

STRETCH

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Malaysian Rubber Export Promotion Council

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Taking Stock 2001 – 2014





CEO of MREPC Dato' Teo Suat Cheng

Over the last 10 years, significant changes have taken place within the rubber and rubber product industry. When MREPC was set up, the focus was on addressing issues in market access and negative perceptions of Malaysian rubber products, particularly concerns regarding latex allergy. With improved manufacturing practices, rigorous testing and export licensing requirements, implementation of the SMG scheme and education of the consuming public, the legitimate concerns of end-users and regulatory agencies in the major importing countries have largely been addressed. The rubber glove industry has grown to become the mainstay of the rubber products sector and contributes the lion's share of export earnings from rubber products.

Export earnings have since grown substantially and in 2013, rubber product export earnings at RM14.7 billion exceeded earnings from exports of raw rubber (RM12.3 billion). The Malaysian rubber glove industry has become a major player in world markets and supplies rubber gloves to over 190 countries. Malaysian condoms and foley catheters also have dominant positions in terms of world market share.

MREPC has grown in the scope of its functions, focusing on the needs of the industry, and based on changing world market requirements. Market promotion activities, including participation in trade fairs and exhibitions, trade missions and market-matching sessions remain at centre stage. MREPC undertakes market research and provides incentives to assist rubber product exporters carry out their own market promotion, register brands and improve facilities for testing and certification, etc.

Among other initiatives that have had considerable impact on the rubber product industry in Malaysia are the scholarship programme to attract talent to the industry and the continuing training and market seminars regularly held by MREPC. MREPC also undertakes advertising programmes to focus attention on Made in Malaysia rubber products and Malaysian rubber product manufacturers. It has developed a website and other internet-based tools for the same purpose.

In an increasingly competitive and complex environment, MREPC needs to continue developing strategies and programmes that will benefit its primary stakeholders, Malaysian rubber product manufacturers and exporters. Over the past decade, MREPC has sought to engage industry members in planning the activities and programmes undertaken by MREPC, while bearing in mind national objectives and interests of other stakeholders. It is hoped that the industry will continue to provide the input needed to ensure that MREPC will serve its needs effectively.

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Editor-in-Chief: **DATO' TEO SUAT CHENG**

Editor: **EN. ADNAN ABDULLAH**

For comments, enquiries and advertisements, please contact:

The Editor,

MREPC,

Block 2A, Level 13A-1, Plaza Sentral

Jalan Stesen Sentral 5, 50470 Kuala Lumpur, Malaysia

Tel : 603-2780 5888

Fax : 603-2780 5088

E-mail : stretch@mrepc.com

Website : www.mrepc.com

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The reception area of the MREPC office at Plaza Sentral

Exports of rubber products in 2000 were valued at RM5.68 billion, and latex products accounted for almost RM4.48 billion or 79% of the total. In 2014, rubber product exports have grown to RM15.17 billion, an increase of 167%, a cumulative annual increase (CAGR) of almost 7.3%. Latex products are still predominant, making up almost 80% of exports in 2014.

The period of growth in exports has also seen the industry mature and consolidate, with some Malaysian rubber product companies becoming world leaders. Malaysia has become the world's leading exporter of rubber gloves, condoms and catheters. However, the dry rubber sector has not seen the same level of development, with most companies in the sector focused on the domestic market and operating on a relatively small scale.

Since the year 2000, when MREPC was set up, the Malaysian rubber products industry has grown and changed significantly.

MREPC's Role

MREPC has grown in tandem in terms of its functions and activities, based on feedback from the industry and changing market requirements.

Initially focused on addressing market access issues faced by Malaysian products in developed countries, such as concerns with latex allergy in the US and Europe, MREPC today plays a much broader role in assisting the industry expand markets and meet current challenges.



Our latex gloves are the best, said Dato' Dr Ong, former deputy CEO MREPC, to Datin Jeanne Abdullah, wife of former Prime Minister Abdullah Badawi as MREPC CEO Dato' Teo Suat Cheng looked on at the Malaysia International Commodity Conference and Showcase 2007 in Kuala Lumpur.

It has established representative offices in the United States, Europe, India and China to provide assistance to Malaysian rubber products companies seeking to grow their businesses, to handle trade inquiries and assist in addressing the needs of the rubber product industry in a more comprehensive manner. MREPC USA was set up in Washington DC in February 2001 while MREPC Europe was set up in August 2007 and MREPC China in September 2011 in Shanghai. A representative has been appointed in Mumbai India and is in the process of setting up an office.

Market Missions and Trade Promotion

MREPC's core function – market promotion, including participation in trade fairs and exhibitions, trade missions, working visits and business matching sessions – has grown in number and scope. For example, 2001 saw participation in 5 international trade events, while in 2014 MREPC participated in 19 such events. The leading role assumed by MREPC in trade fairs and marketing missions has facilitated the participation of Malaysian rubber product companies in international trade events and opened doors to potential trade partners in many countries. Over the last five years, the focus has been on new and emerging markets, as these countries have the greatest potential for growth.

Seminars and workshops have been held in target markets to address specific issues raised by end-users and to provide in-depth information of products.

Advertisements in relevant online and print media have helped promote Malaysian rubber products in target markets. The MREPC Marketplace, a website listing Malaysian manufacturers of rubber products and giving buyers direct access to product catalogues has featured prominently in these advertisements and has seen increasing numbers of visitors.

MALCORP, an MREPC subsidiary, was also set up as a vehicle for Malaysian rubber product SMEs to directly export their products.

Market Research

The market research activities undertaken by MREPC provide much needed information to Malaysian exporters. The studies, done in-house or by reputable research firms, examine the market for specific rubber products in markets of interest to Malaysian manufacturers and form the basis for planning for market promotion activities. To date, a total of - 30 research reports have been completed and are accessible to Malaysian exporters.

Research findings are also disseminated to manufacturers and exporters through market information seminars.

Scholarships



Some of the scholarship recipients

An initiative with far-reaching implications was the launch of MREPC Scholarship Awards in 2011 by YB Tan Sri Bernard Dompok, the former Minister for Plantation Industries and Commodities.

