omec

SEP-OCT 2010



REACHing Out for Safer Apparels

MICA (P) 135/03/2010



{ Dear Members, }

am pleased to introduce you to the new SMa Council and EXCO members for the term 2010-2012. We have nine new council members from various sectors and industries. Leveraging on the success in 2009, the new Council will work closely with the Secretariat to further strengthen working relations with government agencies, trade associations and chambers, members and other strategic partners to bring greater benefits to the local manufacturing community.

This issue, we take a look at manufacturing companies that emerged as finalists and winners of Singapore's most prestigious Manufacturing Excellence Award - MAXA 2010. These MAXA winners are outstanding industry leaders that have shone brilliantly in the overseas and local context, and are great role models for the aspiring SMEs to emulate. SMa is proud to be part of the organising team for MAXA in collaboration with Singapore Economic Development Board (EDB) and other key partners. As you read on, please send in your suggestions and comments on how you would like to look into manufacturing excellence recognition for SME manufacturers.

As the Budget 2011 approaches, SMa hopes to gather industry feedback your feedback on what your company would like to see from Budget 2011. Following the government's commitment of \$5.5 billion over five years to spur productivity across sectors, industries and enterprises, we would like to hear from you on Productivity, notwithstanding other business concerns such as tax, manpower, market issues. Please send in your feedback to survey@smafederation.org.sg. A detailed Budget Wishlist feedback form will be sent to your company later.

We look forward to your continued support.

Gwee Seng Kwong Secretary-General





COVER: by Mediactive

Editorial Advisor

Gwee Seng Kwong

Staff Writers

Gillian Lim Liu Qing Hua

Contributors

TÜV SÜD Trek 2000

Intellectual Property Office of Singapore (IPOS)

For editorial contributions, write to **connect@smafederation.org.sg**

Dublicher

Singapore Manufacturers' Federation 2 Bukit Merah Central #03-00 SPRING Singapore Building Singapore 159835

Tel: +65 6826 3000 Fax: +65 6826 3008

Email: hq@smafederation.org.sg

Website: www.sma.sg

SMa Connect is a bi-monthly newsletter by the Singapore Manufacturers' Federation.

Singapore Manufacturers' Federation (SMa) takes every reasonable care to ensure that the information in this publication is accurate. SMa does not accept any responsibility for any errors or omissions. The opinions expressed in this publication rests solely with their contributors/writers and do not constitute an endorsement by SMa.

No portion of this publication may be reproduced without the permission of the publisher.

Distributed to more than 5,000 organisations.

Advertising Sales

Florence Long Mediactive Pte Ltd Hp: (65) 9382 0381 E: florence@mediactive.com.sg

Publishing Consultant Lyon Low

Design Eunice Gracilia Nurzuli Sobahri

mediactive

www.mediactive.com.sg

Mediactive Pte Ltd T: 6846 4168 F: 6846 4768





{ Inside }

New Faces	Welcome Aboard, New EXCO and Council Members	04
Markets Lookout	What's in Shandong	14
Special	Singapore Made. Globally Admired.	15
Leadership & Strategy	The Young and the Green	08
Best Practices	REACHing Out for Safer Apparels	12
Technology & Innovation	IP Starter Case study – Trek 2000 International "Trekking" onwards with IP	20
Regulars	Foreword	01
	News	06
	Training Calendar	18
	Past Events	23
	Snapshots	26

Council Members

President

Mr George Huang Chang Yi Amoy Canning Corporation

Honorary President

Mr Renny Yeo

Deputy President

Dr Moh Chong Tau Makino Asia Pte Ltd

Honorary Secretary

Mr Patrick Chang How Wan Paclin Office Products Pte Ltd

Honorary Treasurer

Mr Douglas Foo Sakae Holdings Ltd

Vice-President

Dr Ahmad Magad II-VI Singapore Pte Ltd

Vice-President

Mr Poh Choon Ann Poh Tiong Choon Logistics Limited

Vice-President

Mr Simon Li Feoso Oil (Singapore) Pte. Ltd Mr Albert Lim Packagers Pte Ltd

Mr Alex Siow StarHub Limited

Ms Annabelle Tan Brite Koncept Pte Ltd

Mr Birch Sio Concord Associates Pte Ltd

Mr Derrick Goh Olympus Singapore Pte Ltd

Mr George Wong Hoclink Systems & Services Pte Ltd

Mrs Jennifer Yeo Yeo-Leong & Peh LLC

Mr Jerry Tan Wanin Industries Pte Ltd

Mr James See Singco (Private) Limited

Mr Liang Chong Kang E.mation Technologies Pte Ltd

Mr Liau Beng Chye ArmorShield Holdings Pte Ltd

Mr Lim Meng Wee SP Consulting (International) Pte Ltd

Mr Low Beng Tin Oakwell Engineering Limited Mr Michael Chin Asia Pacific Breweries (S) Pte Ltd

JP Asia Capital Partners

Mr Philip Lee KPMG LLP

Mr Peter Tan

Mr Richard Chee Richee Engineering Enterprise Pte Ltd

Mr Rowan Tan DORMA Far East Pte Ltd

Mr Ryan Chioh FarEastFlora.com Pte Ltd

Mr Sunny Koh Chinatown Food Corporation Pte Ltd

Mr Tan Boon Chong Schneider Electric Singapore Pte Ltd

Dr Tan Kok Kheng MycoBiotech Ltd

Mr Tay Jih-Hsin Swee Hin Trading Pte Ltd

Mr Valerio Nannini Nestle Singapore (Pte) Ltd

Mr Wong Choon Kin Spot Management Services Pte Ltd Mr Yeo Cheong Guan Eng Bee Paper Merchant Pte Ltd

SMa Secretariat

Mr Gwee Seng Kwong Secretary-General

Mr Wong Tack Wai Acting Assistant Secretary-General

Mr Janice Kwok Director Council Affairs & Special Projects

Ms Anna Chew Director Finance & IT

Ms Sylvia Teo Director HR & Admin

Ms Doris Chow Director EDC@SMa & SMa Centre for Corporate Learning

Mr Sebastian Lo Deputy Director Global Business Groups

Mr Richard Soh

SMa Institute of Higher Learning

Welcome Aboard, New EXCO

Following the Annual General Meeting in June, Singapore Manufacturers' Federation welcomes the new EXCO, and nine new Council members for a two-year term of service in 2010-2012.

