

# BOI set to attract investment with BUILD.



## ***300 component manufacturers invited to participate in Subcon Thailand 2007, Thai Supporting Industries Exhibition, to be held alongside Intermach '07, South East Asia's Premiere Machinery Exhibition.***

*BUILD proves a major success after having established links worth over 5,000 Million Baht. Latest development: BOI aims to attract domestic and overseas investment with Supporting Industries Exhibition. 300 component manufacturers invited to exhibit at the show and prove Thailand's readiness to manufacture industrial components to buyers and visiting investors.*

Chanin Kawchan, Head of BOI Unit for Industrial Linkage Development (BUILD), Board of Investment, revealed that linkage of industrial components buyers and sellers has been very successful. A preliminary survey of fiscal years 2005 and 2006 combined has found that industrial linkage has resulted in the use of 5,500 Million Baht worth of domestic components by companies participating in BUILD - a campaign linking investment promoted and non-investment promoted companies. The majority of investment was from linking small and large, Thai and transnational companies, particularly in automobile, electronic and machinery industries.

BOI foresaw a minimum of 2,400 Million Baht worth of linkage per year following participation in BUILD, as determined on the basis of quality. As for the number of companies, the expected linkage involving 500-550 companies per year has already been exceeded.

Chanin elaborated that BUILD was established by BOI in 1992 and that a number of key activities have contributed to the success of BUILD. This includes 120 buyers-meet-sellers events and 41 central component market events. A survey conducted by BUILD has revealed that the number of actual transactions was not significant considering the number of people converging because component sellers could not completely satisfy the market.

“Given this finding, we have to establish more roles for ourselves. Instead of just linking buyers and sellers, we have to look into linkage with technology proprietor such as educational institutions and research centers in order to realize linkage between industrial sellers and educational institutions with know-how, technology and research work.”

BUILD is organizing Subcon Thailand 2007 in which 200 to 300 Thai component manufacturers are invited to exhibit. This will be a venue

where buyers can shop for more components and a new sales channel for the sellers. The exhibition will contribute to the stimulation of the economy as emerging investors have to evaluate the readiness of Thailand with regard to raw materials and components. Subcon Thailand 2007 will be held alongside Intermach '07, South East Asia's Premiere Machinery Exhibition. This will create a synergy between the two exhibitions whereby new business opportunities will be generated in Subcon Thailand 2007 whilst latest manufacturing technology will be displayed in Intermach '07 to offer Thai manufacturers chances to upgrade their production capacity to be more competitive.

Foreign BOI's are asked to arrange for business trips to the exhibition. Visiting investors will have the chance to survey the Thai component market and to consider investing in Thailand. More importantly, Thai Supporting Industries Exhibition will allow Thai operators to bring themselves up to the paces of technology and to leverage the Thai industry on the global arena.

“We do not want Thai operators to be just hired hands, waiting to be given models by the clients. They should develop technology on their own as well.”

Industrial linkage helps participating buyers reach a wider range of suppliers and lower cost through the use of local components rather imported ones. Sellers participating in events organized by BUILD will be able to learn of new developments, gain immediate access to clients, and, propose prices.

“The success was attained as a result of our activities. Our focus is on all local component manufacturers, not only those with investment promotion. The majority of participating companies are SME's. Most larger companies already have their own marketing channels.”