The scholarship awards, with an initial outlay of RM5 million, marked MREPC's 10th year and a decade under the leadership of then chairman, Tan Sri Arshad Ayub. From six scholarship recipients in its first year, to 51 last year, the programme is an opportunity for the industry to play its part in keeping the best young Malaysians in the country, to assist deserving students obtain tertiary education and to attract the brightest and the best to the rubber products sector.

Package of Incentives

In another first, MREPC came up with its Incentives package in 2010, aimed at increasing the export of rubber products.

Launched by the council's former chairman, Datuk Billy Abit Joo, the incentives package helps rubber product exporters – particularly SMEs – conduct their own market promotion, register brands and improve facilities for testing and certification, among others.

The incentives package, reviewed annually, has helped industry players, particularly SMEs, expand exports of their products.



Raising competitiveness with seminars and workshops

Training and Development

MREPC's seminars and workshops offer participants practical knowledge and up-to-date information on technical and market developments. Two popular series of talks, Rubber 101 and Latex 101, have provided many in the industry with a basic grounding in rubber product technology. Other presentations have given insights into implementation of quality programs and improving marketing skills. The workshops and seminars also address many issues raised by industry players.

Forging Ahead

Despite the vagaries of oil and rubber prices, rising production costs and increased competition from other countries, most of the firms involved in the rubber products export industry have risen to meet the challenges admirably.

Adoption of new technology and automation, new and improved materials and processes and up-to-date marketing strategies will be essential for Malaysian companies to maintain or increase their share in world markets. Companies that are market leaders in their product categories today will need to continuously innovate or lose their pole position, while market expansion for smaller companies will depend on their capacity for change.

MREPC will continue to assist the rubber product industry in Malaysia to market their products more effectively and to increase exports of rubber products. The programmes and activities undertaken will be reviewed to ensure relevance, with input from the industry and other stakeholders.

MREPC SCHOLARSHIP AWARDS 2014

The MREPC Scholarship Awards Programme, aimed at attracting the brightest and the best students from Malaysian universities to the rubber products industry, was established in 2010. From a modest offering of six awards in its first year, the awards have increased in popularity among students as well as employers and have provided financial assistance to 125 undergraduates thus far.

In 2014, 51 MREPC Scholarship Awards were awarded.

MREPC Scholarships Awarded in 2010 – 2014

Year	No. of Scholarships		
	MREPC	Co-Sponsored	Total
2010	3	3	6
2011	3	3	6
2012	14	11	25
2013	27	10	37
2014	51	0	51
Total	98	27	125

The most popular field of study among the applicants, and most of the scholarships awarded, were for Chemical Engineering, with 20 awards. Mechanical Engineering students were awarded a total of 11 scholarships. Accountancy students received four awards with three going to Computer Science students. All other fields of study received an award each.

Eighteen of the students were from public universities and 37 from private universities. In 2014, 12 of the students awarded scholarships were from low-income families and were given special consideration in evaluating their applications.

Students from most of the major universities in the country, both public and private, were represented in the list of recipients. About 65% (33 students) of the MREPC Scholarship recipients were from private universities while the remaining 35% (18 students) were from public universities. The recipients from private universities comprised students from Curtin University, Sarawak Campus (6 students), Monash University, Malaysia Campus (5 students), the University of Nottingham, Malaysia Campus (6 students), Swinburne University of Technology, Sarawak Campus (4 students), University Tenaga Nasional (3 students), Petronas University (3 students). As for students from the public universities, they comprised students from MARA University of Technology (3 students), University Putra Malaysia (4 students), Universiti Sains Malaysia (4 students) and University Technology Malaysia (3 students). Other universities were represented by one student from each university.

MREPC Scholarship Award Recipients, 2014

Chemical Engineering

Beh Zi Qi, Nottingham
Lee Yong Jieh, Monash
Alecia Wong Sze Mun, Nottingham
Amy Yeo Wun Tin, Swinburne
Yuvitha A/P Vellasamy, UTM
Wong Hui Xuan, Heriot-Watt
Nashrah Ayna Bintl Shah Fiesal, UITM
Kisheelah A/P Rakavan, USM
Cheang Lai Teng, Curtin
Teh Eng Nam, Curtin
Lim Jihn Yih, Curtin
Thefye Prasad A/L Mognna Sunthar, UniKL
Geoh Sew Yin, UTP
Hii Neng Ting, UTP
Afiq Aiman Bin Shukri, UITM
Hoo Yee Min, UTP
Umar Khalis Kamarudin, UPM
Lee Chia Chean, Monash
Jolene Tan Hui Hoon, Swinburne

Electrical / Electronic Engineering

Chong Pei Kee, Nottingham

Mechanical Engineering

Raveen Lingam Ramalinggam, UNITEN
Dominic Tan Wen How, Monash
Kogulan Rajasagaran, USM
Tan Khoon Hooi, Nottingham
Dharmendra Selvaraj, Curtin
Muhammad Amirul Bin Baharuddin, UITM
Choong Kok Hoe, Monash
Muhammad Syahmirull Azmi Bin Salim, UPNM
Edwin Choo Jia Chiet, Nottingham
Muhammad 'Abid Ira Irawan, UTM
Herbert Goh Wooi Keat, Curtin

Mineral Resources Engineering

Suchitra Perumal, USM

Electric Power Engineering

Azreen Awalludin, UNITEN

Environmental & Occupational Health

Nathanael Vethanayagam James, UPM

Chemical Engineering (Bio Process)

Arvind Siralan, UITM

Manufacturing with Management Engineering

Angles Liew Xin Juan, USM

Computer Science

Ahmad Zulhilmi Zainal, UNITEN
Lau Zhenjie, UM
Karthiaaini Dewi, Monash

Information Technology

Loo Kah Heng, UCSI

Business & Commerce

Chong Gin Ann, Monash

Commerce (Accounting)

Chang Foo Khang, Monash

Economics

Muhammad Syazwan
Muhamad Najmi, UPM

Accounting & Finance

Lau Ai Ping, Swinburne

Statistical Analysis

Nur Syahirah Samsudin, UPM

Accountancy

Muhammad Qawim
Muhammad Nassir, USM
Er Chai Ling, Swinburne
Afaf Zulfa Ahmad Zaki, IIUM

Finance, Accounting & Management

Darshini Velao, Nottingham

Finance

Ganeswari Ramulu, UNISEL

Business & Economics

Daashini Subramaniam, Taylor's

Some MREPC Scholars Serving The Industry



Jocelyn Chng Mi Dih, 25, holds a Bachelor of Engineering degree. "The MREPC scholarship covered all of my tuition fees at Universiti Tunku Abdul Rahman. I am really grateful as it has helped to ease my parents' burden and I was able to concentrate on my studies. The scholarship, co-sponsored by Supermax Corporation Berhad, also offered internship opportunities in the rubber industry.

