

HEIMATEC ON THAILAND OPPORTUNITIES AND CHALLENGES



Karl Moessmer and Dirk Hund of **Heimatec** sound off on the company's Thailand market and the opportunities they are seeing in the region.

At the recent METALEX 2019 event in Bangkok, Thailand, Asia Pacific Metalworking Equipment News (APMEN) spoke with Karl Moessmer, regional manager for Singapore, and Dirk Hund, sales manager, at Heimatec, about the company's Thailand market and the opportunities they are seeing in the region.

HOW LONG HAS THE COMPANY BEEN IN THAILAND AND HOW HAS YOUR BUSINESS BEEN?

Dirk Hund (DH): Compared to Vietnam, Thailand is a better market for us so far. We have really good partnerships here, and projects are more promising. It is a more-developed market, that is why I think, it is a better situation here in Thailand as of the moment.

Karl Moessmer (KM): Our first exhibition was in 2011. Since then, we have participated in the same show until today, and we are going to continue this basis because we believe in the continuity of activities here.

As Dirk mentioned, we have now shaped a team that is quite reliable and performing in our interests. As far as the market potential is concerned, there is an increased investment flowing into Thailand. So, among the Southeast Asian market, Thailand has a great potential for us in the next couple of years. There is no such thing as instant success—if you come in for a quick buck, you are wrong, because any place that is solidly growing is going to be there forever.

A quick success might not be continuing. This is why we believe in

continuity. To see where our chances are, and come in with more professional support, that is our intention.

DH: And to set up the right strategy. You have to adjust the strategy, every year. It is still challenging, since it is a different country, different culture. You can't compare it with other countries, especially in Southeast Asia. If you do not have a direct sales team here, everything will then rely on your partner—so you have to have the right partners in the country.

IN WHICH INDUSTRIES DO YOU SEE GROWTH HERE IN THAILAND?

KM: It is still the automotive industry, with some machine makers. We will have to see if they will continue to be automotive because of all the





Dirk Hund and Karl Moessmer

uncertainties with the electric vehicles. This might cause some hesitation with people interested in investment. We are here to survey the market to see what is coming up within the next couple of years.

We are of high hopes that we are still placed in a potential market, especially since we know that a lot of German manufacturers based in China are moving out and trying to establish themselves in some other markets in Southeast Asia. Thailand, Vietnam, maybe Indonesia to some extent, will be benefitting from the reduction of the German investment, or European investment in China. This is why, I think, this is a good location to focus on.

WHAT TECHNOLOGY TRENDS ARE HAPPENING RIGHT NOW IN THE MARKET?

DH: The whole topic of Industry 4.0—I think it's a big step to go for manufacturers here and Southeast Asia as a whole. It is a big step in Europe, but I think we are in the early stages here. I don't know if people really know what is behind Industry 4.0. For big companies with many machineries, it is a trend

already. Here, I think it is a small portion at the moment. We can offer tools for Industry 4.0, but I think it is still a long way to go, especially here in Asia.

KM: I think everybody is just in a sort of wait-and-see attitude. This is also affecting investments. Nobody knows in which direction the markets will move, and this is causing hesitation. This is why I think foreign direct investments (FDI) will not be as much as it has been in the past. So, we have nothing else in mind but to be around, survey the situation, and then adapt to however necessary.

IN OUR PAST DISCUSSION, YOU MENTIONED VIETNAM'S MANUFACTURING TECHNOLOGY IS SOMEHOW NOT MATURED YET IN RELATION TO HEIMATEC'S ADVANCED SOLUTIONS. IS IT THE SAME IN THAILAND?

KM: Thailand is a bit more advanced than Vietnam because they have experienced a long-term investment of Japanese and European companies. From that point on, they started to grow and develop. Also, in terms of technical

knowledge, they are one, if not, two steps ahead of Vietnam. But Vietnam will upgrade themselves also. So, we have a lot of market studies to do to benefit from the move in the market.

DH: I can underline that. It is still, I think, the technology you have to offer. They are more advanced, yes, but still not on the high level.

KM: We cannot compare a European technical standard to the Southeast Asian standard, so, we should not move into the market with the wrong perception. This is why we have learned to be patient, and provide more support and assistance, because to handle a catalogue is not enough—this is not a wear-and-tear part, it's not a consumable—this is an important part of a solution for a machining process.

DO YOU HAVE ANY FINAL COMMENTS?

KM: There is no perfect solution. From my point of view, the only thing you can do is be present, observe the market, and stay in contact with your partners. Expect a good feedback from their side and try to realise whatever perception you have. There's no other way around it. And nobody knows which the appropriate direction is to move—nobody.

Even the people who come here often do not know everything about Thailand. The market is always full of surprises. So, as long as the economical and political situations remain stable, we have a good perspective for the future. But you never know what is going to happen. That is why you have to be highly flexible. ☺



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