

'Meet the buyer' success at ProPak China

Following the success of the 'Buyer Matching' meeting in 2006 the PPMA and British Consulate General teamed up to repeat the exercise at this year's ProPak China exhibition in Shanghai, which took place last July.

Representatives of three major Chinese end users, Proctor & Gamble (China), Dexin Cosmetics and Yemin Food Co, met with eight companies exhibiting on the PPMA Pavilion as well as Neil Floyd from the British Consulate General and PPMA's CEO, Chris Buxton, who chaired the meeting.

Several issues that were identified in 2006 were re-affirmed including the importance of local market knowledge, the use of locally based staff and knowledge of national as well as regional laws and regulations.

Regular visits were regarded as imperative to build up relationships and overseas suppliers needed to show tenacity, but also be prepared to show a willingness to learn about Chinese business culture. Commercially, the need for after sales support was seen as crucial, as is the need to respond quickly to technology and quality issues. Price is always important, but rarely the most important issue.

New areas of discussion included where UK companies could concentrate their efforts and it was felt focusing on 'high end' machinery in niche markets could be productive. But they need a clear strategy to develop the market. Local Chinese machinery manufacturers are closing the gap between their products and those available from overseas, said the end users, so where issues of service and training are important choosing the local option was becoming more attractive.

Training also needs to be undertaken at every level in the company so the need to use Mandarin is still important to prevent little problems becoming big due to a lack of understanding somewhere in the staff chain.

Multi-nationals have more resources in this area but some big local companies do not.

Overall the meeting concluded that Chinese end users were willing to pay a fair price for the right technology

and quality but expected top notch on-going support and were looking increasingly at local manufacturers that offered complete packages and quick response to their demands.

PPMA moves to packaging hub in Shanghai

Shanghai International Packaging and Printing City, (SIPPC), is the new home of the PPMA's Representative Office in China. The move, which took place on July 1, was reported briefly in PPMA News issue 04, as we went to press. Here is a bit more about SIPPC.

The 600 hectare zone has been approved for development by the powerful China Economic and Trade Committee and the day to day oversight of the project will be co-ordinated by the China Packaging Technology Association (CPTA) and its local counterpart the Shanghai PTA.



The specialised industry zone will be completed in three stages. The first, which is already well advanced, comprises modern office and showroom units together with an exhibition area. The second will add factory/workshop facilities, and stage three will focus on residential development to provide accommodation for SIPPC employees.

Situated in the Putuo District, which is known as the 'West Gate' of Shanghai, the City will eventually include a training and education centre, R&D facilities, conference rooms, a logistics unit as well as the office/factory units and exhibition halls.

SIPPC will be at the forefront of China's packaging industry development plans for the next decade, claims CPTA, and the PPMA will be able to tap into the expertise and facilities which the zone will provide.

Currently PPMA's new office space can accommodate more than 10 members who want to set up in or explore the Chinese market. A fully serviced office is provided, very cost effectively, says Craig Chen, PPMA's manager in Shanghai. Several members are already using the facility.

Contact Point

For more information on the PPMA's Representative Office and Dragon Service in China
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PROPAC CHINA '07 saw 18% growth mainly due to the increase in the number of local Chinese companies exhibiting. This year marked the 10th consecutive appearance of the PPMA group, making it the longest established national presence at the exhibition.

The show attracted more than 22,000 visitors, over half coming from the Shanghai region, a quarter from elsewhere in China and the rest from overseas. Many multi-nationals were in evidence, including Kraft Foods, Nestle and Coca-Cola.



interpack beckons for PPMA

interpack 2008 marks 50 years since its doors first opened. The exhibition has grown to be the number one event in the world for packaging and confectionery processing technologies and enjoys strong support from other specialist equipment sectors such as beverage, pharmaceutical and food processing.

The organiser Messe Dusseldorf has expanded the fairground since the last show in 2005 and interpack 2008 will fill 19 halls with a record number of exhibitors, or so the organiser claims.



PPMA stand at interpack 2005

In 2005 2,668 exhibitors attended from 106 countries and the show was visited by 176,000 professionals from all over the world.

The PPMA will host the UK Pavilion for the second time and 24 British companies will be presenting their products in the familiar surroundings of Hall 5. The tight deadlines and demand for space meant that the Pavilion was oversubscribed, but with the show now full there is little chance of additional space.

Following the success of the 2005 Pavilion the association will offer the same business service facilities, including wi-fi links, as well as a hospitality

area, all as part of the package. Non-exhibiting members or those exhibiting elsewhere in the show can use these popular facilities by paying a fee to join the PPMA Pavilion Club.

This year the PPMA has added the services of a specialist travel and accommodation provider to make staying in Dusseldorf as easy as possible.

Last time our Pavilion was a focal point for exhibitors and visitors alike and an easy place to meet up and relax after the rigours of the day. **So why not join us!**

i interpack 2008

24-30 April 2008
Messe Dusseldorf
Germany

Machinery presence boost at Gulfood 2008

The PPMA has been given Accredited Trade Organisation (ATO) status at the important Gulfood 2008 exhibition which takes place in Dubai on 24 - 27 February 2008.

