

INDUSTRIAL SECTOR DEVELOPMENT IN THE KINGDOM OF THAILAND: A STUDY

MOLD & DIE AND TOY INDUSTRIES

ADDENDUM

FIRST YEAR FINAL REPORT

SEPTEMBER 1988

JAPAN INTERNATIONAL COOPERATION AGENCY

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**INDUSTRIAL SECTOR DEVELOPMENT
IN THE KINGDOM OF THAILAND:
A STUDY**

MOLD & DIE AND TOY INDUSTRIES

**SUMMARY OF
FIRST YEAR FINAL REPORT**

SEPTEMBER 1988

JAPAN INTERNATIONAL COOPERATION AGENCY



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ADDENDUM: I. MOLD & DIE

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1. Questionnaire to Japanese Enterprises Having Interest in Foreign Investment

Today, as domestic and overseas markets are increasingly being viewed as parts of an integrated whole, more and more companies are pursuing global corporate strategies. With the drastic appreciation of the yen since September 1985, the cost benefits conferred by local production abroad have resulted in aggressive investment abroad by a large number of Japanese firms, and this trend is expected to continue.

In order to gauge current interest in foreign investment and improve understanding of the overseas investment climate, the Development Survey Study Team distributed a questionnaire to 671 firms in the Japanese metal mold industry. Details of the survey are as follows:

1) Survey period	April-May 1988
2) Businesses targeted	671 Japanese metal mold-related firms
3) Questionnaires distributed	671
Responses	92
Response rate	13.7%
4) Questionnaire items	See accompanying sample

Results of the Survey

Questionnaires were distributed to 671 firms in the metal mold industry; 92 were returned for a response rate of 13.7%. Of these 16, or 17.4% of the total, had already implemented overseas investment programs (including technology provision agreements), and a similar number either have plans for or are considering the possibility of foreign investment. Overall, the survey results indicated a strong interest in overseas investment.

1) Date of establishment

69 of the responding firms, or 75% of the total, were established prior to 1970.

2) No. of employees

65 firms had fewer than 100 employees, and 92% of the respondents were small and medium-sized firms with fewer than 300 employees.

3) Paid-in capital

78 of the respondents, or 84.8% of the total, were small and medium-sized firms with less than ¥100 million in paid-in capital.

4) Annual turnover

29 firms reported yearly sales of ¥100-500 million; 20, sales of ¥500 million to ¥1 billion; and 26, sales of ¥1-5 billion. 80% of the responding firms recorded an annual turnover of less than ¥5 billion.

5) Plans for future investment

Korea and the U.S. have been the main targets for investment by the Japanese metal mold industry; as yet no firms have invested in Thailand. Of the 43 firms surveyed, however, 23 (53.5%) have chosen Thailand. 12 have plans to move into Korea, and 11 more will invest in the U.S.

Technology provision agreements constituted 37.8% of the 143 for investment projects planned; joint ventures, 31.5%; licensed production agreements, 23.1%; and establishment of fully-owned subsidiaries, 11.2%. The 47 Thai investment schemes (32.9% of the total) adhered roughly to these ratios.

Of the local companies established abroad, only two (one each in Korea and Taiwan) exported more than 50% of their products to Japan. Production at the great majority of firms was destined primarily for local markets.

6) Investment objectives

Reasons offered for overseas investment were as follows: 1) low labor costs (17.5%); 2) export to Japan (16.9%); and 3) expansion of sales to third-country markets (16.4%). In the case of Korea, the following two objectives were given: 1) as a countermeasure to the strong yen (24%); and 2) to expand sales to the local market, take advantage of low labor costs, and export to Japan (16%). Reasons for investment in the U.S. were as follows: 1) foreign investment by a Japanese parent company (39%); 2) expansion of sales to the local market (33%); and 3) as a countermeasure to the strong yen (11%). The most common reason for investment in Thailand was low labor costs (25%), followed by expansion of sales (20.8%) and as a countermeasure to the strong yen (18.8%). The abundant supply of cheap labor no longer available in either the advanced nations or the NICs thus appears to play a major role in attracting Japanese corporate investment.