"Currently with Supermax's subsidiary, Maxter Glove Manufacturing Sdn Bhd, I have learnt a lot these past six months. The knowledge gathered during my internship has helped in building a strong foundation on the glove manufacturing process. Supermax has given me the opportunity to be exposed to both Natural Rubber and Nitrile glove manufacturing. "My main responsibilities are on process support and product development. It is a challenging experience and I have a sense of satisfaction on completing a project. This is what makes me love my job. My colleagues at Maxter are very friendly and it is a pleasure working with them. As a chemical engineering student, oil and gas industry is the most sought after upon graduation. In fact, I wasn't really familiar with the rubber industry. I was quite skeptical on prospects this industry, but after being exposed to the glove manufacturing experience, I find that this industry have great potential."



Lee Siu Ming, 24, graduated with a Bachelor of Economics from the Multimedia University Malaysia. He is currently attached to MREPC in the Corporate Planning & Research division.

"The MREPC scholarship helped me complete my studies. MREPC is an organisation with a good working environment and supportive colleagues. I am grateful that the organisation considered my request to be placed in the Corporate Planning and Research Division. Each industry has its advantages and disadvantages. Ultimately, it is up to the individual to make good use of the opportunities in the industry. I see good prospects in working in the rubber and rubber product industry."



Yap Wee Shen, 24, graduated with a Bachelor of Engineering from the University of Nottingham (Malaysia Campus), under a co-sponsored MREPC-Kossan scholarship. He is currently a plant engineer at Kossan Latex Industries Sdn Bhd.

"The scholarship covered 75% of my tuition fee which greatly reduced the financial burden for education. I also have a job in a listed rubber company. I appreciate the privilege of having my internship and employment placements arranged by MREPC because it saved me much effort on graduation. Some may find the plant environment slightly hazardous amid the chemicals and machines, but Kossan has established strong policies and implemented safe practices to reduce risks to health and safety."

"As a fresh graduate, I find there is a lot to learn from my senior colleagues. I am currently in charge of a latex glove production plant and my job requires me to constantly liaise with the production department and suppliers to solve in-plant problems. I am grateful to be surrounded by helpful and friendly colleagues."

The Market for Rubber Automotive Parts in Indonesia: Focus on Replacement Market (REM)

Indonesia is an attractive market for motor vehicles and automotive products, given its large population of about 250 million and expanding middle class which is expected to grow from 74 million in 2013 to 141 million by 2020. Over the last decade, Indonesia has been witnessing strong growth in production and sales of motor vehicles as well as significant increase in the number of registered vehicles. With a sizeable and growing automotive sector, Indonesia is an important market for the export of a wide range of rubber automotive components and parts.

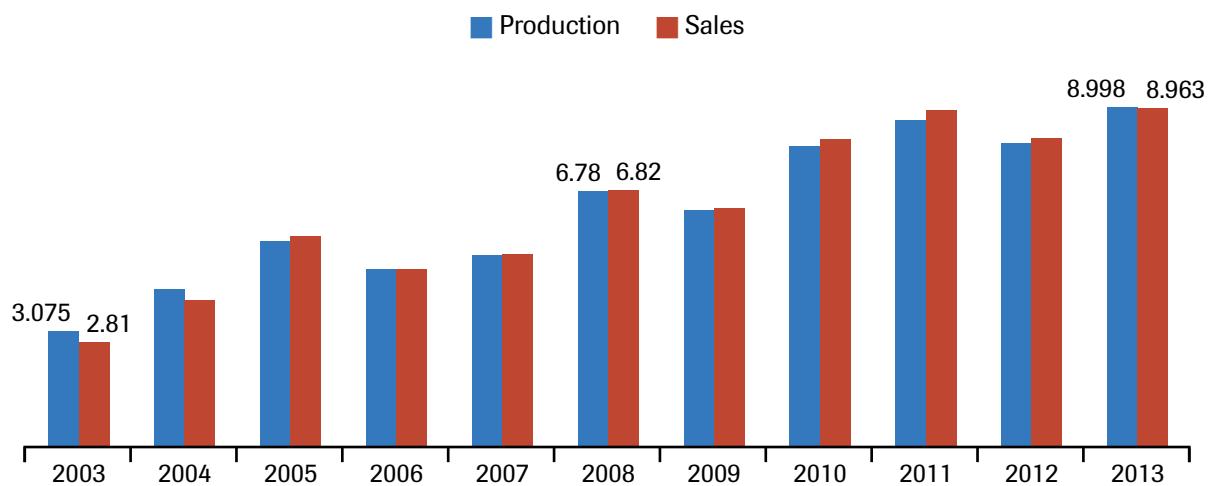
Indonesia Automotive Industry

Vehicle production in Indonesia increased from 3.08 million units in 2003 to about 9 million units in 2013, registering a CAGR of 11.3%. In 2013, motorcycles accounted for 86.5% of the total vehicle production. Cars accounted for 11.8% while the remaining 1.7% was made up of trucks and buses.

Currently, Toyota is the most popular manufacturer of passenger cars with a market share of 36%, while Honda is the leading manufacturer in the two-wheeler market with 58% market share. Other key manufacturers of passenger cars are Daihatsu, Mitsubishi and Suzuki while Yamaha is the second largest manufacturer of two-wheelers.

Sales of motor vehicles in the country grew by a CAGR of 12.3% from 2.81 million units in 2003 to 8.96 million units in 2013. Motorcycles accounted for 86.4% of the total vehicle sales in 2013. In the passenger car segment, multi-purpose vehicles or MPVs are the most popular type by sales volume. This was followed by sports utility vehicle (SUV), sedan/city cars. Japanese makes are currently dominating the sales of passenger cars and two-wheelers in Indonesia.