SMa EXCO members (2010-2012) are:



Mr George Huang
President, SMa and Chairman, SMa
Institute of Higher Learning
Managing Director/CEO, Amoy Canning
Corporation (S) Ltd



Dr Moh Chong Tau
Deputy President, SMa and Chairman,
EDC@SMa
President & CEO, Makino Asia Pte Ltd



Dr Ahmad Magad Vice President, SMa and Group Managing Director, II-VI Singapore Pte Ltd



Mr Poh Choon Ann Vice President, SMa and Chairman, SMa Global Business Groups Function Committee Chairman & CEO, Poh Tiong Choon Logistics Limited



Mr Simon Li Vice President, SMa, Chairman, SMa Industry Groups and Membership Function Committee and Chairman, SMa Energy & Chemicals IG CEO, Feoso Oil (Singapore) Pte. Ltd



Mr Patrick Chang Honorary Secretary, SMa and Chairman, Secretariat Management Committee, and Chairman, Public Relations & Corp Comms Committee Managing Director, Paclin Office Products Pte Ltd



Mr Douglas Foo Honorary Treasurer, SMa and Chairman, Finance Management Committee CEO, Sakae Holdings Ltd



Mr Lim Meng Wee Chairman, SMa IT and Technology Development Function Committee Managing Director, SP Consulting (International) Pte Ltd



Mr Michael Chin Chairman, SMa Health, Safety, Security and Environment Function Committee General Manager, Asia Pacific Breweries (S) Pte Ltd

and Council members

Warmest welcome extended to new members to the Council:

(in alphabetical order)



Mr Alex Siow Head, Business Excellence and Systems Technology, Starhub Limited



Mr Derrick Goh Acting Chairman, SMa Medical Technology IG Director of Marketing, Olympus Singapore Pte Ltd



Mr Liau Beng Chye Chairman, AmorShield Holdings Pte Ltd



Mr Low Beng Tin Managing Director Oakwell Engineering Limited



Mr Philip Lee Partner, KPMG LLP



Mr Richard Chee
Chairman, SMa Building
Products & Construction
Materials IG
Managing Director, Richee
Engineering Enterprise Pte Ltd



Mr Ryan Chioh Managing Director, FarEastFlora.com Pte Ltd



Mr Tay Jih-Hsin Director, Sales & Marketing, Swee Hin Trading Pte Ltd



Mr Valerio Nannini Managing Director, Nestle Singapore (Pte) Ltd

In the new term, two new committees are formed, namely the Productivity & Innovation Function Committee (PIFC) and Public Relations & Corp Comms (PRCC) Committee. They are respectively chaired by Mr Renny Yeo, Honorary President and Mr Patrick Chang, Honorary Secretary. Trade & Investment Function Committee (TIFC) has been renamed as SMa Global Business Groups (GBG) Function Committee, and is chaired by Mr Poh Choon Ann, SMa Vice President. The Business Committees are:

- SMa Americas Business Committee (chaired by Dr Ahmad Magad)
- SMa Europe, Russia and Central Asia Business Committee (chaired by Mr Peter Tan)
- SMa ASEAN, Oceanic countries
 Business Committee (chaired by Mr Low Beng Tin)
- SMa China Business Committee (chaired by Mr Poh Choon Ann)
- SMa India and Middle East Business Committee (chaired by Mr Alok Mishra)

Meanwhile, SMa wishes to express our gratitude to the current Council members for their continued support and efforts. They are:

- Mr CK Liang (Chairman of SMa Automation Technology IG)
- Mr KL Tsang (Chairman of SMa Electronics, Electrical and Allied Industries IG)
- Mr Rowan Tan (Chairman of SMa Fire Protection, Safety and Security IG)
- Mr Sunny Koh (Chairman of SMa Food & Beverage IG)
- Dr Tan Kok Kheng (Chairman of SMa Life Sciences IG)
- Mr Yeo Cheong Guan (Chairman of SMa Lifestyle IG)

- Mr James See (Chairman of SMa Metal, Machinery & Equipment IG)
- Mr Albert Lim (Chairman of Packaging Council of Singapore IG)
- Ms Annabelle Tan
- · Mr Birch Sio
- Mr CK Wong
- Mr George Wong
- Mrs Jennifer Yeo
- Mr Jerry Tan
- Mr Peter Tan
- Mr Tan Boon Chong

Special thanks to Council members who served the last term for their leadership and contribution to the local manufacturing community.

Gratitude & Acknowledgements to:

Mr Alan Lee Mr Bennett Neo Mr Edwin Khew Mr Goh Seow Ping Mr Hans-Dieter Bott Mr John Kong Mr Por Khay Ti Mr Stephen Lee Mr Suresh Narayanan Mr Tay Choon Mong



TASTY SINGAPORE GOES 'B2C'



Mr Seah Kian Peng (left), CEO of NTUC FairPrice with Mr Sunny Koh, Chairman of SMa F&B industry group and Managing Director of Chinatown Foods Corporation

n initiative by International Enteprise (IE) Singapore, Tasty Singapore has recently kickstarted its foray into overseas markets such as Guangdong, Beijing and Shanghai in the past few months. But this round, Tasty Singapore Fair returned to present 26 local brands at all NTUC FairPrice from 30 September to 13 October 2010.

This B2C approach will engage consumers through retailers and benefit the manufacturers more, given Singapore's strong free-trade-agreement network and sophisticated manufacturing technologies. The rising affluence of consumers worldwide has also brought more opportunities to collaborate with retailers overseas.

Those keen to venture into overseas market could join Tasty Singapore, an established platform and network recognised for its high standards of food quality, diversity and innovation, as a collective league

to promote

Singapore's unique tastes offshore and strengthen its branding worldwide.

Champion

Industry

of Tasty Singapore, Mr

industry group and Managing Director of Chinatown Foods Corporation advocated. "Overseas consumers can not only have easier access to these new Singapore products at the nearest supermarkets, but also assured of its quality and safety. In bringing them closer, our local manufacturers and exporters will be motivated to offer Tasty, Quality and Safe food, at competitive prices and tastes catered for overseas tastebuds."

This rising trend of collaboration between manufacturers and retailers is expected to position Tasty Singapore as a strong collective brand identity of safe and quality food from Singapore brands and attract more end consumers around the globe.



