

Amazon Papyrus Chemicals Remain Focused on Pulp and Paper Industry

Amazon Papyrus is one of the leading specialty chemical and process solution providers to the pulp and paper industry in Asia. With over 400 employees serving over 350 mills in Asia and the Middle East, Amazon Papyrus has established its presence in the two regions in 15 years of its existence.

paperASIA talked to Mike Grundy, Chief Executive Officer of Amazon Papyrus, recently on the company's development and his views on the chemical industry in Asia.



Mike Grundy

paperASIA: Amazon Papyrus Chemicals is one of the leading suppliers of process solution for pulp and paper industry in Asia. Can you give a brief background of the company?

Grundy: We started Amazon in the year 2000. We saw that with very high growth rates in the pulp and paper industry within this region and particularly in China, there was a demand for a high level of problem solving and service capabilities. We established a team of very experienced pulp and paper industry professionals and launched Amazon Papyrus Chemicals (HK) Ltd.

The company grew rapidly and was quickly recognised as a premier specialty chemical provider. Hong Kong is the base for our company headquarters and Singapore has developed into our centre for technical support. Today, we have built a regional presence in 11 countries, serving almost 400 customers across Asia and the Middle

East. We are the No 1 supplier to the pulp industry in the region and No 1 supplier to the paper industry in many of the countries.

paperASIA: Amazon Papyrus Chemicals' market is mainly focused in Asia. In your opinion, how is the specialty chemical industry in Asia developing?

Grundy: Until recently, we looked to the US for the most advanced paper machines in the world, but this has now changed. Asia now has the largest and the most technologically advanced paper machines and therefore any problems have to be resolved within this region. This has forced the specialty suppliers to learn and develop rapidly to support these modern machines.

For the last few years, the main request from our customers was to help them improve production by reducing break frequency, reducing machine downtime and improving paper quality. While these issues are still important, we see that the focus now is on driving overall mill efficiency and also helping the mill to meet their environmental standards.

paperASIA: What are the company's latest projects and start-ups?

Grundy: The number of new paper machines projects has certainly slowed down, however, we have recently been involved in startups on new tissue machines, ivory board machines and also packaging machines.

paperASIA: What sets Amazon apart from its competitors?

Grundy: We have an extraordinary team that comprises of some of the best talents in the paper industry. They have many years of experience and specialised knowledge on paper and pulp making technology, as well as the application and usage of specialty chemicals.

Our team's skill, technology and service became our core competency and our competitive advantage. We found the best people, that were able to provide the best service to our customers and this became part of our company culture.

As a result, we have been able to satisfy the demands of our key customers, we have provided them with a significant return on their investments and we have built long term business relationships.

paperASIA: Customer's satisfaction has always been a top priority to a supplier. How does Amazon Papyrus Chemicals contribute to its customer's satisfaction?

Grundy: When we first started off, we developed a very

good product positioning within a very short time frame. It satisfied the market demands of the whole range of pulp and paper machines from small to large.

Since then, we have developed and grown to the point where we now have the largest pulp and paper team within the region. 70 per cent of our staff are field based sales and technical support, so we can respond quickly to customer requests. Also, our company is only working in the pulp and paper industry, so we are totally focused on helping to solve customer problems.

paperASIA: The specialty chemical industry is always evolving with the latest improvements and innovations. How active is your company in its research and development programs? What are Amazon Papyrus' latest innovations?

Grundy: We have a strong R&D programme that is working on projects that are aimed at meeting the current and future needs of our industry.

With increased paper recycling, we see the need for more advanced stickies control and also improved dry strength products and we have recently launched new products in these areas. We have launched improved bleaching enhancers for the pulp industry and we have also developed a new on line biocide monitoring system that is currently being tested on selected sites.

In the tissue sector, we have recently launched a range of products that greatly enhance the efficiency of creping on high speed machines.

paperASIA: Customers are increasingly demanding environmentally friendly solutions. Does Amazon Papyrus take this into account in its R&D? What are its products that exemplify this?

Grundy: Yes, certainly and our Amox oxidising biocide range and our pulp mill bleaching enhancer are two examples of products that we have developed and are now used extensively. We are also developing our range of enzyme products.

However, we are trying to look at the bigger picture so that we can lower the pulp and paper mills overall environmental footprint. We have introduced programmes to reduced water consumption, reduce air emissions and also to reduce overall energy consumption.

paperASIA: In 2015, Amazon Papyrus Chemicals is celebrating its 15th anniversary. What are the challenges the company has encountered in the 15 years and how does it overcome the challenges?

Grundy: The key to our business is the quality and effectiveness of our team. As a result, some of our competitors have tried to hire away our staff. To overcome this, we have invested heavily in training for the team. We have found that if we can show our team that we are continuing to improve and develop their skills they are much more likely to stay with Amazon.

The financial crisis in 2008 and 2009 was a difficult time, but we managed to keep all our staff and support our customers. We did this by stickily controlling costs and

keeping our team focused on the business and not on worrying about their jobs. As a result, we emerged from that period as a much stronger company.

Currently, we are seeing a significant slowdown in the Chinese economy. This has a direct impact on the pulp and paper production requirements and we have seen a number of small and inefficient mills closing. I believe that this consolidation will continue and the pulp and paper industry will emerge more efficient and more profitable.

paperASIA: In December 2014, Amazon Papyrus Chemicals purchased the assets of Specialty Chem Solutions Co., Ltd. (SCS) Thailand. How does the purchase change Amazon Papyrus' market reach and presence in Asia?

Grundy: This was a relatively small acquisition and SCS was only operating in Thailand, therefore this has limited effect on our overall position in Asia. However, we are very pleased with the purchase and it has increased our desire to find other potential acquisitions within the Region.

paperASIA: How do the assets purchase affect the existing SCS Thailand's customers?

Grundy: Just as there is consolidation with pulp and paper mills, there is consolidation amongst the chemical suppliers. By acquiring SCS, it has helped Amazon to improve our overall efficiency and therefore keeps us cost competitive in the market place.

paperASIA: The changing landscape of the specialty chemical market in Asia presents a unique challenge to the industry. Accounting for more than 30 per cent of the global market, Asia has recently displaced North America as the world's largest specialty chemical market. How does Amazon Papyrus take advantage of this situation?

Grundy: We are only working within the Asia region. We have over 470 employees, of which around 350 are stationed in our clients' manufacturing plants, helping to solve manufacturing issues for the clients and helping to maintain and improve overall efficiency.

Currently, among the specialty chemicals providers in the Asia market, we have the largest team. This means that we are well positioned to respond quickly to changes in the production process and to respond to the customers' needs.

Also many customers involve us in the early planning stages for new projects, which give us an advantage when the business is finally awarded.

paperASIA: Finally, with the encouraging growth in the specialty chemical market in Asia, what are Amazon Papyrus' hopes for its future?

Grundy: We believe that we can continue to grow in the process chemicals part of the business and we have started to expand into retention and drainage and also influent and effluent treatment. Also, we now want to develop the functional business more aggressively, for example in dry strength.

Through this approach, we believe that we can double the size of the company over the next 5 year. **PA**