Figure 1: Production and Sales of Vehicles in Indonesia (million units)



Source: GAIKINDO

During the period from 2003 to 2013, the number of cars on the roads in Indonesia grew by a CAGR of 18.5% while the number of two-wheelers increased by 28.7%. Currently, there are 5 million cars and nearly 60 million two-wheelers being used on the roads all over the country. Vehicle sales and population in Indonesia are expected to continue to increase given the healthy economic outlook and income growth which will drive sales of motor vehicles.

Market Size for Rubber Replacement Parts

The total market size for rubber automotive components (RAC) in the replacement market (REM) segments in Indonesia was estimated at around USD50.1 million in 2012. The REM segment consists of RAC supplied by original equipment suppliers (OES) and aftermarket products supplied by other manufacturers and importers. Passenger cars and motorcycles are the two largest vehicle segments of REM rubber parts, accounting for 49.6% and 48.7% of the market size in 2012, respectively.

Table 1: Market Size for REM Rubber Parts by Vehicle Segment, 2012

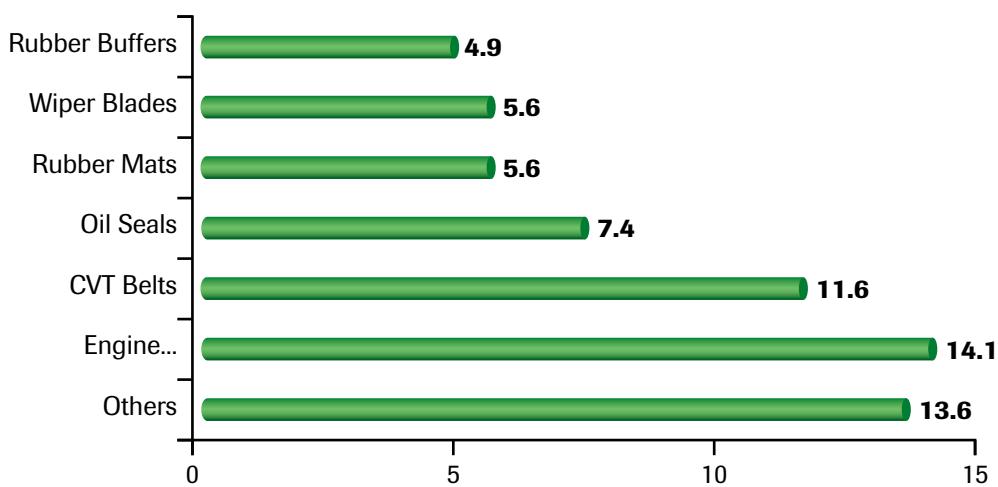
	Vehicle Segment	REM (USD million)	Share of OES	Share of Aftermarket
1	Motorcycles	24.42	32%	68%
2	Passenger Cars	24.85	48%	52%
3	Trucks	0.17	68%	32%
4	Buses	0.66	40%	60%
	Total	50.10	47%	53%

The REM market for RAC in Indonesia is expected to increase from USD50.1 million in 2012 to USD117 million in 2017, a CAGR of 18.5%. The growth in the REM market will be driven mainly by sales of four-wheelers which posted a CAGR of 13% over the last decade (2003-2013).

Key Products

Key RAC in the REM segment are engine mountings for applications in cars, trucks and buses, continuously variable transmission (CVT) belts for motorcycles and oil seals for all vehicle types. Other major products include rubber mats for cars and rubber buffers for motorcycles.

Figure 2: Key REM Rubber Spare Parts, 2012 (USD million)



Note: Others include V-belts, hoses, o-rings, grommets and window seals

Genuine branded parts supplied by original equipment suppliers (OES) account for 20-21% of the REM segment, while parts with other brands account for 75% to 76%.

Imports of RAC

Imported automotive parts constitute only a small proportion of the total market size for both the original equipment manufacturers (OEM) and REM segments in Indonesia. However, based on trade statistics, imports of RAC in Indonesia are growing rapidly. Over the last five years (2009-2013), imports of RAC into the country increased by a CAGR of 25%.

In the REM market, it was estimated that imported RAC accounts for around 5% of the total consumption.

A survey was carried out to obtain information on the value of imports and main source of imports for OEM and REM parts. Based on the survey, the main imported RAC in Indonesia are wiper blades, o-rings, grommets and belts (Table 2). Japan was the largest source of imports for most of the key rubber parts. A significant amount of RAC (about 45% of total) is sourced from ASEAN countries including Thailand, Singapore and Malaysia.

Table 2: Imports of Selected Rubber Automotive Parts (OEM and REM)

Products	Imports (USD million)	Top 3 Exporters
Wiper Blades	9.96	Malaysia, Japan, Singapore
O-rings	8.35	Japan, Singapore, Thailand
Grommets	7.15	Japan, Singapore, Thailand
Timing Belts	3.81	Japan, Singapore, Australia
V-Belts	3.03	Japan, Singapore, Thailand
Hoses	1.57	Singapore, Japan, Australia
Rubber Seals	1.52	Japan, Singapore, Thailand
Oil Seals	0.9	Japan, Singapore, China
Mountings	0.6	Thailand, Japan, Singapore

Geographic Distribution and Consumption Patterns

The region of Java-Bali-Nusa Tenggara is the main distribution area for REM parts in Indonesia. The region accounts for about 60% of total consumption of REM parts in the country. The major spare parts distribution areas are Kebun Jeruk and Pasar Kemayoran in Jakarta, Banceuy Street and Kiara Condong (Bandung), Kedungdoro (Surabaya), Asia Street (Medan), and Kuripan, Kayutangi and Achmad Yani (Banjarmasin). In these areas, rubber spare parts are sold through various channels such as wholesale stores, spare parts shops and authorised service stations.

There is growing preference towards quality REM parts in Indonesia and end-users perceive higher priced products as having better quality. Hence, quality branded spare parts which are normally priced slightly cheaper than genuine products may do well in the market. From the study, engine mountings, wiper blades and CVT belts are identified as the products with the greatest market potential in the REM sector of Indonesia. These products are considered by vehicle owners as critical replacement parts and therefore they are less price-sensitive when buying the products.

International Trade Shows

MREPC will embark on international trade shows with various strategies in place. For 2015, our strategies for rubber medical devices (RMD) are to maintain market share in traditional markets, such as USA and Europe, and increase market share in developing markets, such as Latin America, Africa. For rubber automotive components (RAC), MREPC hopes to expand the market share in traditional markets such as USA and Europe.