ABB Robotics Launches New Robotics Application Centre

BB's Robotics Application Centre (RAC), the first for ABB in Asia was officially opened on 29 September 2010 to exemplify the use of robotics for vital industrial processes – picking, packing and palletising.

For growing industries such as Food & Beverage, Pharmaceuticals, Semiconductor and Photovoltaic, embracing industrial robotics is the key to achieve productivity growth as it reduces costs of production and wastage of resources.

The robotics system presented also serves as an alternative resource in preference to employment of workers for repetitive and tedious work. Its remarkable degree of accuracy, promised hygiene, speed and flexibility makes it attractive and viable for SMEs, both local and regional to look into robotic automation to stay competitive in the world market.

"Today, the use of industrial robots is widespread and there are over 1 million operating robots in the world. Asia being one of the emerging markets is expected to see an increase of nearly 30 - 40 percent in the sale of industrial robots. This could be the highest increase across the world.



SMa Honorary President, Mr Renny Yeo graced the official opening of ABB Robotics Application Centre.



A tour of the Robotics Application Center. The room was darkened to show robots can work in environments that do not require lighting, heating or air-conditioning.

So the bottom-line is, if you don't automate, others will", said Mr Renny Yeo, SMa Honorary President and Chairman of SMa Productivity & Innovation Function Committee.

Singapore Customs Exempts Manufacturing License Requirements for Certain Categories of Dutiable Motor Vehicles

ecognising the highly dynamic business environment and wide encompassing spectrum of activities in manufacturing, Singapore Customs has exempted licensing requirements for the following manufacturing processes:

- a) To manufacture ambulance; go-kart; motorised bicycle; "pocket" motor cycle; racing motor car; racing motor cycle; and motor vehicle for academic purposes, by:
 - i. assembly from component parts; or
 - ii. modification of a motor vehicle in completely built-

- up condition from component parts;
- b) To modify a non-dutiable motor vehicle through the installation or removal of seats into a dutiable motor vehicle; and
- c) To modify a dutiable completely built-up motor vehicle using component parts which does not result in any change of tariff classification and is performed inside a licensed warehouse or in a free trade zone (FTZ).

For more information, refer to http://www.customs.gov.sg/topNav/leg/act/Customs+Act.htm



Mr Teri Teo, founder of homegrown eco-solutions company, Winrigo, talks to CONNECT on how his company has embraced young talents that are hungry for the Green.

Q. Who is Winrigo?

Winrigo (S) Pte Ltd is a firm with an environmentally-conscious outlook that offers innovative and cost-competitive solutions for plastics, transforming plastics waste into eco-label plastic products. Our core technology is the R3plas Eco-label recycled technology, R3plas Oxo-biodegradable technology and R3plas Bio composite technology. Our R3plas technology meets the concept of 3R – Recycle, Reuse and Reduce with Plastics to meet the green purchasing requirements of global standards.

We have also created our own line of consumer products under the brand L'earth™. The range of environmental lifestyle products currently consists of bio-composite cutlery, dinnerware, food and drinks containers. With L'earth™, going green is simple, enjoyable and sustainable.

We were also recently awarded the SEC-Senoko Power Green Innovation Awards 2010 and Singapore Packaging Star Award 2010 and Asia Star 2010 in Japan for our new Oxo-Biodegradable EVOH barrier film packaging.

Q. What opportunities do you see in the green market?

Green is a very young market as consumers have only recently began to be more aware of global warming issues and how their consumer decisions make a difference to the environment. The government is also promoting green jobs and technology such as green building, transport, solar energy, waste management and even cities such as the Tianjin Eco-City. We are not talking about opportunities only in the green industry in the local



market, but the abundant opportunities for both market players and young talents in the global market.

O. How many young talents do you have in your company?

Currently, we have two polytechnic graduates who majored in Polymer Process Technology and one SMU graduate from Marketing and Social Science. We will have another two polytechnic graduates (who have been with us for a year) join us again next year after their national service.

Q. Why do you like or prefer to hire young talents and how is this aligned to company's direction towards going green or his strategy to capture market share?

Environmental issues such as global warming will only get more serious, and this will affect the younger generation. This is even truer as the world continues to face more and more shortage problems of raw materials such as oil, gold, steel which explain why price will only go up and never come down. Water and energy will not longer be sufficient to meet the needs of the young generation which will demand for more. Ultimately, the younger generation will need to find a solution before the natural resources become scarcer.

After interactions with many young talents and sharing my perspectives on the green concept, they are more receptive to the green issue than the older generation. Very often, the older generation will dismiss the idea and say that global warming is a young generation issue

as "I will be gone by the time it happens or if all natural resources and raw materials deplete." So the young talents are more willing to accept my concept and I can better nurture the green innovation spirit in them than the older generation.

O. How have the young talents shaped the company?

I will give you an example of the young talents made a difference to the company through our new brand – L'earth™. L'earth™ was born out of an inspiring, and fruitful collaboration between SMU and Winrigo when we wanted to create Eco-cutlery for local market. The young talents personally feel though the R3plas Technology is the company's core advantage, it presents a technical front that consumers can not easily understand or relate to.

Hence, these young talents came up with a simple yet sophisticated name that best represents the changing mindset of industries and consumers. L'earth™ is a slang to pronounce "Love the Earth" which translates into a consumer concept that is simple, enjoyable and sustainable. This is not just a simple creation, but the start of their creativity and commitment into marketing the green idea into a bite-sized branding concept for consumers. As a result, we decided to let them run and manage this brand, which I will strongly support aspects of manufacturing and innovation of green eco-products development. The young talents will work on marketing and eco-education to create the brand awareness. This will add value to the Eco-design concept to further enhance green innovation. Connect

Teri Teo, founder of Winrigo (second left), Minister Lee Yi Shyan, Minister of State, and the company's young talents (extreme left and right) at an eco-product trade exhibition.

They are holding to the L'earth™ eco-products made from renewable resources from wheat pollards which were officially launched in Japan. This is the first Eco-product made from Prima Wheat Pollards in Singapore with 100% technology developed from Singapore from collaboration between of SMa, SMU, Spring S'pore, SIMTech. Prima and SEC.



