline 5.5 %, Thai GDP decline 3.25%

2011 : Severe flooding in Thailand



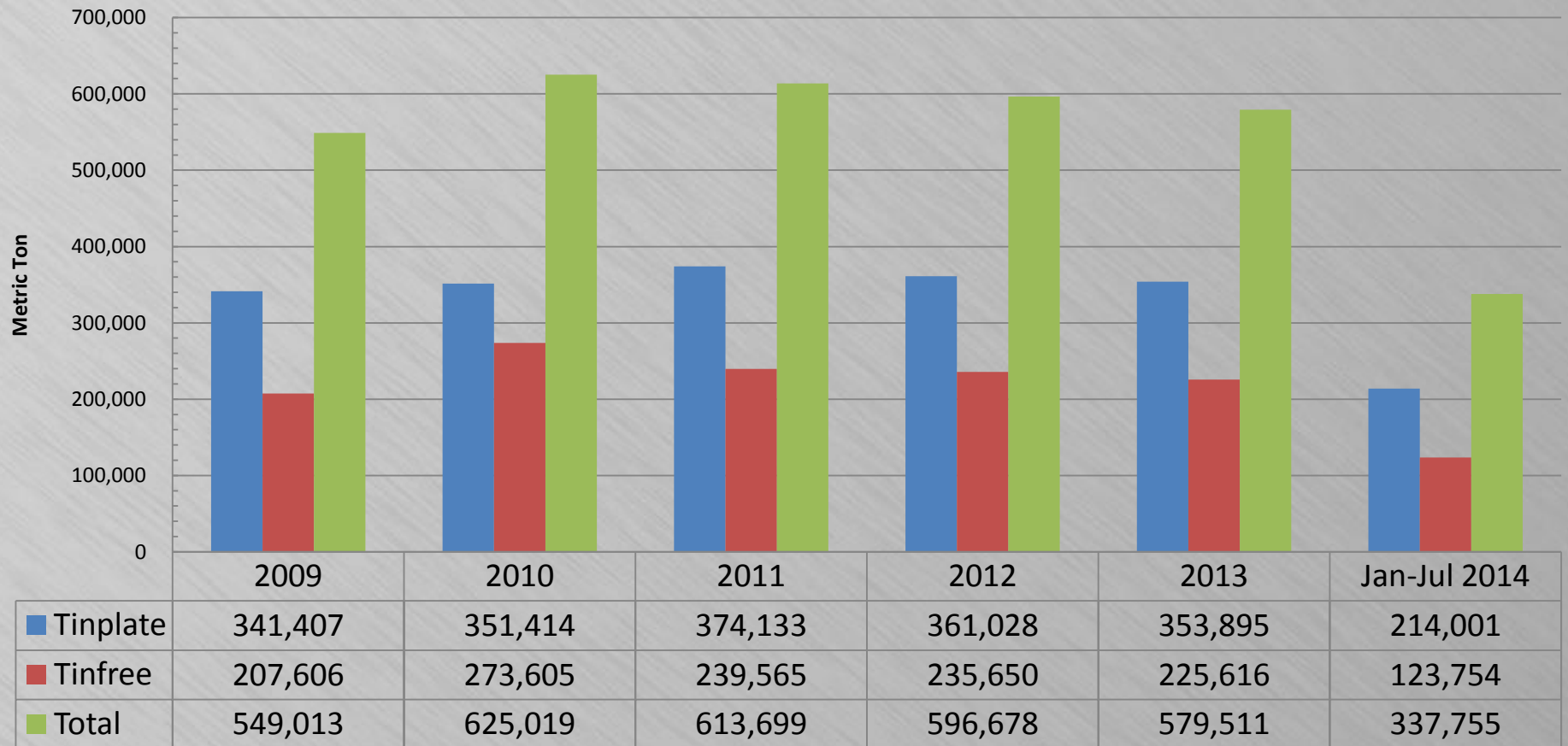
# Market Size and Historic growth



Source: Business Data Warehouse, Department of Business Development : Only main revenue