For engineered rubber products, MREPC is targeting countries with high construction activities, such as Russia, for new opportunities for rubber bearings, expansion joints, and other related products.

The world trade shows on the schedule are:

1

**Construction: Mosbuild,
Moscow, Russia**

14-17 April, 2015

2

**RMD: Medexpo, Dar Es
Salaam, Tanzania**

23-25 May, 2015

3

**RMD: Expomed, Mexico
City, Mexico**

10-12 June, 2015

4

**RAC: GACS, Stuttgart,
Germany**

16-18 June, 2015

5

**RMD: FIME, Miami,
USA**

5-7 August, 2015

6

**Household & Industrial Gloves:
A+A, Dusseldorf, Germany**

27-30 October, 2015

7

**RAC: AAPEX, Las Vegas,
USA**

3-5 November, 2015

8

**RMD: Medica,
Dusseldorf, Germany**

20-23 November, 2015

Malaysia's Exports and Imports of Rubber Products (RM'000)

	Exports		Imports	
	2014	2013	2014	2013
January	1,246,393	1,180,143	362,064	367,270
February	1,091,568	1,091,231	305,352	275,507
March	1,271,409	1,338,113	405,508	337,016
April	1,239,069	1,226,278	421,736	390,208
May	1,284,341	1,249,368	476,143	385,796
June	1,222,057	1,178,486	434,720	376,865
July	1,190,785	1,127,372	400,265	466,902
August	1,359,494	1,295,257	424,788	375,684
September	1,230,220	1,259,521	422,129	413,274
January-September	11,135,336	10,945,769	3,652,705	3,388,522
% Change (January-September) 14/13	1.73			7.80

Source: Department of Statistics, Malaysia

Major Destinations for Malaysia's Rubber Product Exports (RM'000)

Country	January–September 2014	January–September 2013	% Change	% Share (2014)
USA	3,032,998	3,019,927	0.4	27.24
EU-27	2,837,468	2,806,512	1.1	25.48
ASEAN	979,452	1,003,512	-2.4	8.80
Japan	738,772	588,018	25.6	6.63
China, P.R.	420,627	483,048	-12.9	3.78
Australia	412,737	332,763	24.0	3.71
Brazil	389,914	453,459	-14.0	3.50
Canada	210,303	204,590	2.8	1.89
Turkey	165,422	175,764	-5.9	1.49
South Korea	164,011	165,661	-1.0	1.47
Hong Kong	106,930	115,330	-7.3	0.96
UAE	85,906	91,132	-5.7	0.77
Subtotal	9,544,540	9,439,716	1.1	85.70
World Total	11,135,336	10,945,769	1.7	100.00

Source: Department of Statistics, Malaysia

The International AIDS Conference 2014, Melbourne, Australia

20–25 July 2014



Creatively Colourful – main attraction to MREPC booth at AIDS Conference 2014

Some 12,000 participants and 1,000 media representatives from over 200 countries gathered in Melbourne for the 20th International AIDS Conference (AIDS 2014), themed “Stepping up the Pace”. AIDS 2014, organised by the International AIDS Society (IAS), provided a forum for presenting new research, promoting dialogue and future collaborations and developing strategies to advance the global response to HIV.

MREPC participated with a 18-sqm promotional booth and a concept showcasing the innovation of Made-In-Malaysia condoms. The eye-catching “house” concept showcased a wide-range of condoms of varying sizes, textures, surfaces, shapes, colours, flavours, fragrances and packaging. The bouquets of flowers made from condoms and an aquarium decorated with condoms were some of the favourites of visitors to the booth. The new tagline, “Concommunicate with Malaysia – The World’s Largest Condom Maker”, made its debut at AIDS 2014. The tagline received many compliments as too the newly-designed give-away round condoms and flyers.

AIDS 2016 will be held at Durban, KwaZulu-Natal, South Africa from 17–20 July, 2016.

Medicall 2014, Chennai, India

1–3 August 2014



An overview of the MREPC Pavilion at Medicall 2014

The 12th edition of Medicall India, a three-day medical equipment trade show, was held at the Chennai Trade Centre in the Tamil Nadu capital from 1–3 August, 2014.

Organised by Medexpert Business Consultants Pvt. Ltd, Medicall 2014 saw over 600 exhibitors from 18 countries and drew over 10,500 visitors.

This is MREPC's debut at this premier Indian B2B event. The MREPC Pavilion, located at an ideal spot near the entrance of the hall, was a point of interest with its attractive design and attracted a large number of visitors. MREPC participated at Medicall 2014 along with four Malaysian rubber medical devices manufacturers, namely A1 Glove Sdn Bhd, Hartalega Sdn Bhd, Titi Glove and Top Glove Sdn Bhd.

The next Medicall will be held 31 July–2 August 2015, also in Chennai.

FIME, the largest medical show in the US with over 1,400 stands, drew over 52,800 visitors. Held in Miami, Florida, from 6–8 August, 2014, the trade exhibition and conference drew visitors from not only the US but also the South and Central America and the Caribbean.

The distinctive yellow and green MREPC Pavilion at FIME 2014 housed eight Malaysian manufacturers of rubber medical devices together with MREPC. Four other Malaysian manufacturers took part on their own accord.

In conjunction with FIME 2014, MREPC organised a seminar for users and market intermediaries, featuring a presentation entitled “Today’s Medical Gloves and Condoms: What You Need to Know” by Dr Esah Yip, Director of MREPC USA.

Feedback from participation at FIME 2014 was positive, with high visitor turnout for the exhibition and encouraging response from visitors to the MREPC Pavilion.

FIME 2014, Miami, the USA

6–8 August 2014



MREPC officers attending to visitors at FIME 2014

MREPC took part in Automechanika Frankfurt in Germany, along with five Malaysian rubber automotive parts manufacturers. They were Good Rubber Works Industries Sdn Bhd, Cooltec Industries Sdn Bhd, HML Auto Industries Sdn Bhd, Fudex Rubber Products (M) Sdn Bhd and Schmaco Auto Parts Industries Sdn Bhd.

