

Scientex to build RM107mil stretch film plant in Arizona

PETALING JAYA: Packaging manufacturer and property developer Scientex Bhd has ploughed US\$25mil (RM107mil) into setting up a new stretch film facility in Arizona, the United States.

It formed a wholly-owned subsidiary Scientex Phoenix LLC to undertake the new venture that would be Scientex's first stretch film plant overseas and complement its existing facilities in Pulau Indah.

Managing director Lim Peng Jin said the investment, to build the facility and buy machineries, would come from internally generated funds and bank borrowings.

Slated for completion by the end of 2017, the plant would house two stretch film lines with annual production capacity of 30,000 tonnes.

"Being the largest stretch film producer in Asia Pacific, Scientex is the leading supplier of stretch film for Japan. With this new Arizona plant, we will bring into the market

our proven Japanese quality stretch film, using our expertise in cost-efficient production.

"It would also create job opportunities in Arizona, supporting the initiatives of the state government," Lim said in a statement.

While Scientex was already exporting some of its stretch film to the US market, Lim said its strategic location there was beneficial since it was close to the source of raw materials. This enables the company to enjoy competitive prices and cost savings in logistics, he added.

Lim noted that setting up a manufacturing base close to customers would also enable Scientex to establish a significant foothold in the US market by catering to their requirements to a greater degree and in a quicker manner.

This would boost Scientex's reputation as a leading stretch film supplier for various industries worldwide, he said.



Lim: 'We will bring into the market our proven Japanese quality stretch film, using our expertise in cost-efficient production.'