# Raw Materials

## TINPLATE & TINFREE USAGE - THAILAND 2009-2013



Source: Iron & Steel Institute of Thailand



# Thai Metal Packaging Categories by End Users Products

AEROSOL CANS, CONDENSING MILK, BEVERAGE, SNACKS, COOKIES OR FANCY CANS OIL, PAINTS, VEGETABLE OIL, ETC



**OTHER METAL PACKAGING**  
30%



**SEAFOOD CANS** 45%

**FRUITS & VEGETABLES CANS** 25%



**Only Tinplate and Tinfree**

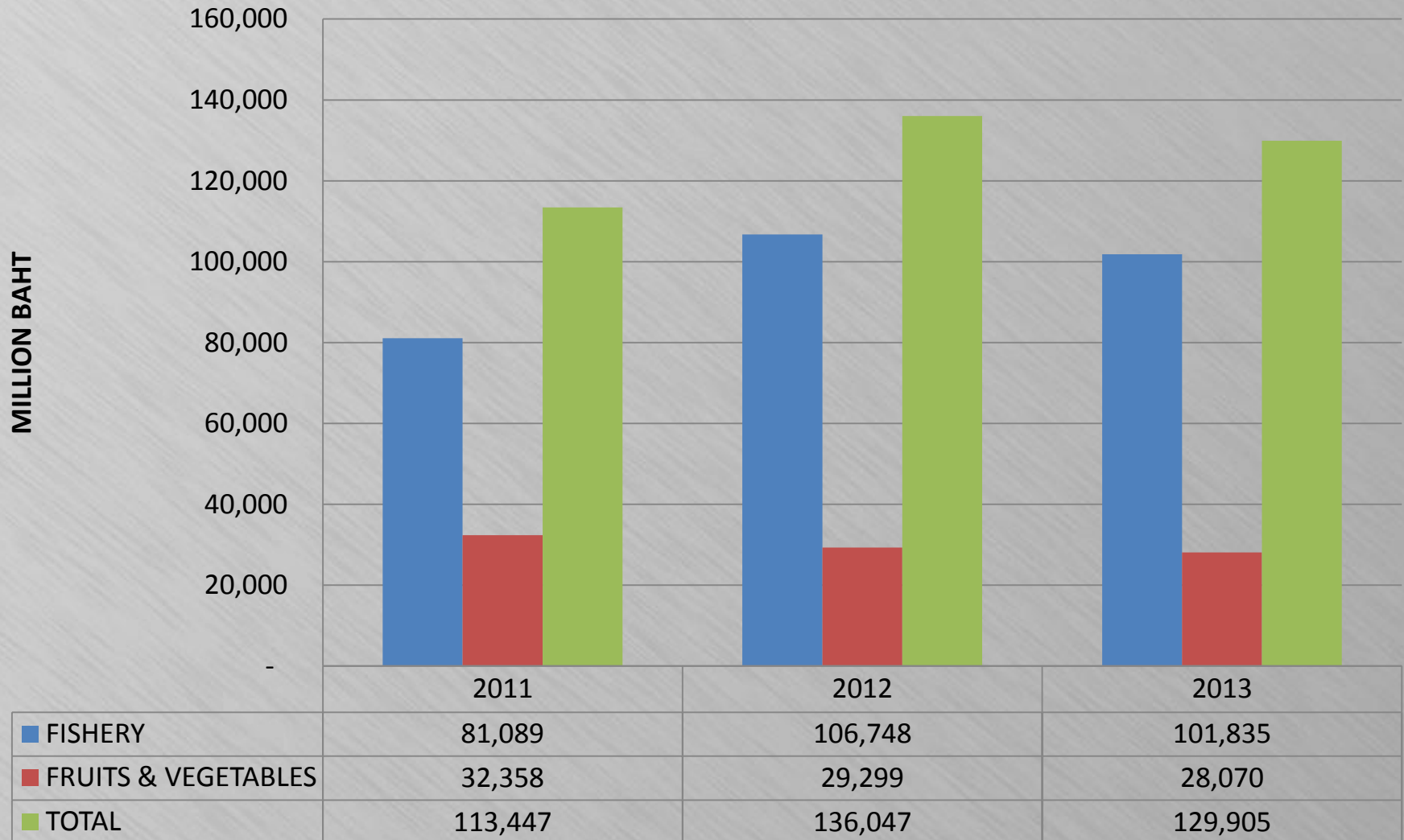


Source: Tinplate Manufacturers

# End-Users market for metal can.



## TOTAL THAILAND EXPORT OF ALL CANNED PRODUCTS 2011 - 2013

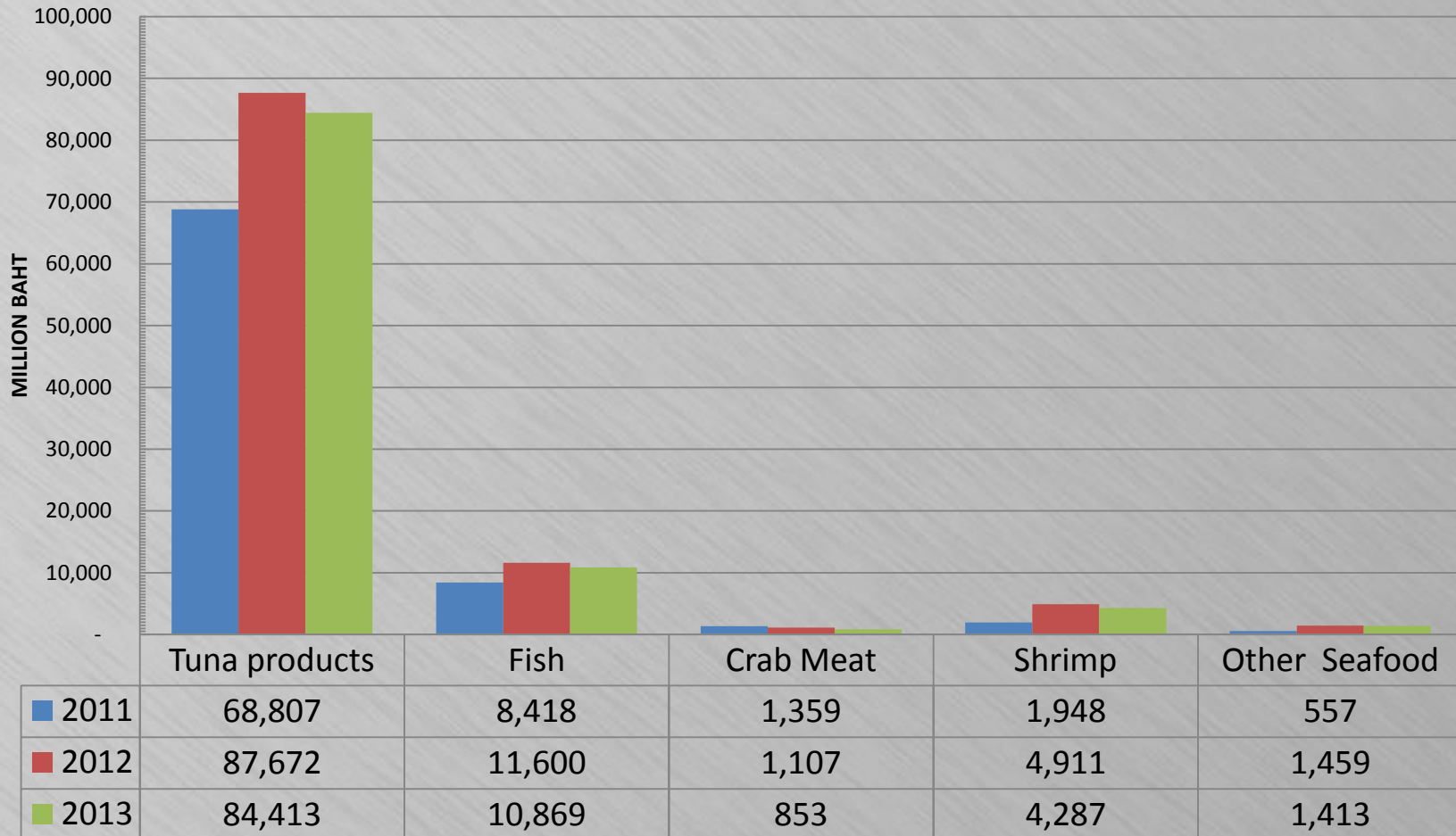




# End-Users market for metal can.



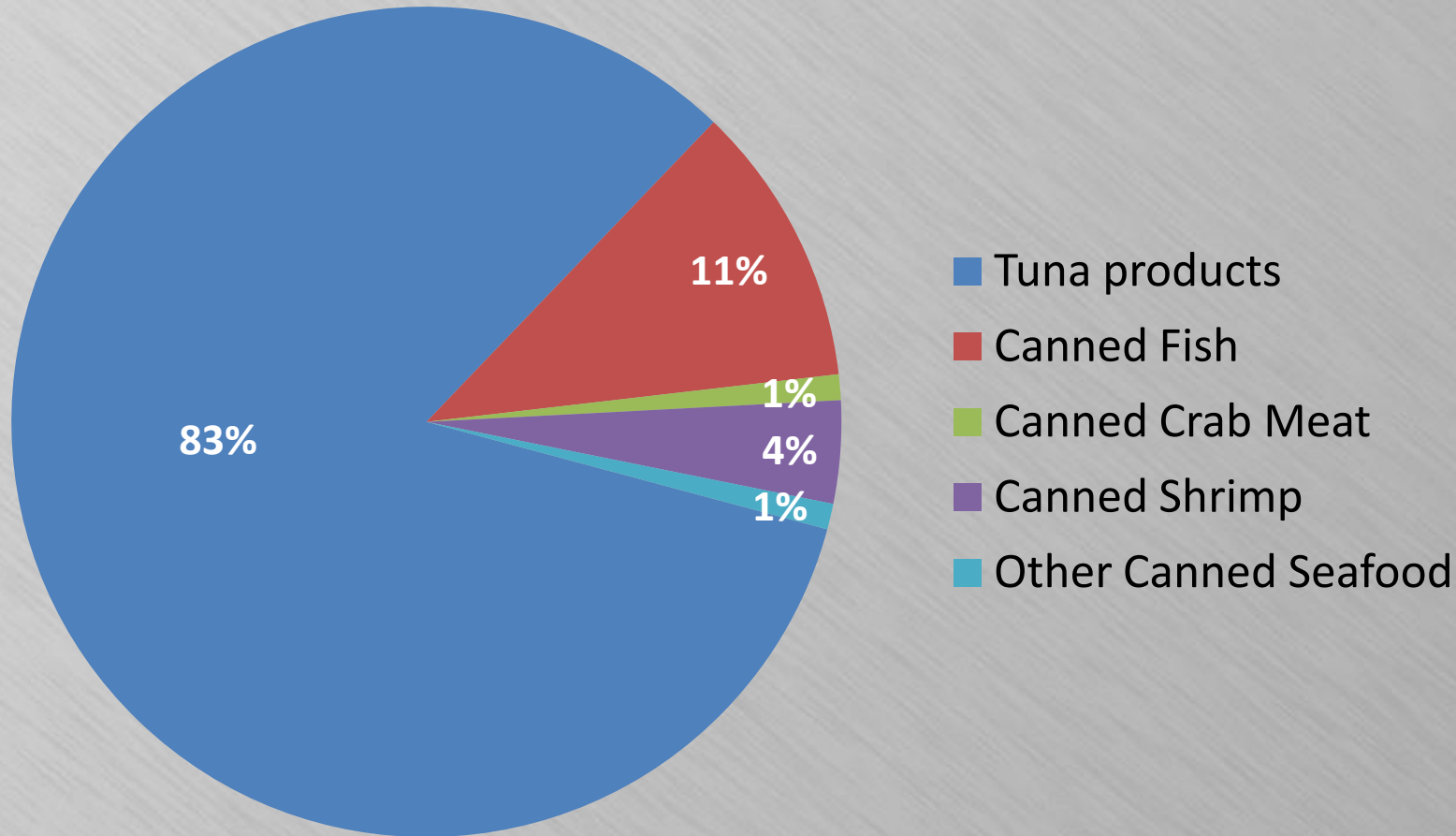
## THAILAND EXPORT CANNED FISHERY PRODUCTS 2011-2013



