

Ansell Thailand - Leading the Field

Biotech is a rapidly growing Industry and is made up of a variety of different sectors which can include AgBiotech (Plants and Animals), Aquaculture and Marine, Industrial Biotech, Environmental Food Production and Processing, Nanotechnology, and Medtech (Human Health, Medical Devices, Equipment and Supplies, and Bioengineering).

The medical technology (Medtech) industry is growing rapidly around the world, driven by the increasing affluence of developed and developing countries, requirements to support increasing life expectancy, and the ever increasing demands for a higher quality of life.

According to Innovation Dynamics, there were 655 medical devices companies in Australia in 2007, and of these, there were 55 ASX listed companies. The total market capitalisation of listed medical devices companies was \$12.4 billion in December 2007. The majority of medical technology companies in Australia (60 per cent) employ less than 20 people, with just 10 per cent employing more than 100 people.

The industry is expected to advance rapidly into new fields of science and engineering, with nanotechnology and other research developments expected to be the catalyst for new innovations in the biomedical sphere, and an increasing convergence of physical and biological technology platforms.

Australia's medical device industry can list among its distinct competitive advantages its reduced time to market compared with drug discovery, its comparatively highly skilled workforce and its geographic position within the Asia Pacific region.

Currently the major markets for medical technologies are in the developed economies of North America, Europe, UK and Japan, but the future promises to be quite different with the requirements for medical devices and services in Asian markets growing rapidly. It is predicted that Asian markets will overtake those of Europe and North America within 15 years, presenting Australia with a significant geographic advantage.

The medical technology industry faces many challenges over the next decade, with one of the most important of these being, to take advantage of the growing global market opportunities particularly in the Asian Region.

Australian company Ansell are leading the way by the establishment of a number of manufacturing operations in Thailand during the mid to late 1980's. Established in Melbourne more than 80 years ago, as a privately owned company dipping latex rubber products, Ansell has manufacturing facilities in seven countries, and marketing offices worldwide. The company's products include many household products.

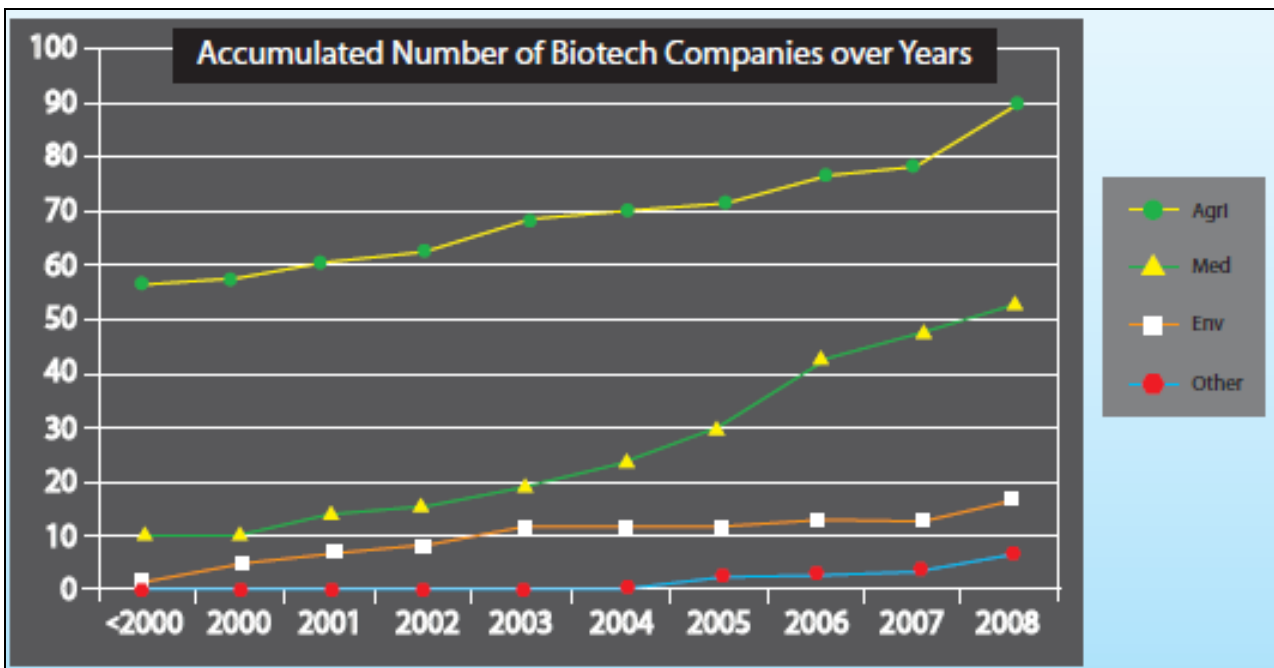
The Thailand operations were further expanded with the Acquisition of Suretex Thailand and India, a manufacturer of condoms and gloves. In their Thailand facilities, Ansell manufactures a variety of different products including Medical Latex Gloves, Rubber Gloves, Personal Care Products, as well as Latex Condoms.

The Ansell Limited business is organized in three main business segments. Whereas each segment serves a unique and different market, all three are connected by Ansell's focus on protection, comfort and quality, combined with a never-ending quest for innovation.

The company has also established five centres of excellence at production plants, where Science and Technology (S&T) staff can work closely with manufacturing personnel, to transfer technology and start up new product lines. One of these five centres of excellence (COE) is located at Surat Thani in Thailand, specialising in condoms.

In Thailand Ansell (and Suretex) have plants located in the Sipaya and Lat Krabang districts of Bangkok, and in the southern city of Surat Thani, along with the COE. The plant in Sipaya employs more than 1,000 people, exports 90% of products, and has sales of approximately US\$50 million.

Opportunities have grown exponentially as Thailand sets its sights on becoming the medical hub of Asia, offering the best and most affordable healthcare available, in state of the art 21st century facilities. Four hundred private hospitals, staffed with overseas trained doctors operating at international standards offer the best healthcare available; one thousand public hospitals treat many more.



Opportunities for investment in the medical device sector continue to grow as Thailand's health facilities expand, acquire new medical devices, and replace aging equipment in order to maintain international standards. Thailand also offers an excellent location for a cost effective production base for medical devices and disposables.

For the manufacture of medical supplies or equipment, scientific equipment, and medicines and active ingredients in medicines, BOI offers a range of attractive investment incentives such as corporate income tax exemption for up to 8 years, and import duty concessions.

The BOI have recently opened an office in Sydney, led by Director Ms Kanchana Noppun. The BOI are delighted to respond to request for information and may be contacted at: Ph. + 61 2 9252 4884 or Sydney@boi.gov.th