REACHing Out for Safer Apparels

By Dr. Li Sihai, Assistant Vice President, Chemical Center, TÜV SÜD PSB Pte. Ltd.

n November 2009, the EU Rapid Alert System for Non-Food products, RAPEX, reported a case where a consignment of China-made briefs contained 4-aminoazobenzene above the permissible limits set by REACH. They were recalled from consumers and taken off the shelf in Germany and Austria. 4-Aminoazobenzene is a hazardous and carcinogenic chemical that can be released from azocolourants and azodyes, popular choices for dyeing natural and synthetic materials as they are cost-effective. If you are an EU manufacturer or importer, your obligations under REACH mean that in case of non-compliance, it's you who stand to lose, not your upstream suppliers in non-EU countries.

Understanding REACH

REACH stands for the Registration, Evaluation, Authorisation and restriction of Chemicals, these processes are overseen by the new European Chemicals Agency (ECHA).

For softlines products, Registration is only required for 'articles with substances intended to be released'. It is the responsibility of the EU importer to ensure that all necessary registrations have been duly carried out for their imported products. Evaluation is the evaluation of the submitted information for registration (such as the completeness of the registration dossier or the evaluation of a testing

proposal for chemical information, etc). It is carried out by the ECHA or EU member states. Evaluation imposes no obligation on industries. Restriction and Authorisation are the control mechanisms for hazardous chemicals.

Restricted substances

The softlines industry is familiar with restricted substances such as azodyes, phthalates and nickel. These chemicals are used to improve the appearance of garments and their functional performance. However, they are harmful to the environment and human health. For instance, Pentachlorophenol (PCP) was added to natural fabrics as a preservative or a conservative agent but its use is now restricted due to its carcinogenic properties.

SVHC and vour obligations

"Substances of Very High Concern (SVHC)" is a new classification of chemical substances introduced by REACH. SVHC are hazardous chemicals that pose serious risks to human health or environment. The aim of Authorisation is to control the risks from SVHC by progressively replacing them with suitable alternative substances or technologies.

Under the Authorisation process, SVHC are first identified for the Candidate List and then substances from this List are prioritised for inclusion in the Authorisation List. Different obligations apply to the two stages of the Authorisation process. For the Candidate List, the two obligations are: (i) communication along the supply chain and (ii) notification to the ECHA. For the Authorisation List, the obligation



requires: (iii) authorisation for the use of a listed substance.

(i) Communication along the supply chain: There are two situations where communication becomes mandatory: when an article contains an SVHC on the Candidate List at a concentration of more than 0.1% by weight; and when there are consumer enquiries on any



SVHC in an article. In both cases, you need to provide the recipient of the article or the consumer with the name of this SVHC, along with any safe use instructions. In the case of consumer enquiries, this information must be provided within 45 days.

The first situation can be illustrated with the following example. If the

article being imported is buttons that contain an SVHC on the Candidate List at a concentration of 0.5% by weight, then the information mentioned above must be communicated to the recipient (e.g. an importer of these buttons or a manufacturer of shirts in the EU), since the SVHC content is above the prescribed limit of 0.1% by weight.

If these buttons are imported as part of some shirts, then the total concentration of the SVHC contributed by the buttons on one shirt is calculated in relation to the total weight of the shirt. If the average concentration of the SVHC is less than 0.1% by weight of the shirt then no information would need to be communicated.

(ii) Notification: This obligation is triggered when an article contains a Candidate List SVHC at a concentration of more than 0.1% by weight and the total tonnage of this SVHC is greater than 1 tonne per year per (EU) manufacturer or importer.

(iii) Authorisation: Once included in the Authorisation List, an SVHC cannot be placed on the market or used in the EU after a set date unless an authorisation has been granted. However, confusion may arise for imported products as authorisation does not apply to imported articles but it does apply to imported substances and mixtures. It is, therefore, important for importers to have a clear understanding of this.

Ensuring compliance with REACH

In today's competitive world, a single error on the part of any participant along the supply chain can cause tremendous loss in reputation and damage to a brand. Although the legal responsibility of compliance with REACH lies with the EU manufacturers and importers, the domino effect on the upstream suppliers shows non-EU manufacturers and suppliers are also under pressure to comply with REACH.

However, if you follow some simple steps, REACH compliance is not a daunting task. A well-planned and executed strategy for REACH compliance will go a long way in safeguarding your brand.

First, understand the regulation and its various requirements. REACH seminars organized by service providers such as TÜV SÜD PSB, ECHA's guidance documents, fact sheets and press releases are all good sources of information.

Second, classify your products according to REACH by applying the different definitions of substance, mixture, article and intended release.

Third, determine your obligations under REACH. Since each supply chain is different, obligations will vary, depending on the product type, its place of manufacture, and the role played by the party concerned within the supply chain.

And finally, plan your REACH compliance strategy and execute it.

A third-party service provider like TÜV SÜD PSB can support you with in-house and supplier REACH training, formulating short-term and long-term REACH strategies, conducting chemical testing on your products, as well as keeping you updated with the latest changes in the regulation to help ensure the validity of your REACH compliance status. Connect





Bird's eye view of Qingdao, Shandong

Shandong in Brief

Shandong is located in the coastal region of east China, and has 94.17 million people. Known as one of the birth lands of the Chinese civilization, Shandong is honoured as the "Hometown of Confucius, Mencius and the state of rites". There is 3,024 km coastline, 3,000 sq km beach and tidal-flat areas, and 170,000 sq km offshore areas in Shandong. Shandong is an important base of resources and energy in China. In 2009, the GDP of Shandong amounted to 3.38 trillion RMB, representing an increase of 11.9% year on year, ranking the third nationwide.

Shandong Peninsula Blue Economic Zone

In April 2009, General Secretary Hu Jintao made an inspection tour to Shandong and underlined that "great efforts should be made in developing the marine economy, scientifically exploiting marine resources, cultivating competitive marine industries and forging a Shandong Peninsula Blue Economic Zone". The Blue Economic Zone is an economic functional zone of great comprehensive competitiveness.