Source: Thailand Food Processors' Association

# End-Users market for metal can.

## MARKET OF THAILAND EXPORT CANNED FISHERY PRODUCTS 2013

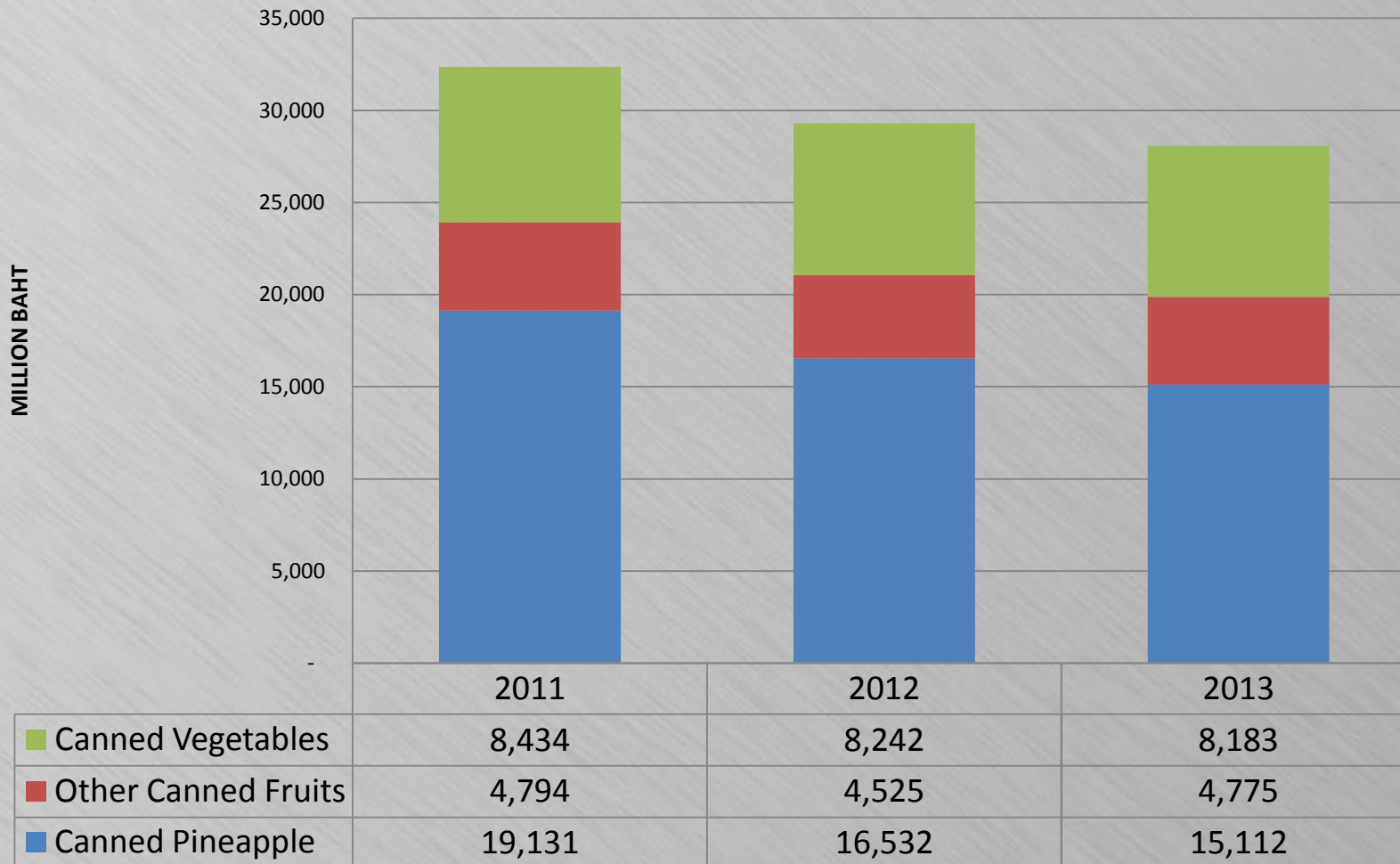


Source: Thailand Food Processors' Association



# End-Users market for metal can.

## THAILAND EXPORT CANNED FRUITS & VEGETABLES 2011 - 2013



Source: Thailand Food Processors' Association

