

FEEDTECH

Reed Business
Information

www.AgrWorld.nl

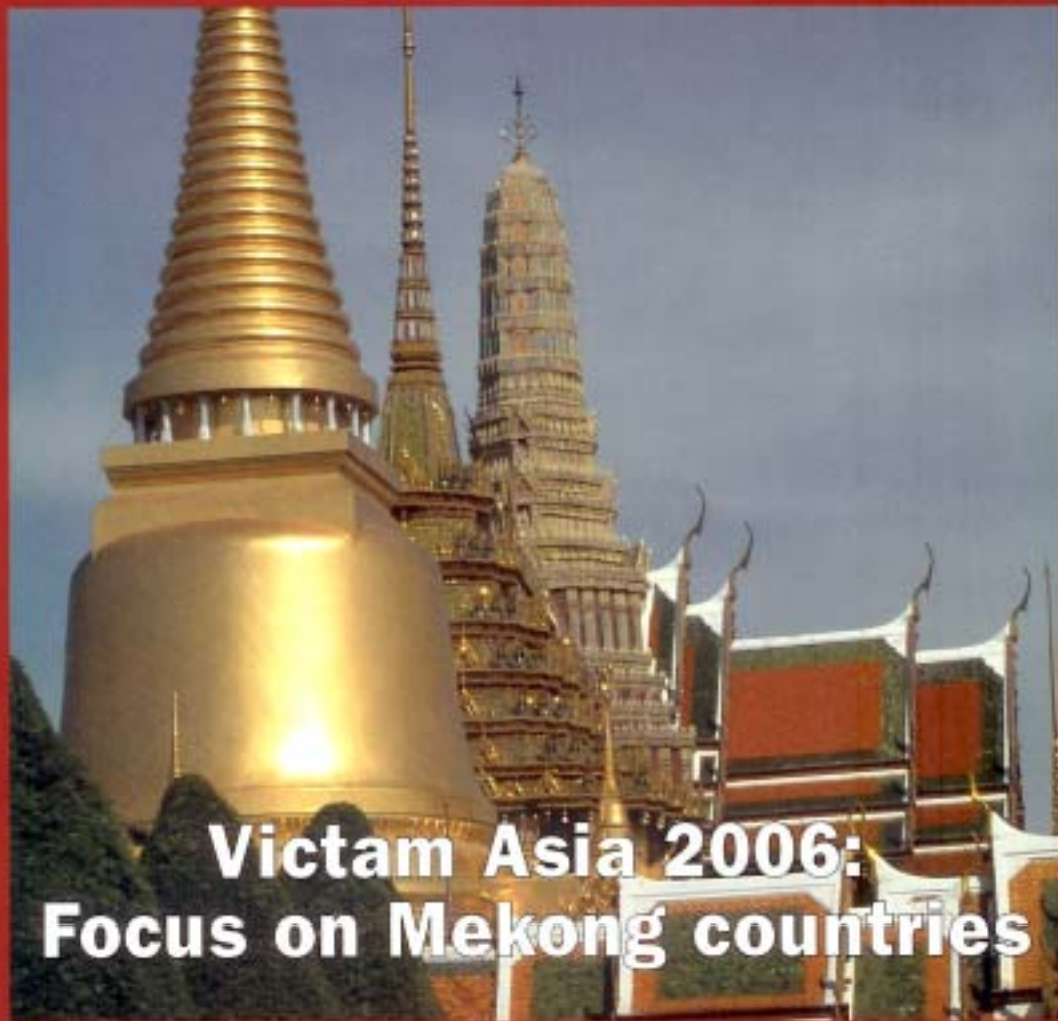
€22

2005

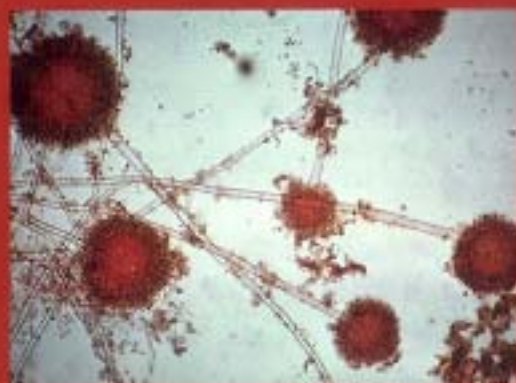
Volume 9

Number 10

International feed production and applied nutrition



**Victam Asia 2006:
Focus on Mekong countries**



**Plants in fish feed
raise mycotoxin risk**



**Boonchai Kositkhun:
feed is the future in Asia**

Triumph Engineering - uncontested leader in Asian animal feed machinery

When opportunity came knocking, Triumph Engineering founder, president and managing director Boonchai Kositkhun was among the first to realize it. This was back in 1985 when he received an unsolicited order from Thailand's THH Group for 15 sets of tapioca pelleting machines!