7) Problems experienced by firms investing abroad

Among the major problems faced by Japanese enterprise in Korea are rising inflation and the securing of manpower. In the U.S. as well, labor management and the hiring of skilled labor have proven troublesome. It is believed that such problems are providing a major stimulus to the move towards investment in Thailand.

Summary

The current survey indicates a clear increase in the number of firms in the Japanese metal mold industry with plans to invest in Thailand. According to the nation's Board of Investment (BOI), in 1987 204 Japanese companies (31.9% of all foreign affiliate applicants) submitted requests for permission to invest a total of 47.7 billion baht (31.5% of all investment planned by foreign affiliates). These figures represent 3.8-fold and 3.2-fold increases, respectively, over 1986.

The shift in Japanese metal mold industry investment from the U.S. and Korea to Thailand is becoming increasingly apparent. Ironically, this is due to the dramatic economic growth achieved by Korea and other Asian NICs, which has driven up labor costs and forced a revaluation of their currencies on the international market. At the same time, labor costs one-seventh to one-eighth of those in Japan, a relatively stable political situation, healthy economic performance, the aggressive investment attraction measures taken by the BOI, and the preferential tax treatment offered to export-oriented enterprises have all contributed to the increasing attention paid by Japanese firms to investment in Thailand. Finally, there is one additional point that should not be overlooked in conjunction with the increase in planned investment. Thailand's domestic supply capacity is terribly insufficient to meet the rapid growth in demand expected in the metal mold industry. The country's small, independent metal mold manufacturers lag behind in the areas of management, facilities, technology, and information, and at present they are incapable of responding to customer demands.

3 March 1988

Japan External Trade Organization
Development Survey Project
Heihachiro Aoki
Akira Inoue

Request for Cooperation in Foreign Investment Concerns Questionnaire Survey

This company is conducting this survey for the purpose of promoting the continuing industrialization of the ASEAN nations. In particular, we aim to find those ways in which Japan can cooperate to promote these countries' export production.

As everyone is aware, since Japan can play a large role in these nations' industrialization through methods such as direct investment and technical cooperation, the local governments are constructively encouraging Japanese enterprises to take on this task.

This company is conducting a questionnaire survey of Japanese firms concerning direct foreign investment and technical cooperation in order to better understand the conditions of the local investment environment and the concerns of foreign expansion.

It is hoped that the results of this survey will have some significant, answers will not be made available to the public.

However, please be aware that the results of the survey and a list of the subject firms will be offered to participants in the related nation's governments.

We are aware that it is a considerable amount of work, but we request your cooperation.

1. Method of Entry: Enter the necessary information on the enclosed blank questionnaire sheet. Use information current as of the end of February, 1988.

2. Deadline: Please return the questionnaire in the enclosed envelope by the end of March, 1988.

3. Contact: If any aspect of the questionnaire is unclear, please inquire at the following
Japan External Trade Organization (JETRO)
Development survey Project
Director:
TEL. (03) 582-5525
Address. 2-2-5 Toranomom Minato-ku, Tokyo 105

Japanese Firms Questionnaire (Molds and Dies)

Company Name (Japanese)	
Company Name (English)	
Address	
Telephone	
Telex	
Fax	
Representative's Name	
Date of Establishment	
Capital	(yen; Unit: million of yen)
Yearly Revenues	(yen; Unit: million of yen)
Number of employees	
Products:	1) Press molds and dies 2) Plastic molds and dies 3) Diecast molds and dies 4) Forging mold and dies 5) Casting Molds and dies 6) Rubber molds and dies 7) Glass molds and dies 8) Powder metallurgy molds and dies 9) Industrial molds and dies 10) Other (specify)
Department in Charge	
Person in Charge	

Q 1. Presently, what type of foreign relationship exists?

(1) Foreign production base

(specify each country)

(2) Technical cooperation with a foreign maker

(specify each country)

(3) OEM supply with a foreign maker

(specify each country)

(4) Presently, no relationship, but it is under consideration for the future

(5) No relationship

Q 2. Concerning plans for future expansion

(1) Presently, under investigation

(2) There is margin for future investigation

(3) Not under consideration

2-1 If (1) or (2) was chosen:

Concerning future goals and area of desired expansion, on chart 1 indicate the relevant countries and expansion objectives. (Plural answers possible)

Q 3. Do you wish Jetro to introduce a joint management or technical cooperative partner?

