



# 20 Years Working in Thailand

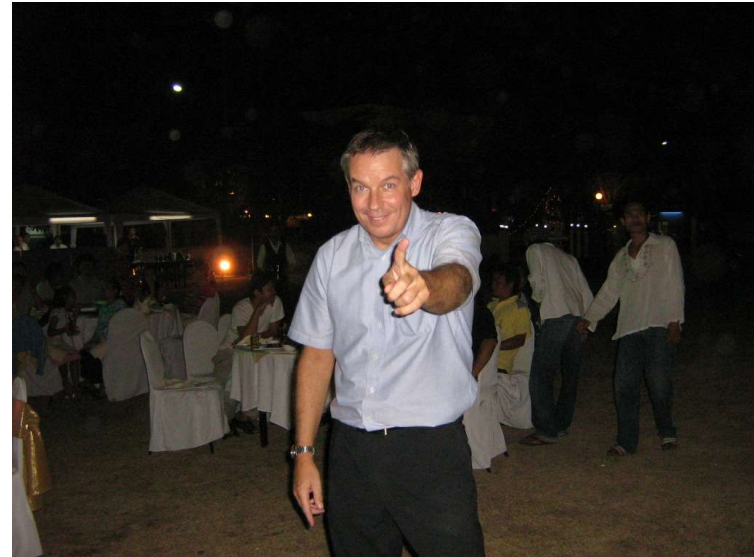
**Simon Lake**



# Working in Thailand



- How I got Here
- Why move to Thailand
- Strange things happen
- Let's Buy the Company
- Working in Thailand - BOI
- The Early days
- Experience Thailand



# How Did I Get Here ...

359 Moo 6  
Highway 331  
Tambol Bowin  
Amphur Sriracha  
Chonburi  
Thailand



# How Did I Get Here ...

- Background in ..  
“Bogs, Basin and Bathtubs”

Worked for Major Bathroom  
Brands in UK ..

Caradon Mira

Ideal Standard

- 1999 American Standard  
Purchased Armitage Shanks
- Commercial Manager of the  
American Standard UK Shower  
Division .. Trevi Showers.
- 25million GBP Division



# Showerlux UK

2003: Succession Planning  
Invited to join to become MD

Part of a Large German  
Family-Owned Group of  
Companies.

Head Office Switzerland.



# Duscholux

Considered the Pioneers of  
today's Shower Enclosures  
from 1967

Factories all over Europe

Several High-Profile Brands  
within Group ..



## 2003 – Showerlux UK



- Market leader for 35 years
  - Showering Solutions
  - Bathtubs
  - Hydro-Therapy
  - Bathroom Furniture
- Mid-Upper Designer Showroom Range Product Range
- 2001 China joined the WTO and things changed:
- Chinese Factories Commoditizing the Bathroom Market
- Flooding the Market with Cheap Products

## The Change Begins ..



- Need China Sourcing to remain Competitive for Survival.
- Extend Product Portfolio to Include Lower Cost Products
- It Failed
- March 2005
- ISH Exhibition - Frankfurt
- Introduced to Manager of Thailand Factory
- NPD Thailand

# THEN: The Change That Started it All ..

- German Manager Resigns in TH
- UK to buy Thailand for 1 Euro
- And the Questions is....
  - Sourcing
  - Development
  - Production
- Timeline:
  - Mid-July 2005
  - It's Me ... 
  - 6 weeks Later I arrive in Thailand
  - 23<sup>rd</sup> August 2005 ... 



# Strange Things Happen ..

- “Leaving Dinner” at Thai Restaurant in Leamington Spa.



- Links to Montien Hotel Pattaya



# We Bought The Company – August 2005

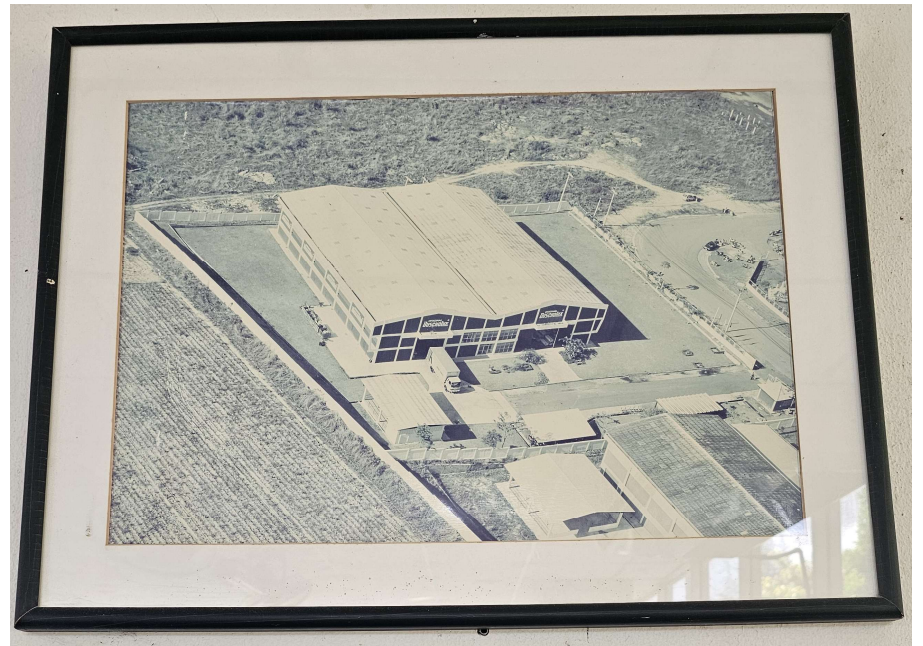


- Eastern Seaboard Industrial Estates started in the late 80's to become know as ...  
“The Detroit of the East”  
“An Oasis in Thailand”
- Duscholux Started Production in 1996





