

Thong Guan goes green and environmental friendly

—Mr. Poon Chuang Ang, Managing Director, Thong Guan Industries Berhad

As plastics industry jumps on the green bandwagon, Thong Guan Industries Berhad who made its mark in stretch film production, pledged to continue their effort towards efficient environmental management system and sustainable business development.

The Malaysia-based company goes through a systematic process when purchasing materials and process-

ing equipment. Thong Guan has been working with Borouge for the past seven to eight years for better mechanical properties, such as stiffness balance and low temperature properties, supplied by its Borstar® Enhanced PE FB2230 and FB1520 film grades.

According to Soo Tek Lam, Borouge's Regional Manager for SEA & Pacific, the film grades corresponds to Thong Guan's environmental objective. Borouge's Borstar enhanced polyethylene are used in the production of Thong Guan's garbage bags and frozen food bags, which are now made 100% degradable and environment friendly.

In an exclusive interview, Managing Director Mr. Poon Chuang Ang speaks of the company's commitment towards creating a greener and better world.

International Plastics News for Asia(IRNA): What are the major selling points of your products?

Mr. Ang: Our main product is cast LLDPE stretch film. Stretch film is relatively the cheapest and most affordable packaging material used to unitize and protect products during storage and shipment. It is widely used in various industries like food and beverage packaging, in pharmaceutical and agriculture industries, in engineering, electronics and electrical companies and among supermarket chains.

To add value to our products such as garbage bags and stretch film, Thong Guan is able to produce 100% degradable plastics, printed and non-printed.

IRNA: Do you have any particular requirement when purchasing materials and processing equipment?

Mr. Ang: We go through a systematic process when purchasing materials and processing equipment according to the international ISO9001 quality management



system. Quality and service of suppliers are our utmost priorities.

Furthermore, purchasing material must be ROHS compliance to meet environmental requirements. Processing equipment must be equipped with sufficient safety features, energy saving and comes with long-term technical support.

IRNA: The company's garbage bags division is now ISO14001 certified, what efforts have you made to reach this? What are your continuing plans?

Mr. Ang: Thong Guan first ventured into the ISO14001 project to extend and further develop its efforts in improving its product quality and services. We believe in walking the extra mile in carrying out our

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corporate social responsibility to our employees, surroundings and community. Efforts which have been taken include compliance to all governmental and statutory regulations, concerning environmental,

safety and health. We have also made efforts in ensuring zero pollution, accidents and incidences in our manufacturing plants while continuing to carry out programs for further improvement.

All efforts are also being taken to ensure that these three aspects become the culture of our employees, so that their lives can be improved and that they can be trained in this area.

We will definitely not rest on our laurels and will take action towards sustainable implementation of the environmental management system in compliance with our environmental policy. We believe that what is quested after in the 21st century is not a conventional mass production, consumption and waste disposal but a recycle-oriented society that aims for full-scale resource and energy savings.

By developing and promoting sales of environmentally-friendly products, sorting out wastes, and in-house recycling, we intend to make a continuous effort and steady achievement with the enforcement and implemen-

tation of the system in other divisions as well in the coming years.

IRNA: Being a distinguished plastic packaging company, how do you carry out your commitment to your customers not only in Malaysia but also the Asia Pacific region?

Mr. Ang: Our vision in becoming one of the largest plastic packaging companies in Asia ensures that we extend our commitment to our customers in providing reliable, consistent and high-quality service and products at a competitive cost that will create value for them. One of the core values which we commit to our customers worldwide is honesty and integrity, where we believe in long-term partnerships built upon excellence.

IRNA: What made you decided to expand in China and Thailand, and how is the competition in those regions?

Mr. Ang: First, attractive incentives given in China and Thailand for example tax exemptions provided by the government. Second, lower manufacturing costs such as manpower and operational set-up. Third, our strategy is to supply to neighboring countries of China and Thailand in a bid to save logistics and freight costs while providing better customer service. For example, our China plant now ships to Japan and South Korea.



Thong Guan made its mark in stretch film manufacturing

IRNA: What market trends are evident in the plastics packaging industry? How do you see the plastics packaging industry in South East Asia in the next couple of years?

Mr. Ang: For stretch film in particular, global consumption is growing with annual consumption reaching 1 million ton in Europe and 800,000 ton in the United States (figures from official sources in 2005). Annual consumption in Asia is about 500,000 ton and is projected to grow rapidly. With population growth projected to reach 4 billion people, Asia is a promising market and countries like Malaysia, China, Thailand and Vietnam would potentially develop to become major suppliers of stretch film worldwide.

The plastics packaging industry for developing countries is growing at a rate

of about 7% to 10% in Southeast Asia.

IRNA: Any recordable events in 2006?

Mr. Ang: For year 2006, Thong Guan Plastic was awarded the ISO14001 Environmental Management System for both its China manufacturing plant and also for its garbage bags division in Malaysia. Efforts made in 2006 have also led to the certification of the Safety and Health Management System OHSAS18001 for its plant in Malaysia.

Meanwhile, its trading company Syarikat Thong Guan Trading has also achieved the Food Safety Management System HACCP in 2006.

IRNA: What is the company's edge among its competitors, and how do you reinforce it?

Mr. Ang: Thong Guan is a volume-player, where our large capacity has proven to continuously reduce our cost per unit. Our cost strategy also extends to our expansion plans where we have set up manufacturing plants in cost-effective countries such as China and Thailand. Our strategy eventually transfer cost-savings and add values to our customers.

Besides, Thong Guan is renowned for its long-term partnership with customers where we help our customers grow their business towards a win-win relationship.

IRNA: What is the biggest challenge the company is facing right now?

Mr. Ang: The plastics packaging industry is a fast evolving industry where competition is getting tighter and that prices are getting very competitive. Along

with other industries such as those of electronics, new plastic technology be it materials or machineries are constantly being made. It is crucial that Thong Guan keeps up in these aspects to be able to stay competitive, if not have a competitive advantage in the market.

IRNA: Can you tell us about your career, and how do you deal with pressure?

Mr. Ang: Well, health is wealth as the saying goes. Thus, a healthy lifestyle is most important. No matter how pressurized we are, we need to keep a good balance of our priorities, and work should never become the utmost priority. However, in building up a career, we need to stay focus and be committed. Diligence is also a critical factor.

IRNA: Can you tell us what is behind your success?

Mr. Ang: Five things sum it up:

- a) A supportive family
- b) Consistent momentum of hard work and determination
- c) A very good team working with me; loyal and committed
- d) Performance review from time to time i.e. what can be improved, strengths and weaknesses
- e) Integrity and honesty



Mr. Ang With his managing team

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随着塑料业越来越关注绿色环保，在拉伸薄膜生产界建立起了声誉的Thong Guan公司发誓要在高效环境管理系统和可持续性发展方面继续努力。在本刊专访中，Mr. PC Ang 畅谈其公司为创造更绿色更美好世界的承诺。

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