This will enable the association to organise an official participation in the new, dedicated Processing, Packaging and Labelling section of the largest food industry show in the Middle East. UKTI grants will be available for eligible companies. The show has grown significantly and become a regional focus, attracting buyers from many Middle East countries.

The PPMA has attended the event on several occasions providing an information booth with details of members' products. It has circulated a large number of enquiries from visitors, (over 100 from Gulfood 2007).

There is a lot of member interest in this exhibition already, and bookings are being taken in advance of the official launch of the Pavilion stand package.

Make the most of PPMA pavilions & events

Event / Location	Date	Overview	UKTI Funding
PACK EXPO - Las Vegas, USA	15-17 Oct '07	Packaging exhibition for southern USA and South America	Available (UKTI)
PROPAK INDONESIA - Jakarta	5-8 Dec '07	International event for processing and packaging in the food & drink industry	Available (UKTI)
GULFOOD - Dubai, UAE	27-24 Feb '08	The 12th Gulf food, hotel and equipment (processing and packaging) event	Available (UKTI)
PROPAK VIETNAM - Ho Chi Minh City, Vietnam	5-8 March '08	International processing, packaging and printing exhibition	Available (UKTI)
INTERPACK 2008 - Dusseldorf, Germany	24-30 April '08	Seven day international processing and packaging event	TBC
PROPAK ASIA - Bangkok, Thailand	11-14 June '08	16th international processing and packaging technology exhibition	TBC
PROPAK CHINA Shanghai, China	9-11 July '08	14th international processing, packaging and end-line printing exhibition	TBC

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Vietnam food industry facts

With over 80% of Vietnam's workers involved with food and agriculture it is little wonder that the country's food industry is growing at more than 11% a year; growth which is mainly export driven.

ProPak Vietnam, held in Ho Chi Minh City, (formerly Saigon), from 7-10 March 2007 was the third in the series, attracting 6,300 visitors. It is hoped to increase the number of UK participants in the PPMA group at the next event from 5-8 March 2008. Also the technical seminar organised jointly by the PPMA, UKTI and the British Embassy in 2007, will be repeated.

In 2006 spending on packaging equipment reached \$55million, \$40m of this was accounted for by the food sector. While no equivalent figure is available for food processing machinery the fact that coffee (95%), tea (26%) and pepper (65%) production has increased dramatically since 2000 indicates strong investment in technology for both processing and packaging.

Vietnam boasts 250 aqua product enterprises, 16 meat processing plants, 198 beverage manufacturers, 27 instant noodle producers, 60 fruit and vegetable processors, (with capacity for 180,000 tonnes of production) and 23 major confectionery makers. In 2007 exports of seafood products is expected to reach \$3.75billion.

Vietnam seeks a continuous programme of adding value through investment in processing and packaging

The Government, which recently gained admission to the WTO, has also committed to spending \$1.5billion to upgrade the pharmaceutical industry to increase local production from 9% to 70% of the market by 2010. So participating at ProPak Vietnam 2008 could be very rewarding!



As easy as ABC

A recent press release has led me to conclude the pharma industry has gone too far with abbreviations and acronyms. Does anyone but the person who wrote it (perhaps!), understand this 'sentence':

"Six highly interactive workshops focused on NCEs... and covered API Design Space, DP Design Space, API Critical vs. Non-Critical, DP Critical vs. Non-Critical, API Control Strategy Traditional vs. Quality by Design (QbD) and DP Control Strategy Traditional vs. QbD". Phew!

I have lived through many management 'initiatives'; for example the MBO, JIT, TQM and TPM and have gaily embraced GMP, DQ, PQ, etc. But most are just commonsense practices dressed up into a fad or a new idea and given a strange status by becoming a fashionable set of letters.

If, like me and other less well versed souls, you haven't got a clue what's going on, please join me in a plea for clear language to express what are just some sensible concepts or business ideas. O.K? (Oops!)

Alan Isaacs, PharmaChem Chairman

TAX CREDITS: Take another look!

In the last issue of PPMA News (Issue 4) we looked in depth at the benefits and complexities of the Tax Credit Scheme and how companies might consider a specialist Tax Recovery Consultant.

In the EAMA Investment Survey only 56% of respondents said they were involved with R&D and only 13% claimed Tax Credits.(See page 10)

In his last budget as Chancellor Gordon Brown improved the scheme still further, so please take another look as many things qualify as R&D and you may just be missing out.

Key Points:

Large Company scheme (turnover more than €50m and 250+ employees): Tax credit increased from 125% to 130% from April 2008.

Small Company scheme (less than 250 employees): Tax credit enhanced deduction element increased from 150% to 175% from April 2008 (subject to EU clearance on state aid rules).

Indo push

The PPMA is offering a walk on package costing £180 per m2 at the upcoming ProPak Indonesia exhibition in Jakarta from 5-8 December 2007. The show has grown by 64% since 2004 reflecting the recovery and strong growth in the country's economy. Visitor attendance in 2006 was 19,000. A report is available for those interested in participating. The event has UKTI support for eligible companies. Contact John Cowdrey at john.cowdrey@ppma.co.uk

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