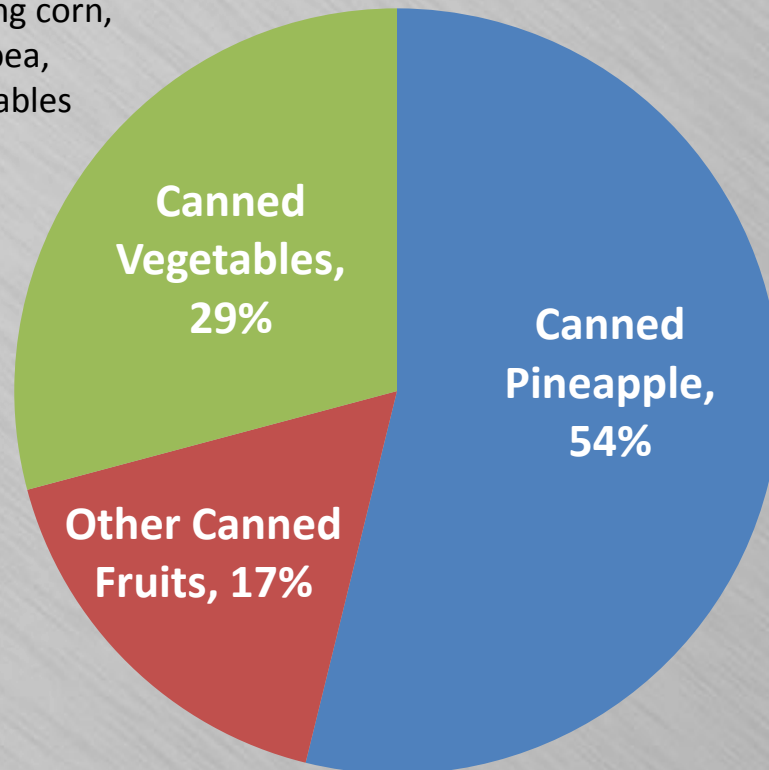


# End-Users market for metal can.

## MAKET OF THAILAND EXPORT CANNED FRUITS & VEGETABLES 2013

### Vegetables:

Sweet corn, young corn,  
bamboo shoot, pea,  
processed vegetables



### Other fruits:

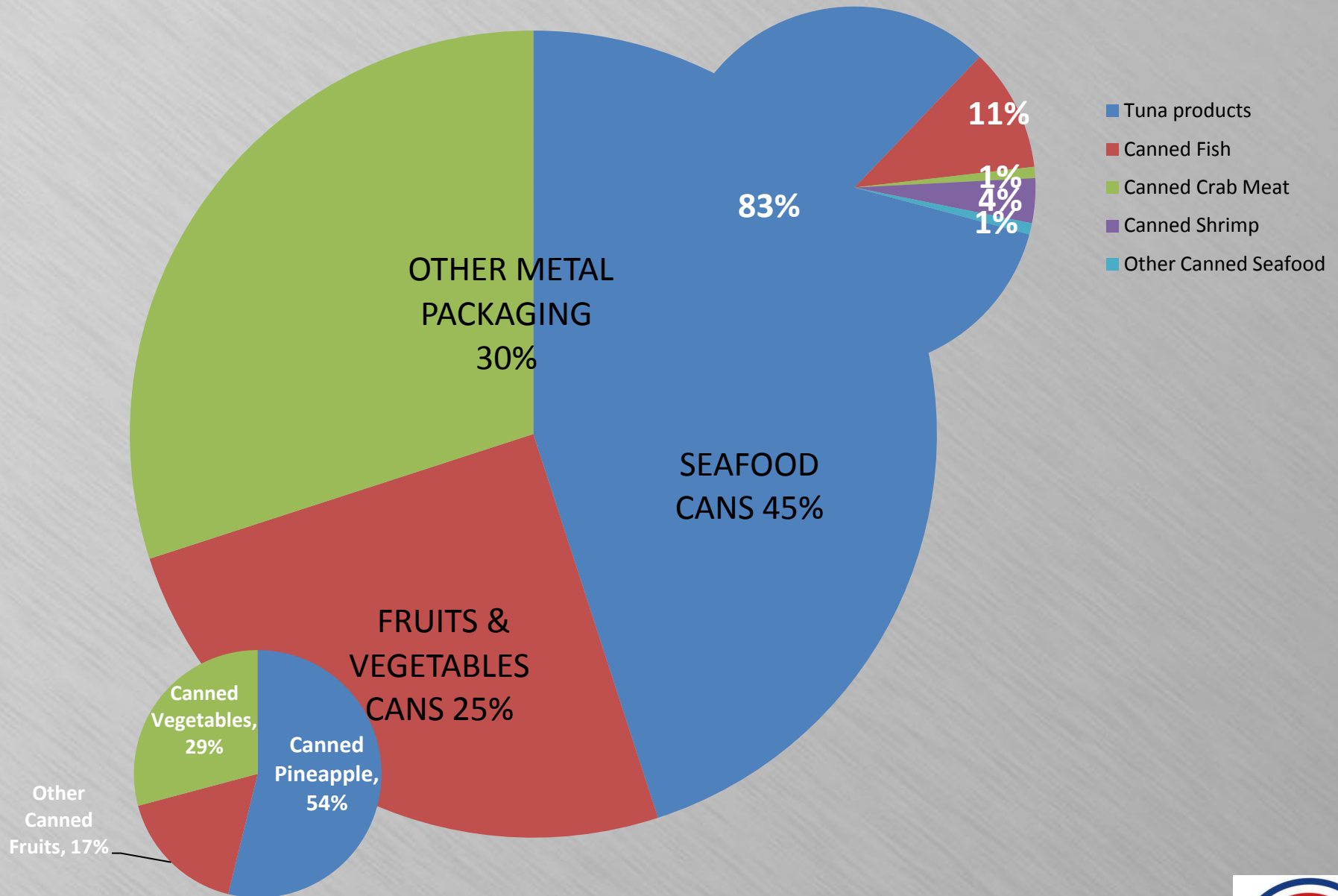
Papaya, Lychee,  
Rambutan, Mango,  
Longan, Guava,  
Mixed fruits,  
tropical fruits