Yes

No

3-1 Jetro has an established investment registration system. This system provides reference information free of charge to firm with interest in foreign trade. A special statement will be provided to those firms interested.

Does your firm wish to be affiliated with this system?

Yes

No

Q 4. Concerning firms with previous expansion

On chart 2 indicate the relevant areas

2. Investments and Plans of Japanese Enterprises

List of the Result from Questionnaire Given to Japanese Enterprises Having an Interest in Foreign Investment

Type of industry	Total number of questionnaires sent to enterprises	Number of enterprises answering questionnaires	Rate of collection (%)	Number of enterprises already advanced abroad				Number of enterprises having a plan of advance			Number of enterprises advancing to Thai						
				Foreign advance D	D/B (%)	Technical tie-up E	E/B (%)	OEM supply F	F/B (%)	Present G	G/B (%)	Future H	H/B (%)	Already I	I/D (%)	Planning J	J/G+H (%)
Mold & Die industry	671	92	13.7	5	5.4	11	12.0	5	5.4	18	19.6	25	27.2	0	0	23	53.5

List of Contents & Plans of Advances by Japanese Enterprises

Type of industry	Contents of the already — advanced		Plan of advance			Plan of advance to Thai				
	Country for advance	Country for technical tie-up	Country for OEM supply	Present	Future	Total	100%	Joint venture	Technical tie-up	OEM
Mold & Die industry	U.S.A	West Germany	U.S.A	18	25	47	4	16	17	10
	Korea	Korea	Korea							
	Taiwan	China	Taiwan							
	Hong Kong	Taiwan	China							
	Singapore	Singapore	Singapore							
		India	South East Asia							
		Indonesia	Mexico							
		Switzerland	Sweden							
			Europe							
Total	8	Total	15	Total	44	47	14	16	17	10

3. List of Japanese Enterprises Having Interest for Investment in Thailand

Type of industry	Company's name	(A) Considering now	(B) Will consider in future	Expecting (P) 100% (J) Joint venture (T) Technical tie-up (O) OEM	Main purposes for advancing to Thai	Expecting an introduction of partner Yes/No	Already Possesses factories abroad, or not	Already possessed relation of technical tie-up or not	Preferred country for advance except Thai	Place of
Mold & die industry	1. Okada Industrial Co., Ltd.	A		T	①	Yes	No	Korea	Korea	Hiroshima
	2. Yamazaki Mold Co., Ltd.	B		J, T	③ ⑤	Yes	No	No	Hong Kong	Kanagawa
	3. Ogihara Iron Works Co., Ltd.	A		J or T	① ② ③	No	U.S.A	No	U.S.A	Gunma
	4. Betel Company Ltd.	A		J, T, O	② ③ ⑤	Yes	No	No	China	Ibaragi
	5. Shoji Metal Shape Plant Co., Ltd	A		J	② ③ ④	Yes	No	West Germany	Indonesia	Hyogo
	6. Sasayama Co., Ltd	A		J, T, O	① ③ ⑧	Yes	No	No	Taiwan	Tottori
	7. Dec Co., Ltd	A		J	① ③ ⑧	Yes	No	No	Korea	Hiroshima
	8. I.K. Tool International	A		T	① ② ⑤ ④	Yes	No	Singapore	Korea	Nagano
								Korea	Taiwan	
								China	Hong Kong	
									Malaysia	
									Indonesia	
									The	
									Philippines	
									Singapore	
									Portugal	
									U.S.A	

