

**BIOPLASTIC R&D PAYING OFF**

MAI-listed Multibax scores success with biodegradable plastic bags and now plans to make tableware. B3

# Multibax building on success

## Plastics maker budgets B70m for further R&D

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The MAI-listed plastic producer Multibax Plc (MBAX) is allocating 70 million baht for research and development of its second phase of biodegradable plastic to tap growing demand.

Deputy managing director Pisuth Lertvilai said the goal in the second phase was to develop biodegradable products to cover tableware such as forks, spoons and plates.

The second phase is expected to take three years before commercial sales of the expanded product line can begin.

Multibax began producing plastic bags in 1995 and now operates three factories in the Laem Chabang Industrial Estate in Chon Buri.

Primary markets are the United Kingdom, Germany, Scandinavian countries, the United States, Canada, Chile, Australia and New Zealand, as well as some Asian countries.

The company has been aggressively diversifying into biodegradable plastics to tap rising global demand for products that are not petroleum-based.

The company has claimed success with the first phase of its bioplastic programme, having developed plastic bags for food and garbage with an R&D budget of 50 million baht from 2007 to 2010.

"Because we dared to spend on R&D



Multibax has claimed success with the first phase of its biodegradable plastics programme and is preparing to sink cash into phase two of its research.

we are now seeing a return," said Mr Visuth.

The company's bioplastic bags have been accredited to international standards by certification bodies from Germany, Belgium, Finland and the US in June. It aims to seek certification from Japan soon.

Multibax has purchase orders for bioplastic bags worth about 50 million baht this year or 3.3% of total sales, and expects the figures will grow 20% next year and double to 40% in 2013.

Total sales of the company will be 1.5 billion baht this year, on par with last year, and the company expects to turn a profit after making a loss of 31 million baht in last year.

The company plans to apply carbon credit trading from its biodegradable plastic production process because the product consumes less energy than fossil fuel-based plastic bags.

MBAX shares closed yesterday on the Market for Alternative Investment at 2.80 baht, up four satang, in trade worth 1.78 million baht.