Source: Thailand Food Processors' Association

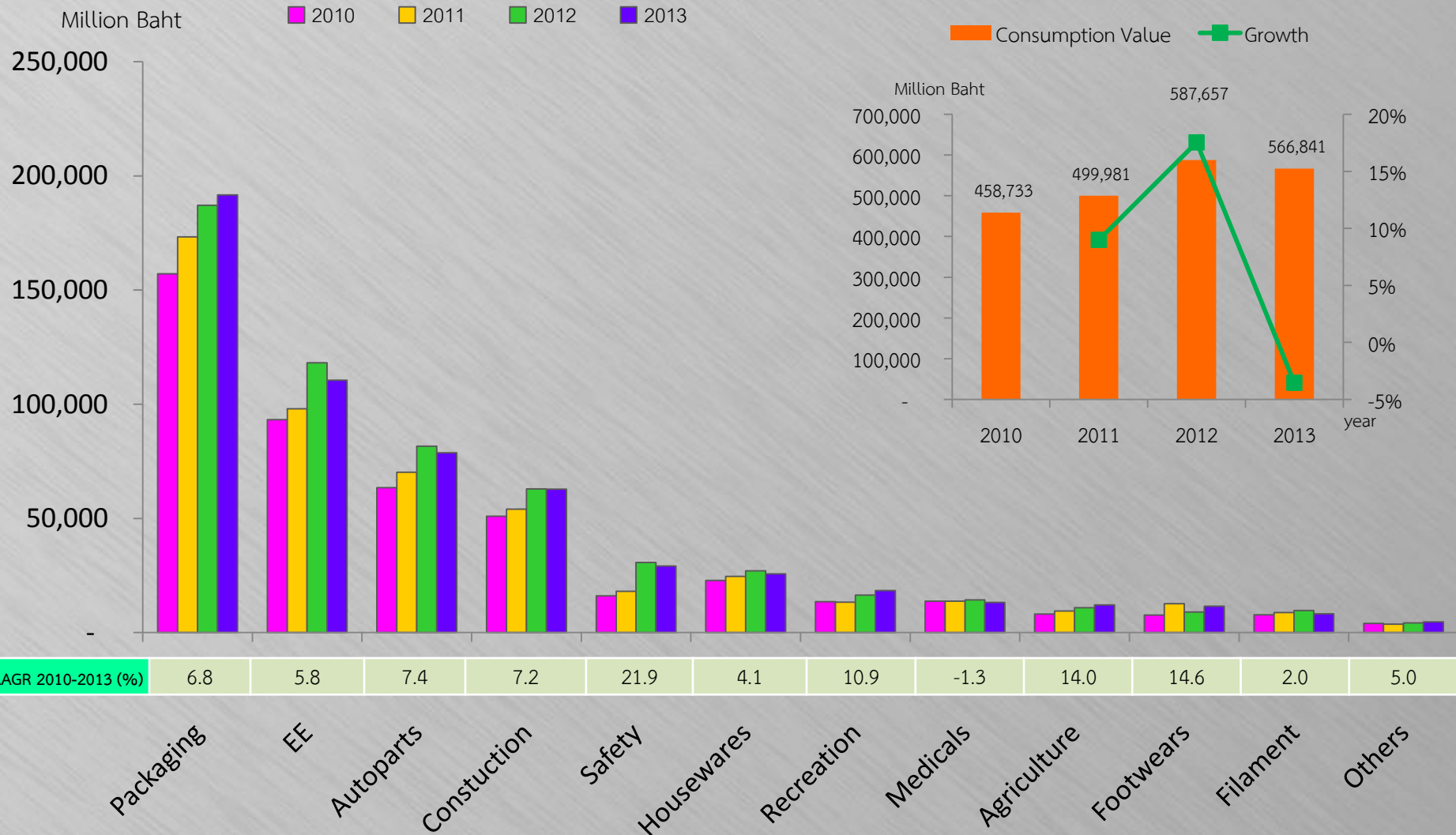




# Thai Metal Packaging Categories by End Users Products



## Values of Thai *Plastics Resin\* Conversion Industry: 2010-2013*



# End-Users Market for Metal Packaging.

- Thai metal packaging market value significantly varies to the export of tuna and pineapple products.
- The market value of Thai metal packaging slightly increased by 2% in 2012 due to the decline of fruits export and the rise of fishery export.
- The growth rate of Thai metal packaging market decreased (-4%) in 2013 due to the decline of both fruits and fishery export.
- Other metal packaging market value showed continually growth including aluminum packaging market.

\*\* In 2013, the growth rate of Thai plastic packaging market was 5%, although the total plastic market decrease 4%.

# Key Advantage of Metal Packaging.

- Metal cans is the best choice of packaging for the sterilized food, in term of temperature resistance, shelf life, and the fast production speed for both packaging manufacturers and food packers.
- The strength of metal packaging
- The aesthetic qualities, especially in printing quality of metal packaging



# Key Opportunities.

- The growth of Asean countries continue to support the packaging growth.
- Sustainability issues: Metal can be recycled multiple times with no loss to product quality and structural qualities
- AEC 2015 (Asean Economic Community 2015): Single Market and Production Base for ASEAN Countries.
- Raw material cost volatility should remain manageable in year 2015 for metal packaging company.

# Key Threats.

- Increase use of PET, PP and other plastics in the food and beverage end industries versus metal and glass containers.
- Advanced technologies in plastic packaging in term of innovative materials and production such as retort pouch, in mould labeling rigid container, and multi-layers rigid packaging.
- AEC 2015 (Asean Economic Community 2015): Free Flow of Investment among Asean Countries.

# The collaboration of Thailand Metal Manufacturers

## THAI METAL PACKAGING ASSOCIATION



## THAI CAN CLUSTER





# **THAI METAL PACKAGING ASSOCIATION**





# ABOUT TMPA

<b>Founded on</b>	<b>March 13, 1972</b>
<b>Founders</b>	<b>Mr. Worawit Suthirachai</b> <b>Mr. Kukiatr Wongwes</b> <b>Mr. Montri Chayavivatkul</b>
<b>Initial name</b>	<b>Tinplate Canmaker Association</b> สมาคมผู้ผลิตภาชนะแผ่นเหล็กวิลาส
<b>Current name</b>	<b>Thai Metal Packaging Association</b> สมาคมบรรจุภัณฑ์โลหะไทย
<b>Membership</b>	<b>26 companies (including large medium and small canmakers)</b>



# VISION

To promote and support Thai metal packaging industry to be excellence in quality among the world class standard and promote metal packaging in term of safety to consumers with environmental friendly perception.



# MISSION

- To act and coordinate with members, governmental authorities, other associations and related supply chain suppliers
- To support members with their own manufacturing process to be green factory with environmental friendly as well as researches in order to develop the product standard to be accepted in the world market.
- To coordinate the negotiation on the tinplate prices with the domestic tinplate suppliers and report the tinplate situation as well as other key raw materials
- To provide technical knowledge to members and activities to strengthen the member relationship
- To assist members to solve the obstacles in order to enable the metal packaging industrial growth with sustainability



## Chairman: 1972 - current

Year	Name	Company
1972	<b>Mr. Soonthorn Puranithee</b> นาย สุนทร ปุรานิติ	<b>Soonthorn Industries Co. Ltd.</b> บริษัท สุนทรเมทัลอินดัสทรีส์ จำกัด
	<b>Mr. Kukiatr Wongves</b> นาย กู้เกียรติ ว่องเวศน์	<b>Sahadharawat Co. Ltd.</b> บริษัท สหธาราวัดณ์ จำกัด
	<b>Mr. Veera Dhejthamrong</b> นาย วีระ เดชธำรง	<b>Swan Industries (Thailand) Co. Ltd.</b> บริษัท สวอน อินดัสทรีส์ (ประเทศไทย) จำกัด
2002 - 2006	<b>Mr. Sathit Chayavivatkul</b> นาย สาธิต ชยาวิวัฒน์กุล	<b>Standard Can Co. Ltd.</b> บริษัท แสตนด์คาน จำกัด
2006 - 2008	<b>Mr. Vichien Tiyapreechaya</b> นาย วิเชียร ตียปรีชญ์	<b>Universal Can Co. Ltd.</b> บริษัท ยูนิเวอร์แซลคาน จำกัด
2008 - 2011	<b>Mr. Viboon Trakunpoonsub</b> นาย วิบูลย์ ตระกูลพูนทรัพย์	<b>Poonsub Can Co. Ltd.</b> บริษัท พูนทรัพย์คาน จำกัด
2011 - 2017	<b>Mr. Woratin Phisarnphong</b> นาย วรทิน พิศาลพงษ์	<b>Sahadharawat Co. Ltd.</b> บริษัท สหธาราวัดณ์ จำกัด



