

# Asia – Geared for Renewed Growth

Asia has an enormous diversity; 23 countries, 15 different languages, 6 major religions and there is no, one homogenous market.

We are seeing signs of recovery in parts of this region and we are expecting a pick up in business activities.

While natural gas trade in Asia historically has centered on LNG, pipelines may provide an alternative in the future. As a share of overall primary energy, East Asian countries consume far less gas than Europe or North America, in part due to the lack of an integrated international gas grid but recent construction in pipelines projects linking the region is becoming a reality. To date, only Australia and New Zealand have kept pace with Europe and North America in gas consumption and transmission.

The gas industry is growing rapidly and energy demands are rising dramatically. Nations throughout this region are looking to expand their use of gas as big gas reserves are being discovered in Bangladesh, China, Malaysia, Indonesia, Thailand and Vietnam. The gas market in Asia will continue to expand especially after more pipelines are built with demand in gas anticipated to grow at a rate of 5 – 7 percent a year.



Asia remains largely a product oriented business with an emerging trend on corporatisation and deregulation. In China recently, foreign investors could take for the first time controlling stakes in key areas such as gas distribution in a construction pipeline project stretching 4,200 km from the western region of Xinjiang to the eastern port of Shanghai. All elements of the project, from exploration, pipeline construction, operation and management, to downstream gas distribution will be opened to unlimited foreign participation.

ELSTER-AMCO Asia is well placed to address these opportunities as a result of renewed growth. Our sales and marketing offices located in Singapore, Beijing and Osaka are responsible for the growth and business development of ELSTER-AMCO's family of products in this region of 18 gas utilising nations. With a complete range of gas measurement and control products with reputable manufacturers in our family, namely, American Meter Company, Elster, IGA, Jeavons, Kromschroeder and more recently Magnol, we have a complete portfolio of products ranging from meters, high pressure axial flow valves, regulators, governors, filters to complete metering and regulating stations and electronic systems to address the transmission and distribution market.

The numerous infrastructure projects from stations for transmission and distribution to commercial and industrial applications and to residential meters and regulators offer abundant opportunities for ELSTER-AMCO in Asia. »

» We have significant presence and major market share in the industrial business segment in Australia, China, Korea and Taiwan where the ELSTER-AMCO products are well accepted by customers. Despite stiff competition in the residential business segment where there are many local and international competitors, we managed to achieve our first major breakthrough when we secured an order for 70,000 units of Kromschroeder BK-G4 as well as 75,000 units of Jeavons J42 from The Hong Kong and China Gas Company Limited, a well respected gas utility company in Asia. Follow up successes continued with an order from Taiwan for our new BK-G1.6 meter which was introduced in the second quarter of this year. We are convinced that the quality and technology of our products is the key to their selection.

Stations and systems business is another area of development in Asia as presently our customers are constantly looking for total systems solutions providers. We are looking to developing the systems and skids business with more locally-fabricated pressure reducing and metering modules incorporated with IGA's state of the art design to meet individual customer specifications and providing local engineering support via representatives in order to meet the constant changing needs of our customers. With this strategy and IGA's experience in supplying stations back in the 80s and 90s to Bangladesh, Hong Kong, India, Thailand and South Korea, we are confident of establishing IGA as a reputable stations and system builder in Asia.

To continue on our path of accelerating growth in Asia, we would need to increase investments that will enhance our capability to engineer products and provide services unique to the Asian market. Looking ahead, we envisage our business in Asia to grow with new joint ventures, the installation of new manufacturing operations and products which are anticipated to contribute to a major percentage of our revenue in the near future.

**PHILIP LAM, ELSTER-AMCO SINGAPORE**

## ELSTER AMCO

### Asia Organization

The Asia region is beginning to show tremendous growth in the natural gas arena. We have penetrated some new markets and created accounts where we have not been present before.

ELSTER-AMCO Singapore was founded in April 1999 as the head office in Asia. Today, ELSTER-AMCO Asia employs 9 people, 4 of whom are located in Singapore, 4 in Beijing and 1 in Osaka. The role of area managers and engineers is to manage sales, marketing and business development within their country of responsibility and performance will be measured based on SBU objectives, new customers and overall business growth.

ELSTER-AMCO's presence is now well established and we are seen as a major player in every "gas" country in Asia. To focus on our business development and growth strategy, ELSTER-AMCO Asia has organised the countries into the following Regions :

1. Australia, Hong Kong, Taiwan and Korea
2. India subcontinent
3. South East Asia
4. China
5. Japan



Philip Lam  
Regional Sales Director,  
Asia Pacific (Singapore)



Kazumi Sakamoto  
Sales Director  
(Osaka)



Jack Cheng  
Sales Manager  
(Singapore)



Tan Kong Chiew  
Engineering Manager  
(Singapore)



Lam Mei Ling  
Finance &  
Administration Executive  
(Singapore)



Wang Hong  
Sales Manager  
(Beijing)



Wang Xiaogang  
Sales Engineer  
(Beijing)



Wang Bo  
Sales Engineer  
(Beijing)



Xie Wei  
Administration Executive  
(Beijing)