Type of industry	Company's name	(A) Considering now	(B) Will consider in future	Expecting (P) 100% (J) Joint venture (T) Technical tie-up (O) OEM	Main purposes for advancing to Thai	Expecting an introduction of partner Yes/No	Already Possesses factories abroad, or not	Already possessed relation of technical tie-up or not	Preferred country for advance except Thai	Place of headquarter
	9. Nisshiu Precision Machines Co., Ltd	A		T	① ② ⑤ ⑥	Yes	No	China	Korea Hong Kong Singapore	Tokyo
	10. Seiki Industry Co., Ltd	A		T.O	③	—	No	No	China	Shizuoka
	11. Tokyo Light Alloy Co., Ltd	B		J.T.O	② ④ ⑤	Yes	No	No	Malaysia U.S.A	Saitama
	12. Micro Co., Ltd	B		Por J.O	② ③ ④	Yes	Taiwan	No	Mexico	Tokyo
	13. Kyohei Co., Ltd	B		P	② ③ ④ ⑤	No	No	No	Korea Singapore	Aichi
	14. Kyowa Seiki Co., Ltd	B		J.T	⑥	Yes	No	No	—	Kyoto
	15. Sera Seisakusho Co., Ltd	B		T	④ ⑤	Yes	No	No	Korea Taiwan	
	16. Kato Seisakusho Co., Ltd	B		J.T	③ ④ ⑤	Yes	No	No	Malaysia Korea U.S.A	Gifu
	17. Nippon Desma Kanagata Seizo K.K.	B		J.T	① ② ③ ⑤	—	No	West Germany	Malaysia	Saitama
	18. Azuma Corporation	B		P.J.T.O	① ② ③ ④	Yes	No	No	The Philippines	Osaka

Type of industry	Company's name	(A) Considering now (B) Will consider in future	Expecting (P) 100% (J) Joint venture (T) Technical tie-up (O) OEM	Main purposes for advancing to Thai	Expecting an introduction of partner Yes/No	Already Possesses factories abroad, or not	Already possessed relation of technical tie-up or not	Preferred country for advance except Thai	Place of headquarter
	19. Saito Kangata Co., Ltd	B	T	③	Yes	No	No	Taiwan	Mie
	20. Top Die Co., Ltd	B	T.O	① ② ③ ⑤	No	No	No	Taiwan	Osaka
	21. Conic-sha Co., Ltd	B	J	②	No	No	No	Indonesia	Osaka
	22. Yasuda Dix Manufacturing	B	P.J.O	③ ⑧	—	No	No	U.S.A	Mie
	23. Suzuki Kuwa Co., Ltd	B	P.J	⑤ ⑧	No plan	No	No	Korea	Aichi
				① Expanding local market ② Expanding market of the 3rd country ③ Exporting to Japan ④ Coping with higher Yen ⑤ Utilizing labour ⑥ Easy to get raw materials ⑧ Coping with advances of Japanese users.					

4. Questionnaire to Thai Enterprises on Tie-up with Foreign Enterprises

Company's Name

Address

.....

.....

Information above joint venture and technological tie-ups

1. Is your firm a joint venture or do you receive technological tie-ups?

Yes

No

In the case of joint venture

2. Name of partner country

3. Form of joint venture

Foreign Country hold 100% shareholders

Joint venture by

Equity ratio (Thai) of 50% or more

Equity ratio (Thai) of 50% or less

Other.....

In the case that now your firm is not a joint venture

4. Desire for joint venture

Yes

No

5. Desire for technological tie-up

Yes

6. Desire partner country for joint venture and technological tie-up (multi-answer)

Japan

Germany

Taiwan

England

Other

List of the Result from Questionnaire Given to Thai Enterprises on Foreign Investment & Technical Tie-up

Number of enterprises answering questionnaire 72
 Number of enterprises giving effective answer 66

Type of industry enterprises	Number of enterprises	Number of enterprises already advanced		Expecting tie-up				Preferred country for tie-up				Type of tie-up				
		No	Yes	No	Yes	Capital	Technical	Japan	Taiwan	Europe	U.S.A	Others	Capital Management	Marketing	Technical	R & D
Mold for plastics	27	4	11	12	9	10	11	6	4	0	3	7	0	4	10	12
Metal mold	32	8	14	10	9	9	6	3	1	0	6	8	2	6	9	2
Others	7	0	5	4	4	4	3	1	1	0	2	3	0	1	4	4