By Joyce Rainat

Until then, his business, set up five years before, had been focused primarily on manufacturing machinery for the sugar mill industry. And while he wasn't exactly prepared to immediately fulfil the order for the 15x500 horsepower tapioca pelleting machines, it alerted him to the possibilities that Asia's increasingly important animal feed industry had to offer.

"For me, you could say the timing proved to be just right. I had exhausted what opportunities there were

for assembling machinery for the sugar mill industry and this order for the tapioca pelleting machines opened my eyes to the growing needs of the animal feed industry, who were forced to source their equipment needs overseas, primarily in the US and Germany, where the costs were very high and I should add, rather prohibitive. This gave me the idea that maybe the time was ripe for Triumph to change its focus, from assembling sugar mill machinery to animal feed.

"It took Triumph six months to complete the THH order. We had to import the ring dies from Germany as there was no local supply available, and this firmed up my idea that meeting the needs of Asia's animal feed industry was now the way to go. Six months later and after an investment of US \$ 3 million, we were ready to go, with a new,



Since 1989 Triumph has made its own spare parts through its Special Tools & Steel division.

specially-designed plant in Ban Pong, 80 kilometres west of Bangkok."

Quick pay-off

For Boonchai, the pay-off in the change of focus came sooner than he expected; 12 years after the plant was opened and operating at full capacity, exports to Malaysia, Vietnam, Indonesia, Bangladesh, the Philippines, Japan and the US accounted for 40% of Triumph's total production, while the local market absorbed the rest.

Expansion was to be always on the books, he says, and after the plant's fifth expansion, completed in 2004, raising the total Triumph investment to US\$ 12 million, Boonchai says he is now contemplating another.

"Of course, it all depends on market demand and if the outlook continues to be as good as I expect it to be, we will go ahead with our sixth expansion, investing US \$2 million more to add a computerised gun drill machine.

"Today, income from our original sugar mill industry business amounts to no more than 5%, while income from supplying the machinery needs of the animal feed industry averages out at 95%."

While the THH order to assemble 15 sets of tapioca pelleting machines was what initially got Triumph into the animal feed industry business, under Boonchai's leadership it wasn't long before it had



Boonchai Kositkhun, founder, president and managing director of Triumph Engineering Co. He sees his father, who as a boy emigrated with nothing from China to Thailand, as an example for his success.



At Victam Asia Triumph will focus on aquaculture, a booming sector in Southeast Asia. Their extruder fits well into this business.

expanded into manufacturing grinding machines, intake and material handling machines and mixers. It was also possible, he found, to provide turn-key services to customers, providing everything from plant design to construction and machinery supply.

"Our business was expanding by word of mouth. We didn't have to do anything else as we were 'unique'; we had no competitors and our capacity more than matched local consumption."

Spare parts

In 1989, realising that the need for locally available spare parts was greater than ever, and that his commitment to the animal feed industry was definitely on the right track, he set up Triumph Special Tools & Steel Ltd. (TSL) to manufacture locally-made ring dies to serve the growing demand for tapioca pellets, now averaging out at eight million tonnes a year.

In time TSL, apart from supplying more than 3,000 pelleting ring dies annually, expanded its range of services with the production of 10,000 - 12,000 units of roller shells annually.

The "key" to all of this, he says, was the growing realisation that the animal feed sector for Asia, including China and India, was indeed very promising, pointing to these undisputable fundamentals. "Everywhere in Asia, we have a comparatively good year-round climate for agriculture and our labour costs are low. Because of the world's increasing food demands, we have to increase our production and that means expanding our facilities.

"At Triumph we can and do cover every aspect of the animal feed industry; poultry and swine (60%) and fish and shrimp (40%). Thailand has few competitors, so we



The TEC pelleting mill evolved from a simple tapioca mill to a professional pellet mill for animal feeds.

are well-placed to service the needs of the region."

A good example of this, he says, is Triumph's success in establishing its presence in not only the Asian export market but also in Japan, where they are well-equipped to supply the machinery needs of Kinkowan Co's XYZ Feedmill in Kagoshime on Kyn-Chu Island. The US is another success story, primarily in the California base of Foster Farm, Delmesa, A.L. Gilbert, Dairy Men's, Land-o-Lakes and Cargill, both in the US and Asia.