Automechanika Frankfurt 2014, the largest automotive parts show in the world, drew over 4,600 exhibitors from more than 80 countries. The event highlighted the latest products and solutions in automotive parts, systems, tuning, workshop equipment, bodywork & paintwork, car wash, IT & Management and the latest automobile services.

The Malaysian manufacturers promoted a wide range of rubber automotive parts, including rubber pedals, air intake hoses, radiator hoses, rubber bellows, CV boots, door grommets, exhaust hangers, O-rings, rubber diaphragms, car rubber mats, engine mountings and weather-strips. The response was very encouraging with Malaysian participants receiving many inquiries.

Automechanika 2014, Frankfurt, Germany

16–20 September 2014



A Malaysian rubber parts manufacturer entertains a visitor

South African Automotive Week (SAAW) 2014, Johannesburg, South Africa

13–17 October 2014



An MREPC Officer attending to a visitor at the booth

MREPC participated in SAAW 2014 for the first time to promote Malaysian rubber automotive components. SAAW 2014, held at Gallagher Convention Centre, Midrand, attracted 7,000 visitors and featured nearly 350 exhibitors from 12 countries. These included Botswana, Lesotho, Nigeria, Turkey, Germany, United Kingdom, China, Taiwan, Australia and the USA promoting a wide range of automotive OEM and aftermarket products, manufacturing tools, equipment and systems as well as related services.

Kossan Rubber Industries Bhd and Schmaco Auto Parts Industries Sdn Bhd were the two rubber automotive components manufacturers at SAAW 2014. Both were located in the same hall as MREPC.

During the exhibition, MREPC gave a brief presentation to the importers and distributors of rubber automotive components in South Africa entitled “Sourcing Rubber Automotive Components from Malaysia”.

MREPC officers also took the opportunity to visit Partquip, an auto parts distributor, and the South Africa's automotive park under the aegis of the exhibition's organiser.

Hospital Expo 2014, Jakarta, Indonesia

15–18 October 2014



Mr Naim Abdul Rahman, the Trade Commissioner from MATRADE Jakarta at the MREPC pavilion

Held at the Jakarta Convention Centre, Jakarta, Indonesia, the 27th edition of Hospital Expo was a combination of three major events involving the 13th Indonesian Hospital Association (IHA) National Seminar, the 8th Annual Seminar on Patient Safety and the 27th Indonesian International Hospital, Medical, Pharmaceutical, Clinical, and Laboratory Equipment & Medicine Exhibition 2014.

The 4-day trade show drew over 37,000 visitors who were mainly doctors, nurses, pharmacists, hospital managerial and hospital quality control staff, medical equipment manufacturers, and academics. A total of 475 exhibitors displayed a wide range of the latest medical instruments and technologies. MREPC participated with four Malaysian rubber medical device manufacturers who focused on medical gloves. The striking green and canary yellow MREPC pavilion housing the Malaysian rubber product delegation turned out to be one of the most prominent spots at the event and attracted considerable attention. Business-matching sessions were arranged at MREPC's booth to link foreign buyers with Malaysian companies.

AAPEX 2014, Las Vegas, US

4–6 November 2014



An MREPC Officer attending to a visitor at the booth

Working Visit, US

7–11 November 2014



Malaysian automotive parts delegates at the Baxter Autoparts Store

AAPEX is the world's largest annual business-to-business event for the motor vehicle aftermarket industry. The event at Las Vegas, Nevada, saw 2,364 exhibitors and drew more than 61,000 visitors, both domestic and international.

Eight Malaysian companies participated with MREPC. They were Kossan Rubber Industries Berhad, Multisafe Sdn Bhd, Cooltec Industries Sdn Bhd, Sarpi Enterprise Sdn Bhd, Fudex Rubber Products Sdn Bhd, MALCORP, Kumpulan Jebco Sdn Bhd and Good Rubber Works Industries Sdn Bhd. Multisafe promoted industrial rubber gloves while the rest were rubber automotive component manufacturers.

MREPC received enquiries for various RAC products such as rubber engine mountings, bushings, o-rings, wire cables, automotive hoses and industrial gloves.

A working visit for six Malaysian rubber automotive component manufacturers was arranged by MREPC to automotive makers and suppliers of automotive parts in Portland, Oregon and Greenville, South Carolina.

The manufacturers were Fudex Rubber Products Sdn Bhd, MALCORP, Cooltec Industries Sdn Bhd, Kossan Rubber Industries Bhd, HML Auto Industries Sdn Bhd and Kumpulan Jebco Sdn Bhd. MREPC arranged 18 business-matching meetings in the working visit.

MEDICA 2014, Dusseldorf, Germany

12–15 November 2014



An MREPC Officer attending to a visitor at the booth

The MREPC booth at Medica 2014, held in Dusseldorf, Germany, received visitors mainly from Italy, the UK, Germany, India and Iran who were mainly interested in gloves, condoms and catheters.

Medica is the world's largest medical exhibition highlighting new advances and technologies for in-patient and out-patient care globally. The number of exhibitors this year increased by 4.1% to 4,831 exhibitors, and was attended by about 130,000 visitors.

Most Malaysian manufacturers of rubber medical products also participated in this exhibition, showcasing made-in-Malaysia examination gloves, surgical gloves, clean room gloves, high risk gloves, gynaecological gloves, dental dams, condoms and catheters, among other items.

Automechanika Shanghai 2014, Shanghai, China

9–12 December 2014



Business matching session conducted at MREPC booth

MREPC took part again in Automechanika Shanghai with 7 manufacturers. Organised by Messe Frankfurt (Shanghai) Co Ltd and China National Automotive Industry International Corporation, it was held at the Shanghai New International Expo Centre, Pudong, Shanghai, China. The event attracted 4,906 exhibitors from 39 countries and over 89,000 visitors from 143 countries.

The fair covered 6 main automotive product groups namely parts & components, electronics & systems, accessories and tuning, repair & maintenance, IT & management, and service station & car wash. A total of 44 fringe events including forums and seminars had been held as platforms for information exchange as well as networking, educational and training opportunities.

MREPC presented on the topic, "Malaysia – Your Gateway to the Rubber Automotive Components and Parts Sourcing Hub", during the exhibition. The superiority of raw materials formulation as well as the strengths of Malaysia-made rubber automotive parts were highlighted.

Business-matching sessions were coordinated between interested foreign buyers and Malaysian companies during the show.