5. List of Thai Enterprises Expecting Tie-Up

(1) Mold & Die for Plastics

Company's Name	Address	Tel.	Capital tie-up	Technical tie-up	Preferred Country for tie-up	Type of tie-up	Miscellaneous
Araya Karnchang	1572, Vorarat Center, Tamurat 5, Yanrawa, BKK	286-8454	○	×	Japan, Taiwan	1	
S. Kitkarnchang	543/56, Dau Kanong, Ki. Crirudee, Bangkurt, BKK	211-1136	○	○	Japan, Taiwan	1, 4	
Hoover Industry (Thailand)	55 Moo3, King Kaew, Bangpiee, SPK	316-9281	○	○		1, 4	Producing others, too
Lin Industry	3761/157-8, Hew Yu Dee, Yanrawa, BKK	291-1540	○	○	Japan, Taiwan	1, 4	
Marong Industry	31 Moo 14, Kiong Kueng, PTT	529, 1650-4	○	○	Europe	3, 4, 5	
Sahasilp Plastic Industry	524, Charunsanidwong, Thotburi Cowerce, Bangkok Yai, BKK	412-4870, 412-5653	○	○	Japan, Taiwan	1, 4	
Sriithai Su-perware	355, Suksawat, 36, Bajaburana, BKK	427-0200	○	○	Japan,	3, 4, 5	
Taksin Kolakarn	22/1, Pracha utit, Suksawat, Rajaburana, BKK	427-6793			Japan, Taiwan		
Ter Seng Prung	678, Rajaburana, Tai Hair, Rajaburana, BKK	468-8150, 468-8176	○	○	Japan Europe	3, 4	
Preasion Tool	60-62, Patanakarn, Prajaksilip, Yannawa, BKK	374-4801 /348-3724		○	Japan, Taiwan, Europe	1, 3, 4	Producing Metal Mould, too
Seng Kae Salak	1407/24-26, Taksin, 87, BKK	468-7092	○	○	Japan	1, 4	Producing Metal Mould, too
Chai Narong Karnchang	8/30, Taksing, Wat Sutawas, Bukalo, BKK	468-7370	○	○	Japan, Europe	4	Producing others, too

(2) Mold & Die for Press

Company's Name	Address	Tel.	Capital tie-up	Technical tie-up	Preferred		
					Country for tie-up	Type of tie-up	Miscellaneous
C.H. Autoparts	127 Moo 11, Samrong Tai, Suen Sorri, Prapadeng, SPK	394-0427, 394-1934	○	○		1, 3, 4	
Chockchai Karnchang	424/727-2 Charoon, Wanawan, BKK	437-7411	○	○			
Mead Mae Pim Siam	2233/3, Chareon Nakorn, Chaipo Thong, BKK	437-8464	○	○	Taiwan	3, 4	
MSV Engineering	271/1, Sukumvit, 101/1, Prakanong, BKK	398-4969	○	○	Japan, Taiwan	1, 4	Producing others, too
Samit Motor Manufacturing	104 Moo 15, Petkasen, Pasi Jareon, BKK	413-0202, 473-1233	○	○	Japan	1, 3, 4	
Samron Karnchang	424/119, Chareon Nakorn, Wanawan, BKK	437-3301	○	○	Japan, 1, 4		
S. Lohasilp	1022/27, Chan, Watrat-Ngeon Yanmawa, BKK	212-1065	○	○	Japan	1-5	
Wallop Karnchang	735/75, Petasen, Pasi Jareon, BKK	457-0699	○	○	Japan	1-5	

ADDENDUM: II. TOY

ADDENDUM: II. Toy

1. Questionnaire to Japanese Enterprises Having Interest in Foreign Investment

Today, as domestic and overseas markets are increasingly being viewed as parts of an integrated whole, more and more companies are pursuing global corporate strategies. With the drastic appreciation of the yen since September 1985, the cost benefits conferred by local production abroad have resulted in aggressive investment abroad by a large number of Japanese firms, and this trend is expected to continue.

In order to gauge current interest in foreign investment and improve understanding of the overseas investment climate, the Development Survey Study Team distributed a questionnaire to 167 firms in the Japanese toy industry. Details of the survey are as follows:

1) Survey period	April-May 1988
2) Businesses targeted	167 Japanese toy-related firms
3) Questionnaires distributed	167
Responses	36
Response rate	21.6%
4) Questionnaire items	See accompanying sample

Results of the Survey

Questionnaires were distributed to 167 toy-related firms; 36 were returned for a response rate of 21.6%. Of these 36, or 57.8% of the total, had already implemented overseas investment programs (including technology provision and OEM supply agreements), and a similar number either have plans for or are considering the possibility of foreign investment. Overall, the survey results indicated a strong interest in overseas investment.

