

## SPECIAL REPORT: SINGAPORE COUNTRY REPORT

## Vitol strengthens energy trade activities in Asia



Kho Hui Meng, president, Vitol Asia

Industries rely on energy, whether it is crude oil, natural gas, coal or another. Vitol, one of the world's largest energy trading companies, understands the dynamics of supply and demand in the energy sector and provides end-to-end solutions to maintain equilibrium. By building connections around the world, Vitol delivers energy where it is most needed.

Vitol traces its roots to the Netherlands, where it was established 45 years ago as a private, physical oil distribution business. The company is involved in every step of the supply chain – from exploring, refining and transporting, to blending and storing. Vitol trades a wide variety of products, including gasoline, jet fuel, diesel, heating oil, fuel oil, non-ferrous metals and petrochemicals.

"We look around the world every day to find the cheapest source of energy and we deliver it to where there is demand. We have the logistics capability to meet almost any demand anytime, anywhere," says Kho Hui Meng, Vitol Asia's president.

Energy players worldwide recognise Vitol's expertise and approach it for assistance in new projects. A small producer in Kazakhstan, which discovered a new crude oil field, enlisted Vitol's help in pre-financing the exploration. Vitol signed a tripartite agreement with the producer and a partner bank for the undertaking. Vitol pays part of the value of each cargo directly to the bank, repaying the producer's loan.

Vitol also helped Hillsborough Resources to diversify its export markets into Asia. Hillsborough Resources owns the Quinsam coalmine operating in the Campbell River area of Vancouver Island. Vitol provided the necessary funding for the operation and development of the property. Through its global reach in energy marketplaces, the company is able to marshal and co-ordinate logistics resources.

It is essential for Vitol to deliver the right quantity on time regardless of the market situation. Vitol chartered about 5,300 ships last year, with more than 200 ships at sea at any one time. The volatility of the energy markets has

honed Vitol into a flexible company that is able to anticipate market shifts. The company ensures that it can act swiftly and deliver the required shipment.

*We look around the world every day to find the cheapest source of energy and we deliver it to where there is demand*

Kho Hui Meng  
President, Vitol Asia

Vitol provides its staff all the pertinent information to deliver the best service. Through its proprietary information technology system, Vitol employees can view the real-time progress of each transaction from all angles.

To effectively meet the demands of different markets, Vitol has established six regional centres and 21 offices worldwide.

More than just a local point of contact for customers, Vitol's international offices allow the company to learn more about a particular market. By hiring local employees and by fostering relationships with local companies, Vitol develops an intimate understanding of the market landscape.

Vitol has identified Asia, the Americas and Europe as three key market zones. The regional headquarters for the Americas and Europe are Houston and Geneva, respectively. The Asian headquarters is located in Singapore.

The strategic location of Singapore in the region, its competent workforce and pro-business government are some of the reasons why Vitol chose it as the Asian hub. It is also one of the largest bunker ports in the world.

Vitol recognises that the growth of traditional petroleum products has stabilised in the short term, but is optimistic about the growth of liquefied

natural gas, coal and petrochemicals in Asia. As more petrochemical plants and refineries are built in Asia, Vitol aims to build on its expertise to help supply the industry growth.

Besides building upon its traditional customer base, the company seeks to reach out to more banks in Asia-Pacific, particularly Chinese banks, to participate in the growing energy trade financing sector and to help Vitol better expand within the region. To date, Vitol Asia works with 51 banks in the region and hopes to attract more partners to support the company's growing financing requirements.

Aiming to give something back to the community, Vitol also seeks worthwhile charity projects in less-developed Asian countries, especially those focused on children's health and education, through the Vitol Charitable Foundation.

"Each year, we spend about HK\$78 million to HK\$94 million on our global charity programme supporting children's health and education. We are looking for partners to work with to support the needs of underprivileged communities in the region," Kho says.

## High-quality fixtures instrumental in growing with international brands

Renowned international retail brands bank on the value engineering expertise of Futuristic Store Fixtures as a roll-out specialist. Futuristic intimately understands the parameters of a retail store. From wall bays to floor fixtures comprising gondola, drawer bases and nesting tables, Futuristic knows what is crucial in communicating brand design and positioning.

Established as a general contracting company in 1977, Futuristic streamlined its business in 2005, focusing on mass roll-outs of retail store fixtures. "Focusing on retail store fixtures enabled us to cover more than 3,500 stores in five years, scale the business faster and grow with our customers' brands. We do not compete in price but we deliver value," says David Low, Futuristic Store Fixtures CEO.

Futuristic collaborates closely with clients to realise their dreams and ensure

suitability and practicality of fixtures. Aside from strong aesthetic values and a quality focus, Futuristic has an integrated supply chain and a strong delivery platform providing high value to customers.

As clients expand into Asia, Futuristic strengthens its regional presence to satisfy demands. Futuristic wholly owns manufacturing facilities for wood and metal works in China and Malaysia. These facilities support retail growth initiatives worldwide and enable timely mass retail store roll-outs.

With 8,000 department stores and a year-on-year growth rate of 10 per cent, the mainland is an important growth market for Futuristic. Forecasting that commodity consumption on the mainland will match that of the United States, Futuristic positions itself as a valuable partner, helping clients with their

expansion strategies. Futuristic has already helped a renowned Swedish apparel label and a top American apparel label in their mainland stores and will continue to grow where the brands grow.