The Shandong provincial government formulated "Implementation Guidelines on Forging Blue Economic Zone", and put forward a development strategy as "one zone & three clusters". One zone refers to the Efficient Eco-Economic Zone at Yellow River Delta in the northern coast of Shandong. The three

regions are Coastal High-efficiency Ecological Industrial Cluster, Jiaodong Peninsula High-end Industrial Cluster in the eastern coast of Shandong and Southern Shandong Port Industrial Cluster in Rizhao. Along with the establishing of Blue Economic Zone, Shandong brings up adjustment and revitalisation plans of 10 key industries, namely automobile, iron and steel, electronic information, shipbuilding, light industry, equipment textiles, nonferrous manufacturing, metals, chemical industry and logistics.

Singapore-Shandong Business Relationships

Singapore and Shandong have a long standing relationship that dated back to 1993 when the Singapore-Shandong Business Council was established by then PM Goh Chok Tong. With the impending adoption of the Yellow River Delta Development Strategy and Shandong Blue Peninsula Economic Zone by the Central Government, Shandong is poised to accelerate its development with new policy incentives. The province is now actively seeking investments from Singapore companies in various areas, including modern services, urban solutions and green energy.

In the first six months of 2010, bilateral trade between Singapore and Shandong amounted to US\$972 million, an increase of 55%, Singapore's exports to Shandong amounted to

US\$560 million while imports from Shandong reached US\$412 million. By end 2009, the cumulative actual FDI amounted to US\$3.77 billion, with a total of 1,237 projects. In the first six months of 2010, Singapore's actual FDI in the province reached US\$380 million with 22 projects, an increase of 42%. (Source: Shandong Department of Commerce)

About the Singapore-Shandong Business Council

The Singapore-Shandong Business Council (SSBC) was established since November 1993 by the Government of the Republic of Singapore and the Provincial Government of Shandong, People's Republic of China, to strengthen economic and trade cooperation between Singapore and Shandong.

The SSBC is jointly chaired by Mr Lee Yi Shyan, Minister of State for Trade & Industry and Manpower and Mr Cai Limin, Vice Governor of Shandong Province. In addition, the Council has both public and private sector members on both sides, who form the respective Secretariat to carry out the initiatives of the SSBC. Connect

For more information:

Mr LIU Qinghua

Manager, Global Business Groups Singapore Manufacturers' Federation DID: + 65 6826 3019

Email: liuqinghua@smafederation.org.sg



since 2006, MAXA, Singapore's highest national accolade for manufacturing excellence has awarded companies which have raised the manufacturing standards and adopted an innovative culture. It is organised by the Singapore Economic Development Board (EDB) with partners like McKinsey & Company, the Singapore-MIT Alliance and Singapore Manufacturers' Federation (SMa).

Both Yokogawa Electric Asia Pte Ltd and Biosensors Interventional Technologies Pte Ltd were big winners among the crop of the finalists for MAXA 2010.

Yokogawa Electric Asia Pte Ltd

Proud to be the first company to introduce QC circles in Singapore, Yokogawa strives on human intelligence and commitment taking care of the production of raw materials to finished products.

The QC circle keeps staff actively involved and exercises their leadership - from purchase procurement to inventory control to logistic handling. It is a pull system whereby staff could interact comfortably with one another to solve problems. This nurtures an innovative working environment that supports its working model – Just in Time production, which ensures the return on investment, quality and efficiency of production.

Over the past three decades, it emphasises on soft powers - strong leadership and trust collaboration amongst employees and management, which gave them the edge to drive innovation, creativity and problem solving. Various in-house Lead, Learn, and Live Enterprise Technology Solutions ('LETS') activities are driven and completed by committed employees.

Its Singapore facility was also recently designated as the company's Global Training Centre to train local and overseas employees' mindset and provide on-site training.

In addition, Yokogawa's unique brand differentiation and product offerings guaranteed their business' sustainability and long term viability. To achieve highest performance excellence, it works on optimising their resource needs, reducing the environmental and social impacts of their operations and motivating their human capital.

Yokogawa's operational excellence, innovation and sustainability won itself the recognition as the most productive and efficient manufacturing site in Singapore. Its three pillars for its manufacturing operations - quality and safety first, delivery reliability and cost competitiveness are key to achieving its manufacturing distinction.

Biosensors Interventional Technologies Pte Ltd

Biosensors proved that size does not matter. Since 1990, it has nine offices around the world, 600 people worldwide and a 10 percent market share gained within 2½ years. It transformed from a contract manufacturer of medical devices used in cardiology and critical care into one with its own range of bare-metal stents and DESs.

With over 70 markets all over the world, it was the first to launch a biodegradable polymer Drug-Eluting Stent (DES) incorporating internally developed anti-restenotic drug, Biolimus A9TM.

It is entering the next growth phase with the acquisition of CardioMind, which has a Sparrow stent system that is used for heart valves or other delicate area as it creates a minute dent.

Biosensors is also working the next generation product, BioFreedom, a polymer-free DES. With the absence of polymers, this product will reduce the loss of in-stent late-lumen rendering it safe for customers.

Biosensors' emphasis on innovation to improve manufacturing process and systems is evident. Its proprietary automated micro-pipette coating process ("AMPC"), is a high-precision coating method that enables consistent drug coating onto the stent surface and significantly increases productivity.

Moving forward, Biosensors will look to leverage on the research and development infrastructure and sales and marketing and distribution channels locally to import products from other companies to grow the company's topline.

Other outstanding finalists

Other outstanding finalists include Becton Dickinson Critical Care Systems, Nestlé (Singapore) and STATS ChipPAC Singapore.

Becton Dickinson Critical Care is a global medical technology company that manufactures namely, transducer pressure monitoring kits, central venous catheters, pulmonary artery catheters, arterial cannula. It has received several national accolades ie Singapore Quality Class in April 2010 and Workplace



Minister for Finance, Mr Tharman Shanmugaratnam presenting MAXA award to Mr Lai Ah Keow, Managing Director of Yokogawa Electric Asia.

Safety and Health Performance Award, Silver, in July 2010, in recognition of its excellence in business processes and integrated workplace safety, health and environment.

Becton Dickinson (BD) positions itself as a preferred centre for kitting excellence through various growth strategies. The strategies are:

- Collaboration between BD's Regional Sales & Marketing and Research & Development functions and Suppliers to grow medical device business to provide highest quality products and services at competitive cost;
- Strengthening associates holistic health in a supportive environment;

Over the past three decades, it emphasises on soft powers - strong leadership and trust collaboration amongst employees and management, which gave them the edge to drive innovation, creativity and problem solving. Various in-house Lead, Learn, and Live Enterprise Technology Solutions ('LETS') activities are driven and completed by committed employees.

