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KANEKA-EXPANDING

KANEKA CORPORATION EXPANDS OPERATIONS IN GEBENG

KUANTAN, Dec 4 (Bernama) -- Kaneka Corporation, one of the leading chemical manufacturers in Japan, is expanding its operation in the Gebeng Industrial Area here by opening its fourth factory to produce PVC paste resin.

The total investment with the latest factory, to be operated by Kaneka Paste Polymers Sdn Bhd, is estimated at RM95 million. The factory is scheduled to start operation by mid-2000.

Kaneka Corporation's Senior Executive Director Masatoshi Takeda said here today the annual production capacity of the factory is 30,000 mt per year.

Combined with the production of three other Kaneka's PVC resin paste manufacturing bases - two in Japan and one in Delaware, USA - Kaneka will emerge as one of the largest PVC paste resin producers in the world.

PVC paste resins are used for making various products such as disposable gloves, artificial leather, toys, wallpaper, floor covering and automobile coating.

Speaking to reporters after paying a courtesy call on Menteri Besar Tan Sri Khalil Yaakob, he said Kaneka will utilise its own production technology by further developing its proprietary manufacturing know-how.

"This time, the company has re-engineered its technology to make the facility more cost competitive while conforming to the latest environmental standards," he said.

Kaneka Corporation has so far invested RM440 million in its factories which are located on a 40-hectare site, thus creating employment opportunities for 200 people. The latest manufacturing base will provide work for another 50 skilled workers.

The other factories operating under the group are Kaneka (Malaysia) Sdn Bhd, Kaneka Elected Sdn Bhd and Kaneka Eperan Sdn Bhd. They produce MBS impact modifiers, magnet wires, magnet rings for deflection yoke and expandable polyolefin.

Meanwhile, Khalil said he was informed by the Kaneka's delegation that the company has decided to expand its operation in Gebeng because it was confident in the state's economy.

"They are also very pleased with our arrangements with Rashid Hussain Bhd (RHB) as they have business connections with RHB Sakura," he added.

The Pahang State Development Corporation (PKNP) on Monday became the single largest shareholder in RHB with a 29 percent stake following an asset injection exercise.

Khalil said they have also expressed their confidence in the measures taken by Prime Minister Datuk Seri Dr Mahathir Mohamad to strengthen the country's economy and are very happy to see signs of recovery. -- BERNAMA

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