# FOOD METAL PACKAGING SEMINAR

## NOVEMBER 8, 2013



สมาคมบรรจุภัณฑ์โลหะไทย  
Thai Metal Packaging Association



สถาบันเหล็กและเหล็กกล้าแห่งประเทศไทย  
IRON AND STEEL INSTITUTE OF THAILAND

# Food Metal Packaging Seminar

November 8, 2013

Mandien Riverside Hotel, Bangkok



TOYOINK







# FOOD METAL PACKAGING SEMINAR NOVEMBER 8, 2013



Topics:

- BPANI lacquer
- Basic knowledge of metal
- Food safety

Participants: 480 persons  
Canmakers, Food Packers,  
Tinplate manufacturers,  
Coating suppliers and  
related supply chain





# TMPA TRIP TO METPACK & INTERPACK, GERMANY - MAY 2014





Department of  
Industrial Promotion



DIW / DIP / BOI / Customs Department / Ministry of Labour  
Ministry of Natural Resources and Environment/  
Ministry of Agriculture and Cooperatives / Ministry of  
Commerce

Related Industry

- Machinery
- Bronze
- Coating Lacquer
- Powder
- Packing

Supporting Industry

- Financial Institution
- SME Bank
- Thai Metal Packaging Association
- Logistics Support

Steel Industry

Core Business

Can Industry

- Small size
- Middle size
- Large size

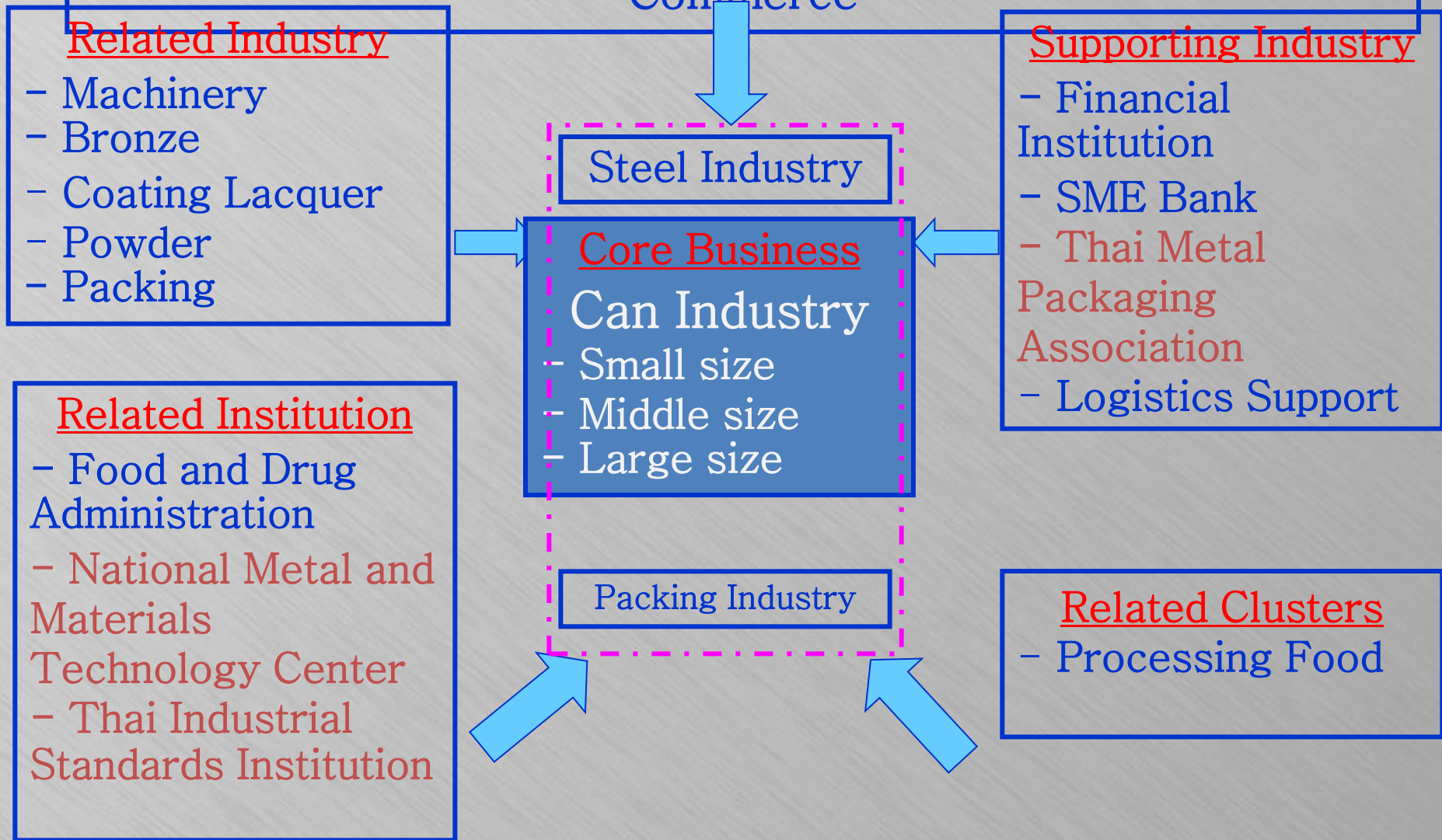
Packing Industry

Related Institution

- Food and Drug Administration
- National Metal and Materials Technology Center
- Thai Industrial Standards Institution