Yokogawa Electric Asia



MAXA winners and finalists on stage with Mr Aaron Tham (third from left), Director and MAXA Secretariat, Singapore Economic Development Board (EDB) and Mr Tharman Shanmugaratnam (fifth from left) Minister for Finance.

 Establishing an integrated system to enhance business continuity and sustainability.

Nestlé (Singapore) is a wholly owned subsidiary of Nestlé SA, has won the coveted AVA Gold Award for achieving "A" standard for consecutive 15 years in Food Hygiene Excellence. Its PROTOMALT® plant, here in Nestlé Singapore is the world largest single malt extract producer producing 30% of the global capacity.

Nestlé is currently the market leader in seven key categories locally which include hot beverages (MILO), coffees (NESCAFE), cold sauces (MAGGI), confectionery (Kit Kat), breakfast cereals (Nestlé) and pet care (PURINA),

With Nestlé Continuous Excellence model, it adopts the 3 Cs namely Delight Customers, Deliver Competitive Advantage and Excel in Compliance through Zero waste, One Team and 100% engagement approach, which ensures its long-term viability to date.

STATS ChipPAC Singapore is a leading service provider of semiconductor packaging design, assembly, test process and distribution solutions in diverse end market applications. It utilises Lean Six Sigma methodology and drives breakthroughs in manufacturing such as its robust

MAXA 2010

Top Honours

Yokogawa Electric Asia Pte Ltd

Growth Award

Biosensors Interventional Technologies Pte Ltd

Outstanding Finalists

- Becton Dickinson Critical Care Systems
- Nestlé (Singapore)
- STATS ChipPAC Singapore

quality system and innovative IT program that promotes automation in the test process.

It has also received numerous customer recognition awards from companies such as AMD, Analog Devices, LSI, Samsung and others with its excellent manufacturing innovation in wafer level technology, eWLB, integrated passive devices and copper wire bond packaging. This is fortified by its well-developed IT program which would drive automation in the test process to achieve higher levels of quality and increased efficiency. Connect

SMa Centre for Corporate Learning Programme Calendar Upcoming Programmes

SEMINARS AND WORKSHOPS	DEC 2010	SEMINARS AND WORKSHOPS	JAN 2011
Selling It Right!	1 Dec	Strategic Production Planning, Scheduling and Controlling	6 - 7 Jan
Cost Reduction Techniques for Effective Purchasing	1 - 2 Dec	New Ideas for More Sales	13 Jan
Tele-Techniques to Increase Leads and Sales Workshop on Understanding Letter of Credit Best Practic	6 Dec	Strategic Management Planning & Evaluation - The Balanced Scorecard	14 Jan
and International Trade	6 - 7 Dec	Adapting to Change at Work	17 Jan
Hazard Analysis and Critical Control Points & Food Safet (HACCP)	6 - 7 Dec	Fundamentals of Purchasing Skills for New Buyers and Purchasers	17 - 18 Jan
Train The Trainer	6 - 7 Dec	Effective Costing Management Budgeting & Analysis	24 Jan
Planning Your Work & Working Your Plan	7 Dec	Import/Export Documentation and Shipping Procedures	24 - 25 Jan
Strategic Inventory Management, Planning and Control	7 - 8 Dec	Failure Mode and Effect Analysis (FMEA)	24 - 25 Jan
How To Negotiate With Vendors and Suppliers	8 - 9 Dec	Quick Changeover for Lean Manufacturing (SMED)	24 - 25 Jan
Business Analytics and Reporting Using Excel	8 - 9 Dec	Managing Difficult Customers Effectively	25 Jan
Anaytical & Creative Thinking Skills	8 - 9 Dec	Supervisory Management Skills - Leading, Coaching,	26 27 lan
Cycle Time Reduction for Higher Productivity	8 - 9 Dec	Managing	26 - 27 Jan
Selling Skills for Retailers	10 Dec	Winning With People at Work	27 - 28 Jan
Successful Sales Management	10 Dec	5S Journey	28 Jan
The Art of Writing Good Minutes	13 Dec	APICS COURSES	
Supervisory Management Skills - Leading, Coaching,	44. 4F.D	APICS CSCP Certified Supply Chain Professional	
Managing	14 - 15 Dec	APICS CPIM Basics of Supply Chain Management	
Lean Organization for Optimum Efficiency	13 - 14 Dec	APICS CPIM basics of Supply Chair Management APICS CPIM Master Planning of Resources	
Self-Motivation for Results	16 Dec	<u> </u>	Please call
Essentials of Email and Writing Etiquette	17 Dec	APICS CPIM Evecution and Control of Operations	68263071 / 68263063 for the
The Art of Overcoming Politics	20 Dec	APICS CPIM Stratagic Management of Page 1793	latest schedule
Value Stream Mapping	20 - 21 Dec	APICS Clabel Sourcing Workshop Sories	
Productivity Improvement Techniques	20 - 21 Dec	APICS LEAN Enterprise Workshop Series	
Effective Costing Management Budgeting and Analysis	24 Dec	APICS LEAN Enterprise Workshop Series	
Frontline Customer Service Skills	27 Dec	OCUPATIONAL SAFETY AND HEALTH COURSES	
Conducting Training Needs Analysis , Evaluation & Post-	28 Dec	Basic Industrial Safety & Health Course (BISH)	6,13, 20,27 Jan
Training Plans Speak Good English	29 Dec	Safety Orientation Course for Workers (Metalworking) MSOC. Mandarin: 7, 12, 19, 26 Jan) and	Please call 68263056 for the
PR Skills for Non-PR People	30 Dec	(English: 10, 14, 24, 28 Jan)	latest schedule
OCUPATIONAL SAFETY AND HEALTH COURSES		Forklift (1 day Theory & 2 days Practical)	Please call 68263044 for the
Basic Industrial Safety & Health Course (BISH) 9, 16, 23,		Forklift (1 day Theory & 4 days Practical)	latest schedule
Safety Orientation Course for Workers (Metalworking) MSOC. (Mandarin: 6, 8, 14, 16 Dec) and	Please call 68263056 for the	WDA WORKFORCE SKILLS QUALIFICATIONS (WSC	
(English: 7, 13, 15, 17 Dec)	latest schedule	(please call 68263041/ 68263086 to enquire about fund Apply Teamwork in the Workplace	
Forklift (1 day Theory & 2 days Practical)	Please call 68263044 for the	(Bi-lingual / 双语教学)	5, 6, 7 Jan
Forklift (1 day Theory & 4 days Practical)	latest schedule	Apply 5S Techniques (Bi-lingual / 双语教学)	12, 13, 14 Jan
APICS COURSES		Apply Quality Systems	19, 20, 21 Jan
APICS CSCP Certified Supply Chain Professional		(Bi-lingual / 双语教学)	
APICS CPIM Basics of Supply Chain Management		Apply Workplace Safety & Health Policy	25, 26, 27 Jan
APICS CPIM Master Planning of Resources	Please call	Develop Purchasing Skills & Selection of Vendors	11,12,13 Jan
APICS CPIM Detailed Scheduling and Planning	68263071 /	Follow Good Manufacturing Practice	19, 20, 21 Jan
APICS CPIM Execution and Control of Operations APICS CPIM Strategic Management of Resources	68263063 for the latest schedule	Implement Profitable Marketing & Sales Strategies in Manufacturing	18, 19, 20 Jan
APICS Global Sourcing Workshop Series		Implement Sales & Customer Service in Manufacturing Business	22, 23, 24 Jan
APICS LEAN Enterprise Workshop Series		Use Hand Tools	12, 13, 14 Jan
		Supervise Teams at Work	3, 4, 5 Jan
WSQ CERTIFICATION PROGRAMMES	DEC 2010 &	Supervise Work Improvement Processes	13, 14, 21 Jan
(please call to enquire about funding)	JAN 2011	Supervise Quality Procedures	17, 18, 24 Jan
Certificate in Generic Manufacturing Skills (Logistics)	Please call 68263041	Supervise Workplace Safety & Health Practices	10, 11, 12 Jan
Certificate in Generic Manufacturing Skills (Precision)	for the latest schedule		, ,
Certified Operations Specialist (COS)	Please call 68263086 for the latest schedule	For Seminar enquiries: Call: 6826 3071/ 6826 3056	
0.46.10	Please call 68263044	Email: ccl@smafederation.org.sg	
Certified Operations Professional (COP)	for the latest schedule	Website: www.sma.sg	