"Triumph's initial export base was to neighbouring Malaysia, where we began by shipping dies and spare parts to replace their imports from the West. Today, benefiting from our close geographical proximity which enables our customers to receive just-in-time product supplies and services, our exports average US \$ 3 million and now include rollers, animal feed machinery and turnkey services.

"Vietnam, Bangladesh, India, Pakistan and Indonesia are also very good and positive potential markets for Triumph which we are now beginning to explore more in depth, as their animal feed market

Regional focus

expands and they become more aware of their needs, which we are equipped to fulfil.

"Our strength, which is now being fully appreciated, is Triumph's extensive experience in animal feed machinery and equipment, plus our ability to provide the needed products and services for the entire feed production line. Plus the uncontested fact that Triumph is able to offer better quality products at prices that are cheaper, when compared with those in a similar price range available from the western countries."

Triumph at Victam

"At Victam Asia 2006 in Bangkok, we will be concentrating on our fish machinery, because this is definitely the new area for the industry in Asia, and we are the acknowledged leader in this sector.

"Victam Asia, where Triumph has had an active presence for the last 12 years, has proved to be an important showcase for our services and capabilities. It also provides us with an opportunity to make new friends and explore-in-depth the growing needs of the animal feed industry as it responds to the increasing demands that are being made on it.

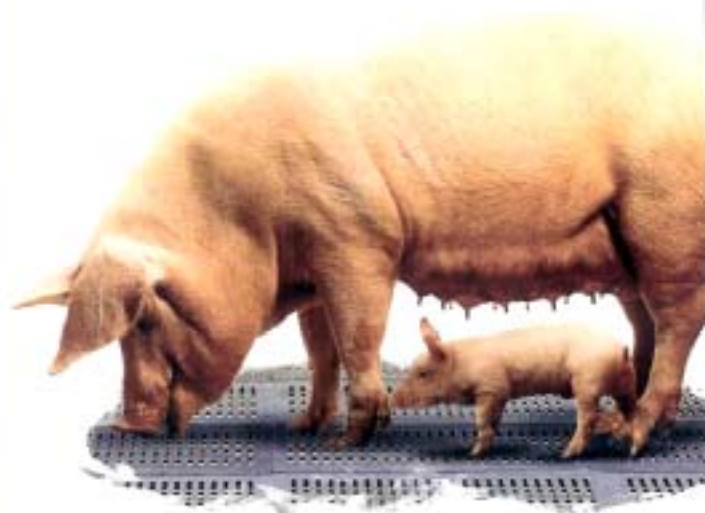
"Triumph and the animal feed industry in Asia are committed to growing together and solving the challenges that lie ahead as the world comes to grips more closely with the problem of hunger that now knows no borders."

Chinese roots

Like many of the overseas Chinese who migrated to Thailand to make a better life for themselves and their families, Boonchai's father Xin arrived from the province of Canton with "no future, no money, no friends" at the tender age of 17. It was only due to his perseverance and intelligence and the need to make his way in this new and yet friendly world that he learned how to survive.

"After six months study and experience, he became an expert in the practice of what is known as Chinese-style dentistry. Then, married with a family of six children, of which I am the fourth, he decided to move into the retail grocery business, which became the basis for the family's livelihood and survival. And for this, I am much indebted to him. Without him as an example I am not sure that I could have made my company, Triumph, the success it has become." ●

THE BEST LITTERS HAVE GOT A SECRET...



BIOSAF Sc47

The yeast that keeps its promises

SOWS IN GREAT SHAPE !

- Better body condition at weaning
- Higher productivity

PIGLETS THAT GROW FASTER !

Sow trials

- Whilst suckling
 - Reduced piglet mortality
 - Control : **9.1%**
 - BIOSAF : 5.4%**
 - Improved growth rate : **+7.7%**
- Pre-Starter Phase
 - Improved growth : **>10%**

Average results from 28 trials with more than 1000 sows.

Piglets trials

Improved post-weaning performance

- DLWG : **+6.7%**
- FCR : **-4.3%**

Average results from 15 post-weaning with more than 2700 piglets.

Manufactured by :
Lesaffre Feed Additives
Tel : +33 3 20 81 61 00
Fax : +33 3 20 99 94 82
E-mail : contact@lesaffre.fr

LFA

LESAFFRE
FEED ADDITIVES