Related Clusters

- Processing Food



# Can Cluster Profile

Established : 22<sup>nd</sup> December 2007 by  
Department of Industrial Promotion, Ministry of Industry

Cluster Policy : Collect group of company having same  
business direction

Products : Metal packaging / Metal decoration

Services : Consulting, design and suggestion due to metal  
packaging

# Vision

“The cluster of metal packaging continues to develop and improve by cooperative synergy to be competitiveness and sustainable”



# Mission

1. Cooperative sharing information and technology
2. Cooperative for customer satisfaction
3. Cooperative for market competitiveness
4. Cooperative for metal innovative package



# Objective

1. Production cost reduction
2. Expanding market both of domestic and overseas
3. Developing production and services skills
4. Launching new innovative metal packaging
5. Value added by metal packaging
6. Relationship of business alliance

# Key success to CANCLUSTER

1. Intention and inspiration of president and members
2. Direction and attitude of members
3. Relationship and reliability of members
4. Obvious objectiveness of cluster
5. Monitoring and evaluation
6. Government support

# Problems of CANCLUSTER

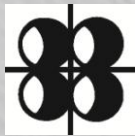
1. Business culture of previous generation
2. Business competition
3. Allocating time for cluster activities
4. Budgeting limitation from government support



# Business benefit CANCLUSTER

1. Reduction of productive and administrative cost
2. Relationship of members
3. Sharing information of business environment

# 23 Members of Can Cluster





Activities Year 2013



# CSR: Saving Environment : Reforest

9 Nov. 2012



# Annual Meeting

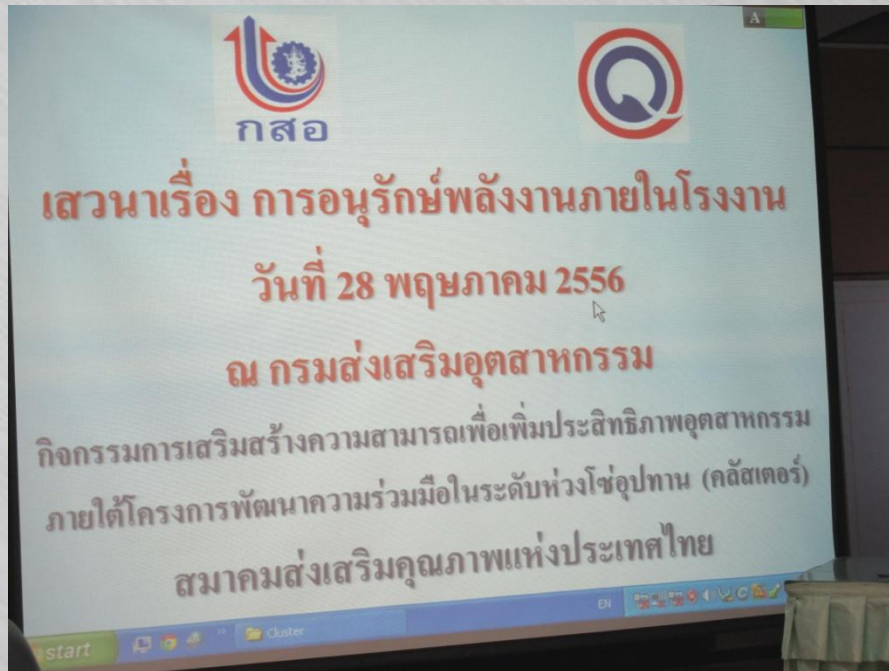
21 Dec. 2012





# Energy Saving Seminar : knowledge Sharing

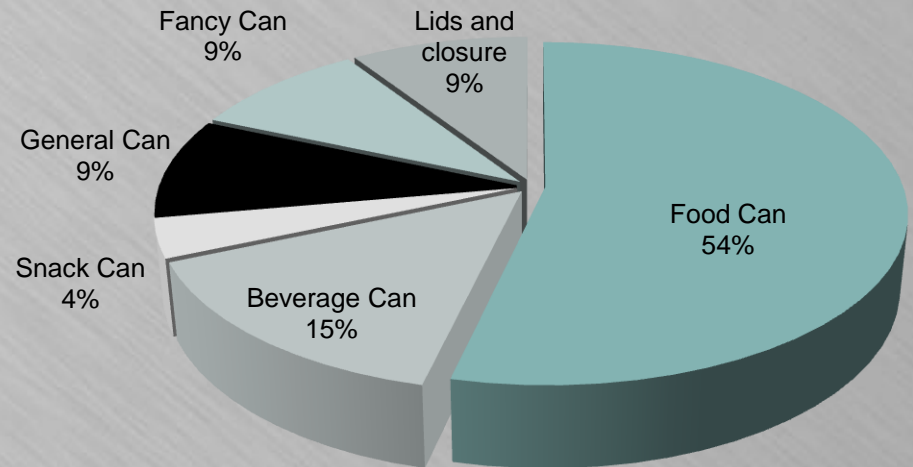
28 May. 2013





# PROPAK ASIA 2013 : Cancluster Exhibitor

13-16 Jun. 2013





# Cluster Participation

10 Jul. 2013





# Salary Survey

7 Aug. 2013



# Outing Seminar

7-8 Sep. 2013





# The 3<sup>rd</sup> CAN CLUSTER Futsal CUP

On Nov. 2013

Coming Soon







# Success of Thailand Manufacturers collaboration.

- Reduce the risk of raw material price movement.
- Keep the reasonable profit margins for metal cans.
- Provide an important platform for gathering information and sharing experience.
- Organize trips to visit international metal packaging fairs.
- Share the knowledge of manufacturing operation and business processes.
- Share the information related to business processes.
- Make relationship and reliability among the members

**Thank You**