1) Date of establishment

24 of the responding firms, or 66.7% of the total, were established prior to 1970.

2) No. of employees

94.4% of the respondents were small and medium-sized firms with fewer than 300 employees.

3) Paid-in capital

32 of the respondents, or 88.9% of the total, were small companies with less than ¥100 million in paid-in capital.

4) Annual turnover

10 firms reported yearly sales of ¥100-500 million; 6, sales of ¥500 million to ¥1 billion; and 14, sales of ¥1-5 billion. 83.8% of the responding firms recorded an annual turnover of less than ¥5 billion.

5) Plans for future investment

Investment in the NICs by Japanese toy-related firms has been noteworthy, with eight firms active in Taiwan, seven in Hong Kong, and five in Korea. Only one company is currently operating in Thailand. According to the present survey, however, 10 firms either have plans to move into Thailand or are considering the possibility. An identical number of firms is considering investment in Hong Kong, while five companies expressed a similar interest in Taiwan and Korea, respectively.

Of the investment planned for 1986, licensed production constituted the most common type of arrangement (accounting for 57.4% of all investment), followed by technology provision agreements (14.8%), joint ventures (11.5%), establishment of fully-owned subsidiaries (9.8%), and other (6.5%). Of the 12 projects for investment in Thailand, 10 involved licensed production agreements; the remaining two constituted a technology transfer agreement and the establishment of a fully-owned subsidiary. Most of the firms intend to utilize the expansion of licensed production to build an industrial base and accumulate technical know-how.

Of the local companies established abroad, only two (one each in Korea and Taiwan) sold more than 50% of their products on the local market. Production at the remaining firms was destined primarily for export to Japan, the U.S., and the NICs.

6) Investment objectives

Reasons offered for investment in Korea, Taiwan, and Hong Kong were as follows: 1) export to Japan (27.9%); 2) as a countermeasure to the strong yen and to take advantage of low labor costs (20.5%); and 3) expansion of sales to third-country markets (18.0%). Motives for investment in Thailand were as follows: 1) export to Japan (25.8%); 2) to take advantage of low labor costs and expand sales to third-country markets (22.6%); and 3) as a countermeasure to the strong yen (19.4%). Although both Thailand and the NICs offer firms the opportunity to expand overseas production, those companies moving into the former country appear to be more interested in utilizing the

abundant supply of cheap labor and increasing sales to third-country markets than in counteracting the strong yen.

7) Problems experienced by firms investing abroad

Among the major problems faced by Japanese enterprise in the NICs are rising inflation and drastic exchange rate fluctuations. Other difficulties include the return of Hong Kong to Chinese sovereignty in 1997, labor disputes in Hong Kong, and legal and tax-related problems in Taiwan and Korea.

Summary

The current survey indicates a clear increase in the number of firms in the Japanese toy industry with plans to invest in Thailand. According to the nation's Board of Investment (BOI), in 1987 204 Japanese companies (31.9% of all foreign affiliate applicants) submitted requests for permission to invest a total of 47.7 billion baht (31.5% of all investment planned by foreign affiliates). These figures represent 3.8-fold and 3.2-fold increases, respectively, over 1986.

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Japan External Trade Organization (JETRO)

Development survey Project

Director:

TEL. (03) 582-5525

Address. 2-2-5 Toranomom Minato-ku, Tokyo 105

Japanese Firms Questionnaire (Toys)

Company Name (Japanese)	
Company Name (English)	
Address	
Telephone	
Telex Fax	
Representative's Name	
Date of Establishment	
Capital (yen)	(unit: 1 million yen)
Yearly Income	(unit: 1 million yen)
Number of Employees	
Products:	1) Plastic toys 2) Metal toys 3) Wooden toys 4) Cloth toys (including dolls) 5) Rubber toys 6) Toy musical instruments 7) General toys 8) Other (specify)
Department in Charge	
Person in Charge	

Q 1. Presently, what type of foreign relationship exists?