MREPC also organised a working visit to the Oriental Auto Parts City (OAPC) on 8 December 2014 with the participation of 7 Malaysian manufacturers. The working visit aimed to create potential sales between interested foreign buyers and Malaysian companies.

Organised by the Malaysia Rubber Glove Manufacturers Association (MARGMA) and co-hosted by MREPC, IRGCE was held from 2–4 September, 2014 at the Kuala Lumpur Convention Centre and saw 800 participants from around the world.

Themed “Beyond Just Infection Control”, the event highlighted developments in the rubber glove industry including the latest in technology and innovation, regulations and standards, as well as developments in latices and compounding ingredients.

It was opened by YAB Tan Sri Dato' Haji Muhyiddin Hj Mohd Yassin, Deputy Prime Minister of Malaysia, who was accompanied by Plantation Industries and Commodities (MPIC) Minister, YB Datuk Amar Douglas Uggah Embas and President of MARGMA, Lim Kwee Shyan.

This year's exhibition saw a substantial increase in exhibitor space, with 104 exhibitors from 10 countries – China, India, Indonesia, Japan, Thailand, Taiwan, Germany, Switzerland, UK and USA.

Exhibits included a wide range of gloves, rubber medical devices, chemicals, machinery and equipment, raw materials and packaging materials as well as services and publications.

The two-day event saw more than 4,000 visitors. Many were drawn to the fun atmosphere of the MREPC booth which showcased a wide array of glove exhibits including examination, surgical, dental, industrial, household, chemotherapy, gynaecology, radiation and high-risk gloves. Medical devices such as condoms, catheters, dental dams and breathing bags were also on display. Business-matching sessions between manufacturers and buyers were conducted at the MREPC booth.

MREPC took part in Arab Health again, which was held at the Dubai International Convention & Exhibition Centre from 26–29 January 2015.

Celebrating its 40th anniversary this year, Arab Health 2015 provides the largest platform in the region for the world's leading manufacturers, wholesalers and distributors to meet the medical and scientific community.

For the first time, MREPC had a double-deck pavilion housing 14 Malaysian companies. The pavilion caught the attention of visitors with encouraging compliments during the exhibition. MREPC and its companies were able to make a positive impact promoting Malaysian-made rubber medical devices.

7th International Glove Conference & Exhibition, Kuala Lumpur, Malaysia

2–4 September 2014



Some of the interested buyers at the IRGCE show

Arab Health Witnessed MREPC's First Double-Deck Pavilion

26–29 January 2015



Bustling MREPC double-deck pavilion at Arab Health 2015

Effective Communication and Interpersonal Skills

08 July 2014

A one-day workshop on effective communication and interpersonal skills was conducted by MREPC with Mind Resources Sdn Bhd. The training was attended by 40 participants from the rubber product industry and seven MREPC staff members.

Good communication skills can reduce conflicts and be a tool for positive interaction. Choosing the right words, listening with minds and getting the message across are skills that need to be worked on to avoid serious repercussions at workplace. Lastly, effective communication helps in a multiple-generation workforce.

According to *Investors Business Daily* report, people skills rated at top rank as the criteria that looked for the most among employees compared to honesty and action oriented. People skills are the ability to communicate effectively with other people which make the difference between success and failure in business.

The trainer was Jocelyn Yap Po Poh with 20 years of broad experience within FMCG and the service industry. She is also a Certified *FISH!* Philosophy Facilitator.



Group picture of participants with trainer, Ms Jocelyn Yap (first row, third from left)

Marketing Strategy for International Business

30 September 2014

A one-day seminar on 'Marketing Strategy for International Business', was held on 30 September 2014. Organised by MREPC in collaboration with Trainers Asia Sdn Bhd, the fact-filled seminar was attended by 39 participants from the industry and five representatives from MREPC.

The seminar examined Global Market Entry Strategies, Marketing Strategy on International Business, Importance of an Export Plan and International Business Risk Modelling.



Dr Steven presenting the marketing strategies and methods to enhance international businesses

It was conducted by Dr Steven Liew, who has worked in many companies ranging from family-run businesses to multi-national corporations and has accumulated more than 24 years working experience in senior financial and operational management positions spearheading the profitability and growth of companies.

Participants learnt that the top five common strategies used to enter a foreign market were through exporting, franchising, strategic alliances, joint venture and direct investment.

Exporting, which is the most traditional and well-established form of operating in foreign markets, has the advantage of being low risk. But the participants were reminded of the main disadvantage of exporting which is being at the mercy of oversea agents. So, the lack of control has to be weighed against the benefits.

Lean Manufacturing

07 October 2014

MREPC jointly organised with Malaysian Productivity Corporation (MPC) a seminar on “Lean Manufacturing”, the production control system and technique designed to eliminate waste from manufacturing.

Lean is a simple philosophy designed to help organisations systematically identify and reduce processes that prevent them from being effective.



Participants in a group photo with the speaker, Encik Samlin (first right, second row)

MPC's Samlin Hj Abd Wahid presented on Lean Manufacturing, Toyota's Lean philosophy called “Jidoka”, which means prevention of production of defective products, and the ‘Just-in-Time’ concept.

Participants were also furnished with clear descriptions on seven types of waste including overproduction, inventory, waiting, motion, transportation, rework (defects) and over-processing.

Reverse Engineering and Research & Development of Rubber and Rubber Products

27 November 2014

MREPC and the Malaysian Rubber Board (MRB) held a seminar on the latest information on reverse engineering and R&D for the rubber and rubber products industry. MRB conducts R&D and provides advisory and testing services in areas such as automotive, transportation, marine, seismic & vibration isolations and construction.



A group photo of the participants

In the first session, MRB's Director of Quality and Technical Services Dr Faridah Hanim Abdul Hanan talked about the issue of reverse engineering or complete deformulaion analysis of the products.

Dr Mok Kok Lang presented on 'R&D Updates on Latex Products'. He introduced the overall process flow of 'Development and Improvement of Latex Products Programme' including One Nation Rubber Strategy.

In the third session, Dr Siti Salina Sharkaw talked about R&D Updates on Industrial Rubber Goods and General Rubber Goods. She gave an overview of industrial rubber goods and general rubber goods.

Current R&D projects undertaken by MRB are divided into four categories namely green materials / bio-based additives, nano materials/advance materials, high value-added rubber products and reuse & recycle.