IP Starter Case study – Trek 2000 International "Trekking" onwards with IP

stablished in 1989, Trek 2000 International has built itself into an industry leader, innovator, original inventor and patent owner of the ThumbDrive® (i.e. USB Flash Drive) offering state-of-the-art design solutions ranging from Mobile Media Solutions, Wireless, Anti-piracy, Compression and Encryption to sophisticated Enterprise Solutions all catering to the fast changing digital industry. Trek sets itself apart as the key differentiator in the digital industry through it creativity, innovativeness and ingenuity. Being at the forefront of technology development, Trek understands that building up its intellectual assets and effectively managing its intellectual property (IP) portfolio is critical.

Trek's first IP asset is its trade marks. The company has registered trade marks for Trek® and ThumbDrive®, which have already been granted in Singapore, USA, China, India and numerous other countries. Other more recent trademarks include Flu Card®, DivaDrive® and FluDrive®.

Trek's patent strategy

In addition to its trade marks, Trek has created a substantial portfolio of patents. After receiving its first patent in 2002 for its ThumbDrive® USB Flash Drive solution, the company has now been granted over

300 patents in its targeted countries in the areas of Wireless, USB, Anti-Piracy, Compression, Security and Centralised Management System technology solutions. As a commercial company, Trek has adopted a pragmatic IP strategy, to ensure that its patents lead to additional revenue for the business.

"One of our key patent strategies is to ensure that the patent is commercially viable and this is done before we even embark on filing the patent. After all, there is no point in spending the resources to patent a technology, if it cannot be sold. There is also no point patenting something just for the patent's sake. Once the green light is given, we then bring in our patent attorneys," said Mr Henn Tan, Chief Executive Officer of Trek.

Another part of Trek's patent strategy is to look at technologies that can be quickly turned into revenue-generating products. Being mindful of the bottom line, the company's typical time frame to develop a product from a concept is approximately 2 years. A longer term strategy is to build a library of IPs in key technologies to enhance the value of Trek.

Expanding Trek's licensing portfolio

Trek's IP strategy, together with the contributions from its other IP assets has boosted its sales figures





to reach US\$69 million in FY 2009. The company will continue to invest in building up its IP assets for further growth. One area that is well positioned to boost its business is technology licensing, an activity which Trek started in 2003.

"We have to be selective in who we grant our licenses to, in order to maximise benefits to both Trek and the licensee. In particular when giving worldwide licenses, we need to find a strong partner" said Mr Tan. Through progressive registration of its patents in key markets and countries around the world, Trek is gaining recognition and acceptance of its R&D capabilities. These IP rights put Trek in a stronger position to grow the revenue stream from patent licensing.

Building up an IP culture

Having invested so heavily its IP assets, Trek continues to inculcate a strong IP culture throughout the company. Guidelines to address confidentiality and IP ownership issues are built into the company's HR policies. In addition, the R&D team is bound by separate Non-disclosure Agreements (NDAs) to better protect the company's IP assets. Trek also invests heavily in its people, with hands-on training to build up competencies and having a flat hierarchy to encourage innovation.

Protecting the company's IP

Trek's IP savviness comes from experience, as the company took steps to enforce its patent in Singapore in 2002. In 2005, the High Court of Singapore ruled in Trek's favour. The Singapore court of Appeal later dismissed the appeals and endorsed the Singapore High ruling.



"We filed our patent for the ThumbDrive® USB Flash Drive solution in 2000. That year, we went to CEBIT in Germany to showcase our ThumbDrive® USB Flash Drive solution, as the world's first and smallest ThumbDrive® USB Flash Drive. When we went back to CEBIT the following year, we had some 50 competitors from many countries. Unfortunately, we could not do anything about this as our patent was pending at the time. So when the patent was granted in 2002, by the Intellectual Property Office of Singapore, we took steps to protect our assets," explained Mr Tan. Whilst IP litigation is very expensive, other alternatives include out of court settlements and licensing arrangements.