- (1) Foreign production base
(specify each country)
- (2) Technical cooperation with a foreign maker
(specify each country)
- (3) OEM supply with a foreign maker
(specify each country)
- (4) Presently, no relationship, but it is under consideration for the future
- (5) No relationship

Q 2. Concerning plans for future expansion

- (1) Presently, under investigation
- (2) There is margin for future investigation
- (3) Not under consideration

2-1 If (1) or (2) was chosen:

Concerning future goals and area of desired expansion, on chart 1 indicate the relevant countries and expansion objectives. (Plural answers possible)

Q 3. Do you wish Jetro to introduce a joint management or technical cooperative partner?

Yes

No

3-1 Jetro has an established investment registration system. This system provides reference information free of charge to firm with interest in foreign trade. A special statement will be provided to those firms interested.

Does your firm wish to be affiliated with this system?

Yes

No

Q 4. Concerning firms with previous expansion

On chart 2 indicate the relevant areas

2. Investments and Plans of Japanese Enterprises

List of the Result from Questionnaire Given to Japanese Enterprises Having an Interest in Foreign Investment

Type of industry	Total number of questionnaires sent to enterprises	Number of enterprises answering questionnaires	Rate of collection of questionnaires (%)	Number of enterprises already advanced abroad		Number of enterprises having a plan of advance		Number of enterprises advancing to Thai									
				D	D/B (%)	E	E/B (%)	F	F/B (%)	G	G/B (%)	H	H/B (%)	I	I/D (%)	J	J/G+H (%)
A	167	36	21.6	14	38.9	8	22.2	10	27.8	6	16.7	13	36.1	1	7.1	10	52.6
Toy industry																	

List of Contents & Plans of Advances by Japanese Enterprises

Type of industry	Contents of the already — advanced			Plan of advance			Plan of advance to Thai			
	Country for advance	Country for technical tie-up	Country for OEM supply	Present	Future	Total	100%	Joint venture	Technical tie-up	OEM
Toy industry	Hong Kong	Taiwan	Korea	6	13	12	1	0	1	10
	Taiwan	Korea	Taiwan							
	Korea	Hong Kong	China							
	Thailand	U.K.	U.S.A							
	Singapore	China	Hong Kong							
	China	U.S.A	West Germany							
		France								
		Australia								
Total	19	Total	15							10

3. List of Japanese Enterprises Having Interest for Investment in Thailand

Type of industry	Company's name	(A) Considering now	Expecting (P) 100% (J) Joint venture (T) Technical tie-up (O) OEM	Main purposes for advancing to Thai	Expecting an introduction of partner Yes/No	Already Possesses factories abroad, or not	Already possessed relation of technical tie-up or not	Preferred country for advance except Thai	Place of headquarter
Toy	1. Sekiguchi Company Ltd.	A	T.O.	② ③ ④	No	No	Korea China Taiwan	Hong Kong Sri Lanka	Tokyo
	2. Select Art Co.	A	O	③ ⑥	Yes	Thai	No	—	Yamanashi
	3. Kawai Musical Inst. MFG Co., Ltd.	—	P.O.	② ③ ④	Yes	Hong Kong	Taiwan	Hong Kong	Shizuoka
	4. Bon Company Ltd.	B	O	② ③ ⑤	—	No	No	Singapore	Tokyo
	5. People Co., Ltd	B	O	④ ⑤	Yes	No	No	Singapore China	Tokyo
	6. Green Corporation	B	O	② ③ ④	No	No	No	Hong Kong	Ibaragi
	7. Iwaizumi & Co., Ltd	B	O	③	—	Taiwan	No	China	Tokyo
	8. Apollo Sha Co., Ltd	B	O	① ② ④ ⑤	No	No	No	Taiwan	Tokyo
	9. Inoue Musical Instrument Works	B	O	② ③ ⑤	Yes	No	No	Indonesia	Aichi
	10. Iwai Industrial Co., Ltd	B	O	② ③ ⑤	No	No	No	China	Tokyo

- ① Expanding local market
 ② Expanding market of the third country
 ③ Exporting to Japan
 ④ Coping with higher Yen
 ⑤ Utilizing labour
 ⑥ Coping with advances of Japanese users.

4. Questionnaire to Thai Enterprises on Tie-Up with Foreign Enterprises

Company's Name

Address

.....

.....