The final presenter, Dr Nazirah Ahmad, focused on “R&D updates on Engineered Rubber Products” by MRB.

Documentation, Processes and Procedures of Imports and Exports

09 December 2014

A seminar titled “Process and Procedure of Export and Import” offered insight on the theoretical and practical principles in this arena.

Aimed at helping participants make effective decisions in meeting the obligations of exporters and importers, the seminar, organised by MREPC, saw 32 participants. It was conducted by Dr Khairudin Ahmad of the Institute of Federation of Malaysian Manufacturers (FMM).

The fact-filled seminar highlighted the timely submission of the Goods Declaration Form to Customs and information on Customs controls in relation to the clearance of goods and directing all trading activities to prescribe points of entry such as Custom ports, airports and stations.

The mode of transportation in the supply chain and “Incoterms 2010” were also shared. “Incoterms 2010” is defined as a set of three-letter standard trade terms most commonly used in international contracts for the sale of goods such as Ex Works (EXW), Free Carrier (FCA), Carriage Paid To (CPT), Cost and Freight (CFR) and Free on Board (FOB).



Dr Khairudin with the industry members

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Rubber Medical Devices – World Market for Disposable Medical Gloves and Condoms

17 December 2014

The real struggle for the medical device companies is defining the right strategy particularly with increasing consolidation, heightened regulation and shifting market demand. Firms able to adapt quickly will become inherent market leaders by taking advantage of the transformative nature of the industry.

MREPC organised a rubber medical device seminar entitled “World Market for Disposable Medical Gloves and Condoms” to highlight trends shaping the medical device industry and provide guidance on how medical device companies can successfully navigate market demand. This event was attended by 32 participants from the industry particularly from the latex sector.

The first speaker, Foo Tew Nam presented on “World Market for Medical Gloves, 2009-2013”, sharing important statistical information on market size for medical gloves, market volume by application and types of materials, market size for surgical and examination separately.

Factors influencing the growth of medical gloves include an increase in hygiene awareness among healthcare professional, an aging population and emergence of new viruses.

Talking about “World Market for Condom”, Izwan Zarik shared that condoms account for 29% of the global contraceptive market.

The regional demand for condoms increased to 56% in the Asia Pacific in 2013 compared to 52% in 2006. However, the top ten markets with estimated sales value in 2014 are China (971.1 USD mil), USA (635.4 USD mil), Japan (632.9 USD mil), Germany (275.9 USD mil) and France (183.0 USD mil). According to Global Trade Atlas, the total import value for condoms in 2012 was 486 USD million and it increased to 489.2 USD million in 2013.



Foo presenting the paper on “World Market for Medical Gloves, 2009-2013”

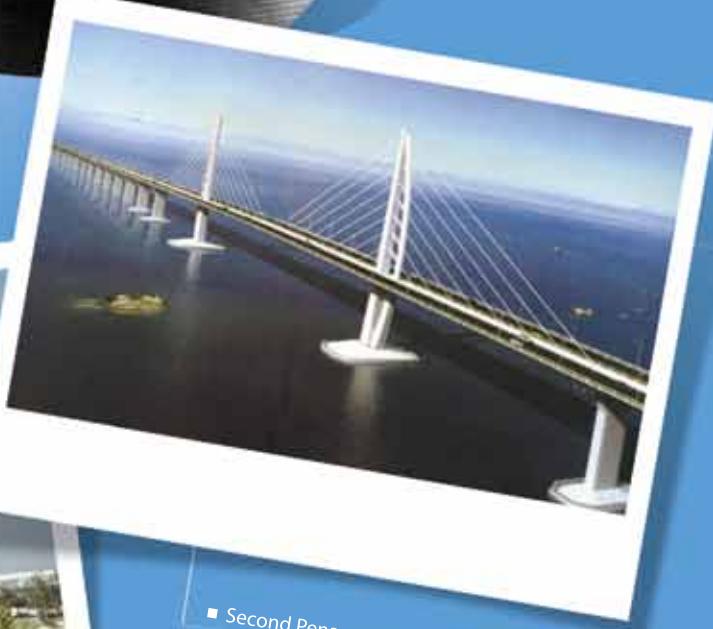
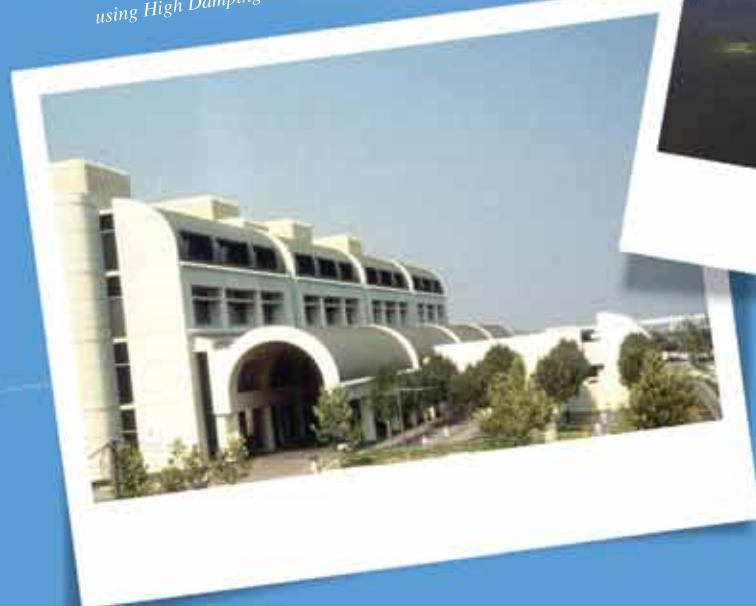


Izwan presenting the paper on the “World Market for Condom”

3 words inspire confidence.

Made in Malaysia

- Law and Justice Center, San Bernardino USA
First base-isolated building in the USA
using High Damping Rubber Bearings (HDRB).



- Second Penang Bridge, Malaysia
The world's largest structure on seismic rubber bearings.

Over 50 years' experience
in engineered rubber products.



For quality elastomeric bearings used in infrastructure and construction, look to Malaysia. No one knows rubber like Malaysia does.



MALAYSIAN RUBBER EXPORT PROMOTION COUNCIL