Having said this, Mr Tan agrees that this IP litigation case has helped to prove the strength of both the company's IP and its products. It has also enabled Trek to gain worldwide recognition for its ThumbDrive® USB Flash Drive solution. At the same time, within a short time, the USB data storage devices quickly became the accepted standard around the world.

Trek's victory in this IP litigation case, as a home grown, having a sophisticated and complete IP strategy that works, has demonstrated not only Singapore's conducive environment for creating, exploiting and protecting one's IP but more importantly the value in owning intellectual property rights. Moving ahead, Trek will continue to expand its IP portfolio in order to fuel further growth. Connect

Food for Thought

- + To patent or not to patent is ultimately a business decision your company needs to consider even as early as at the stage of concept development.
- + When considering patents, it is important to consider the commercial value of your company's invention and the potential revenue streams that can be generated from it. After all, filing patents (especially across several jurisdictions) can be a costly affair (time and money). As the CEO of Trek puts it, "Don't patent for the patent's sake."
- + Filing several patents in the related fields can be a means to enhance the value of your company. This is what Trek did to strengthen its position in the related fields of the USB flash drive technology.
- Litigation or enforcement is not the only available option for your company to deal with infringements. You may wish to consider settling out of court or propose licensing deals.



Mr Simon Li, Vice President with officials from the Ministry of Commerce of the Kingdom of Thailand at the Conference.

s the world's third largest Free Trade Area, the China-ASEAN FTA (CAFTA) came into effect on 1 January 2010, and has since enjoyed tremendous global attention. One of the more important key elements is the industry cooperation between China and ASEAN. The first China-ASEAN Industry Cooperation Conference China-ASEAN organised by Business Council Chinese Secretariat and Kunming Municipal Government was held in Kunming from 16-19 September 2010 to gather insights across a few economic sectors. About 200 delegates including government officials, entrepreneurs, trade association representatives, and embassies of the ASEAN nations attended the conference.

Mr Simon Li, SMa Vice-President was invited as one of the keynote speakers among other Asean trade associations and chambers to share his insights on how to boost industry cooperation. His speech "Leveraging on CAFTA to Boost Singapore-China Industrial Relations and Development" covered on the opportunities for collaboration, highlighting the Gold, Silver and Green economy. He also shared perspectives on Trade in Goods, Investments, Manpower, and highlighted SMa's focus on 2nd and 3rd tier cities of China.

Mr Li gave an overview of the Precision Engineering Industry as well as the Energy Sector in the Singapore context in a panel discussion. He was also chosen to announce the Presidential Statement of China-ASEAN Industry Cooperation Conference in Kunming, at the closing ceremony of the conference.

Industry Cooperation in the Limelight

The Presidential Statement concluded 5 major consensus of the Conference:

- Integrate resources to seek complementation and promote strategic cooperation between industries from both sides;
- The principle of China-ASEAN industry cooperation is to seek complementation, mutual benefit, coordination and innovative development;
- Government agencies, industry associations and corporate sector should make joint efforts to promote cooperation;
- Enhance industry cooperation in an active, concrete and comprehensive manner;
- Set up and improve a cooperation mechanism for China-ASEAN industry associations. Connect

2010 marks the 20th anniversary of Singapore-China diplomatic ties, and the first year where CAFTA is put in place. With the launch of CAFTA this year, bilateral trade volume reached US\$39.41 billion, representing an increase of 34.7% year-onyear. Meanwhile, bilateral trade volume between China and ASEAN countries reached US\$161 billion, an increase of 50%.

Connect 23 www.sma.sa

Singapore Packaging Star Awards 2010

total of 42 winning entries were shortlisted at the Singapore Packaging Star Awards 2010, an annual national packaging awards jointly organised by the Packaging Council of Singapore (PCS) and Singapore Manufacturers' Federation (SMa). This year's Awards saw a tremendous increase in submissions and winning entries across all commercial and student categories, possibly buoyed by the recovery in the local economic conditions.

The organisers observed that active participation not only came from packagers and brand owners but also from the students. This year, the student category gathered much support from various polytechnics and ITE. A new award was introduced for the student category – Student Starlite winners.

The Packaging Council also introduced a new category - Chairman's Award, which represents the highest standards in packaging excellence. Four winning entries are selected for the final judging of the Chairman's Awards at a later date. Connect

The entries are:

- Starlite Printers (Far East) Pte Ltd JW 200ml F1 Box
- 2. Starlite Printers (Far East) Pte Ltd Christmas 09 Promo Box
- 3. Goh Joo Hin Pte Ltd Hamper Box
- 4. Goh Joo Hin Pte Ltd CNY 10 Gift Set Series -Hana & Pussy Willow

■ Winners for Commercial – Sales & Display Products

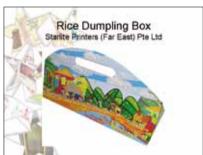












■ Winners for Commercial – Transportation & Protection





Winners for Commercial – Environmental Sustainable























Products







Packaging Products





Snapshots }

Singapore Packaging Agreement (SPA) 8th CEO Luncheon

Date:

19 August 2010

Venue:

Peach Garden Sichuan Restaurant, Hotel Miramar



A total of 22 organisations receive Certificates of Active Participation as well as Certificates for new signatories under the Singapore Packaging Agreement.



Guest of Honour, Mr George Huang, President of Singapore Manufacturers' Federation (SMa) presenting Certificate of Active Participation to Mr Sunny Koh, Chairman of SMa F&B IG and Deputy Chairman of Packaging Council of Singapore.

SMa Mid Autumn Festival Networking Night 2010

Date:

23 September 2010

Venue

Grand Copthorne Waterfront Hotel



Mr George Huang, SMa President extending his warmest welcome to the audience.



More than 150 participants attended the SMa Mid-Autumn Festival Networking Night.



Beautiful Chinese tribal dance performance to complement the great food and beautiful night.



Central Food Hall brings Singapore's iconic dishes to the Thai consumers at Tasty Singapore.



Cooking demonstration with 128 products showcased at the B2C exhibition show at Central Food Hall.



Companies under the Tasty Singapore league together with the show organisers and management of Central Food Retail Co., Ltd.

Launch of Tasty Singapore in Thailand

Date:

1 October 2010

Venue:

Central Food Hall, Bangkok, Thailand