Information above joint venture and technological tie-ups

1. Is your firm a joint venture or do you receive technological tie-ups?

Yes

No

In the case of joint venture

2. Name of partner country

3. Form of joint venture

Foreign Country hold 100% shareholders

Joint venture by

Equity ratio (Thai) of 50% or more

Equity ratio (Thai) of 50% or less

Other

In the case that now your firm is not a joint venture

4. Desire for joint venture

Yes

No

5. Desire for technological tie-up

Yes

6. Desire partner country for joint venture and technological tie-up (multi-answer)

Japan

Germany

Taiwan

England

Other

List of the Result from Questionnaire Given to Thai Enterprises on Foreign Investment & Technical Tie-up

Number of questionnaires sent to enterprises 67 Rate of Collection
 Number of enterprises answering questionnaire 33 (49.3%)

Type of industry enterprises	Number (A)	Enterprises with tie-up		Capital tie-up 100% for capital	More than 50% Thai's	No (C)	Expecting tie-up		Preferred country for tie-up			Miscellaneous		
		Country for tie-up	Country for tie-up				Yes	Capital	Japan	Taiwan	Europe		U.S.A	
Toy	33	5	1	1	4	19	10	8	9	6	5	0	1	4 companies with no reply on whether they are expecting tie-up out.
		B/A				C/A	D/A			E/D				
		15.2%				57.6%	30.3%			60%				

5. List of Thai Enterprises Expecting Tie-Up (Toy)

Company's Name	Address	Tel	Already had tie-up	Type of Tie-up		Preferred Country for Tie-up	Miscellaneous
				Capital	Technical		
Abco Internationa Co., Ltd	1179/2-3 Soi Manoron, Rama IV Road, Pakanong BKK: 10110	249-8155	x	x	x	Japan	Not expecting now, but infuture
Apex Toys Co., Ltd.	141/15 M006 KM7 Thonburi Parktor Rd. Soi Klongnuya	415-1700	x	—	o	Japan	Under consideration on technical tie-up
Arco Toys, Ltd.	RM1014, 10/F Sivadon Bldg. I Convert Road, BKK 10500	234-9699	o	o	o	—	had tie-up with U.S.A.
Bandai & K.C. Co., Ltd.	71 M0012 Fracharach-U-Tit Road, Pachataeva, Bangplee, Samutprakarn 10540	316-6390	o	x	x	—	had tie-up with Japan.
Bangkok Plastic Products Co., Ltd.	628/86-88 Prapinrao, Charansanitwong, BKK, 10600	424-5069	x	o	x	—	Planning to produce plastic toy
Bangkok Toy Co.,	101/73-74 Navanakorn Industrial Estate T.Klongi Pathumthani	529-0978~84	o	o	o	Japan, USA	Had tie-up with Hong Kong
Chif Hing (Thailand) Manufacturing Co., Ltd.	1467 Moo 6, Theparak Road, Samrong Nua, Samutprakarn 10270	394-3536	x	x	o	Japan	
Dynamic Toy Co., Ltd.	83 Moo 10, Budhamonthol Soi 4, Omnoi, Kratumban, Samutsakorn 74310	420-2495~6	o	x	x	—	Had tie-up with Taiwan
Kamsa Ltd., Part	12/24 Sukhumvit Soi 33, Prakanong, BKK 10110	258-5691	o	x	x	Taiwan	Had tie-up with Taiwan
Lotsin Industries Co., Ltd.	22/7 Bangna-Trad Highway, Moo 7, Bang Chalong Bang Plee, Samutprakarn 10270	587-0898~9	x	o	o	Taiwan	

Company's Name	Address	Tel	Already had tie-up	Type of Tie-up		Preferred Country for	
				Capital	Technical	Tie-up	Miscellaneous
Phun Larn Car Factory Co., Ltd.	87 Moo 6 Poochaosaming Prai Rd. Phrapra-daeng Samutprakarn	394-1116-7	x	o	o	Japan	
Thai Sincere Co., Ltd.	127/8 Rachadapisek Road, Chongnonsee, BKK 10121	236-1649	x	o	o	Japan, Taiwan	
Three's (Company) Ltd.	79 Prachatipatai Rd., BKK 10200	281-6313	x	o	o	Taiwan	
Union Toys (Thailand) Co., Ltd.	Room 296, 16th Fl., Silom Palace, Silom Road, BKK. 10500	235-3026	x	o	o	Taiwan	

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