# Factory 1996 -2005



# Export Company – BOI Privileges



- Tax Advantages
  - CIT Exemptions Incentives
  - CIT Reductions Start Up
  - Import Duty Exemptions
  - VAT Exemptions
  - Dividend Tax Exemptions
  - Deductions on Transport, Electricity & Water

# Export Company – BOI Privileges

- Non-Tax Advantages
  - 100% Foreign Ownership
  - Land Ownership
  - Streamlined Visa & Work Permits
  - Permissions to Remit Foreign Currency Abroad
  - Extensive Business Support Services



# New Product Development Programme

- Initial Design Drawings UK
  - Source Materials
  - Material Approvals
  - Production Unit Prototype Check
  - Product Approval
  - Mass Production Start
  - Shipment
- Target ->
- 12 Months to have Product in UK



# Phase 1 – Sourcing 2005/6

- Initially Sourcing Thailand
  - Glass EN12150
  - Aluminum 6063 Grade
- China Sourcing
  - Originally via Agent
  - Moved to Direct Factory Sourcing





# Phase 1 – Sourcing 2005/6



# China Sourcing 2006





# 2006 – First Container Shipped

- 12 Months NPD
  - Sourcing
  - Development
  - Material Approvals
  - Prototypes Approvals
  - Production
  - Shipment



# First Production Team 2006

- 2006 -2012
  - Production Doubled Year on Year
  - 10 Containers/Month
  - Peaked 17 Container/Month
- More Ranges Added
  - Coventry -> Chonburi

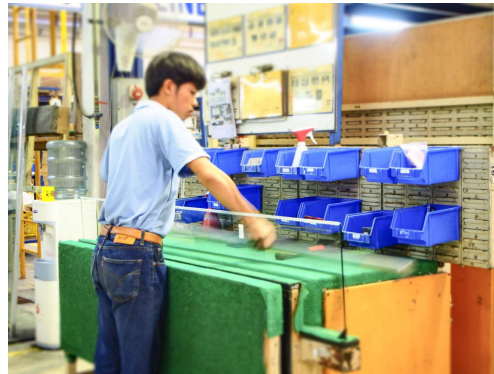


# Factory Internal LH -RH



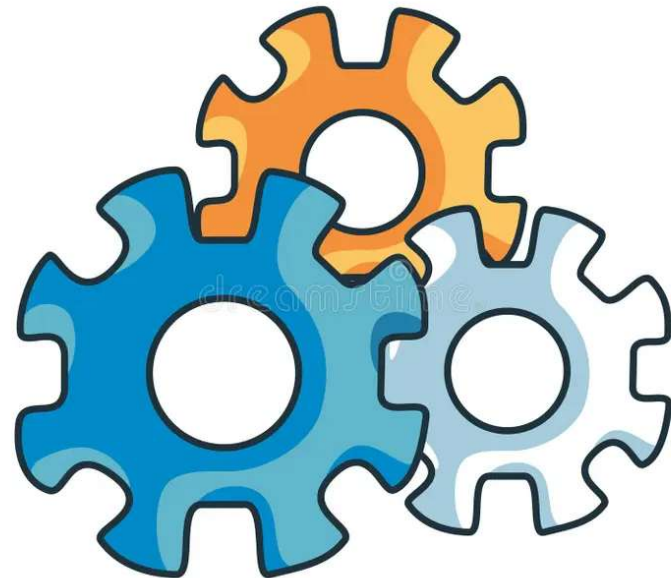


# Inspection / Prep /Assembly ..



# Working Experience in Thailand

- Management Meetings
  - Problems / Face
- Time Line Communication
  - Yesterday / Today / Tomorrow
- To Do List
  - One Job at a Time



# Legal Matters – Weighted to Employee

- Labour Court Chonburi
  - HR Manager & Assistant
- Labour Court Bangkok
  - Project Sales Manager
- Sriracha Labour Department
  - Factory Annual Bonus



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# Employee Rights in Thailand

LENGTH OF SERVICE	SEVERANCE PAY RATE
120 days ~ <1 year	30 days
1 year ~ < 3 years	90 days
3 years ~ < 6 years	180 days
6 years ~ < 10 years	240 days
10 years ~ < 20 years	300 days
> 20 years	400 days



# Increasing Size Bureaucracy



- 50 People and Above
  - Red Tape Hits
- Rest Rooms/Medical Room
- Accident Reporting
- Dangerous Material Reporting
- Separated Scrap Area
- Annual Fire Training
- Management Safety Training
- Employee Welfare Committee
- Health & Safety Committee
- Signage Taxes

# Rest Rooms & Medical Room



# Separate Scrap Area





# Annual Fire Training



# Health & Safety





# New Roof and Building Repairs (H&S)

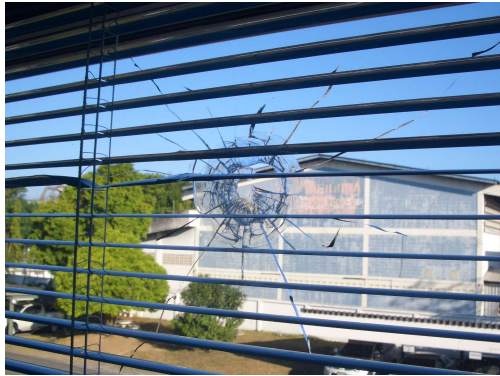


# Communication – Tree Trim





# Gun Shot in Office



# Annual Merit Making

- Important Part of Thai Culture
  - Spirit House
  - Merit Making
  - Monks Blessing





# Annual Merit Making



# Team Building Events





# Party Days





# Party Nights



# The Good Times





# The Good Times





# Working in Thailand



**Thank You**