"We have strong international brands, a capable management team, sound financials and state-of-the-art facilities.

"Our portfolio of clients proves we are preferred by the world's mass retail brands," Low says.

David Low,  
CEO



## Recycler Pride-Chem seeks copper sources in Asia

Copper is a valuable mineral in many industries and ensuring its sustainability is essential. Helping build a stable supply of copper reserves through recycling is Pride-Chem Industries.

Established in 1977 as family-owned ammonia trading company Seng Hin Chemical and Manufacturing, Pride-Chem expanded its expertise over the years to encompass recovery and treatment of hazardous wastes from printed circuit boards (PCBs).

Pride-Chem is the leading supplier of ammonia in Singapore.

The company provides ammonium hydroxide and anhydrous ammonia to manufacturing, speciality pharmaceuticals, electronics and other industrial sectors.

Through intensive research and development initiatives and strong

government support, Pride-Chem developed environmentally friendly solutions for toxic waste treatment. Pride-Chem recovers and refines copper products from cupric acid, alkaline solution and copper sludge.

From waste products, Pride-Chem produces copper oxide powder (78 per cent) and copper carbonate powder (55 per cent). Demand is high for treated copper products, commonly used for wood preservation in markets such as Europe, Australia, New Zealand, South America and the United States.

Using proprietary techniques, Pride-Chem ensures that its high purity grade copper products meet client specifications.

"We have developed good relationships with our customers. They believe in the reliability of our products.

We are looking into techniques to achieve ultra pure grade to add more value to our customers," says Andrew Lim, Pride-Chem's deputy CEO.

Pride-Chem's facilities are strategically located in Singapore and Malaysia to efficiently collect toxic waste materials from PCB companies in the region. The company seeks professionals with chemical or mechanical engineering backgrounds to help it tap other countries for copper waste collection. It is approaching PCB companies in the region to buy copper slags and sludges with at least 20 per cent copper concentration.

"We are a reliable partner offering the best price for waste. We promote sustainability through recycling by turning waste into viable products," Lim says.



Pride-Chem's factory in Singapore

**VEOLIA WATER**  
Solutions & Technologies

**Creating Water Solutions**

- Offering the highest standards of Service
- Creating added Value for our clients
- Socially and environmentally Responsible

www.veoliawaterst-sea.com

*Dedicated to timely delivery of large quantity rollouts of high quality store fixtures.*

**Futuristic Store Fixtures Pte Ltd**  
801 Lorong 7 Toa Payoh  
#06-02 Wearnes Building  
Singapore 319319

Tel: +65 6365 2822  
Fax: +65 6365 2855

Email: contact@futuristicgroup.com  
Website: www.futuristicgroup.com

Wood and Metal Plant Facilities:  
China and Malaysia

**FUTURISTIC**  
*Preferred By The World's Mass-Retail Brands*

**aramexpress**  
delivery unlimited

For your time-sensitive shipments, Express provides reliable domestic and international door-to-door delivery.

To find ways in which our express services can help your business, call us at 65 430300 or visit aramex.com

**Avi-Tech Electronics Limited** is a leading "one-stop" total Burn-In solutions provider as well as an Electronics Manufacturing Services provider with years of experience working in partnership with Original Equipment Manufacturers in the semiconductor and life sciences industries.

For 30 years, we have been providing reliable and high-quality solutions with fast turnaround to our multinational clientele located across diverse markets including Singapore, Malaysia, Thailand, Philippines, Taiwan, mainland China, Japan, the USA and Europe.

For further information, visit us at [www.avi-tech.com.sg](http://www.avi-tech.com.sg)

## Leading adhesives maker sticking with innovation



Tone Takashi, managing director

With global demand for adhesives valued at HK\$334 billion and growing annually at an average of 4.5 per cent, manufacturers are scrambling to grab a bigger slice of the superglue market. Industry pioneer Alteco, the manufacturer of the Super Glue and Epoxy brands, continues to shape the business landscape with its innovations.

Tone Takashi, Alteco managing director, points to the positive development of manufacturers becoming more stringent in raising product quality. "Increasing demands for better quality products will force companies to innovate and invest heavily in research and development (R&D)," he says.

The company produces adhesives for consumer and industrial applications in line with its green initiative. Alteco is launching Modified Silicone, an environmentally friendly hybrid adhesive compound that is very low in odour and solvent content.

With its formidable network, Alteco is positioned to take advantage of the increase in demand for quality adhesives. Alteco and related trademarks are either applied or registered in more than 110 countries. The company is also backed by an established sales and marketing network worldwide.

With its headquarters in Japan, its companies are strategically located on the mainland, the United States, Indonesia, South Korea and Singapore. Alteco's fully integrated, decentralised business model enables the company to offer high-quality adhesives at reasonable prices. The company takes advantage of Indonesia's cost competitiveness with packaging operations on Batam Island. It leverages Singapore's strict enforcement of intellectual property laws for its R&D activities.

"Market leadership is about knowing how to calculate the risks and being bold. We have to keep innovating," Takashi says.