

Advocate world advanced beverage packaging technology  
We believe everything is possible



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**Bottle blowing equipment creates outstanding achievements with Zhuhai Zhongfu**

**RJM14 Bottle Blowing Equipment shows in Munich Drinktec2005**



# Background of Zhuhai Zhongfu

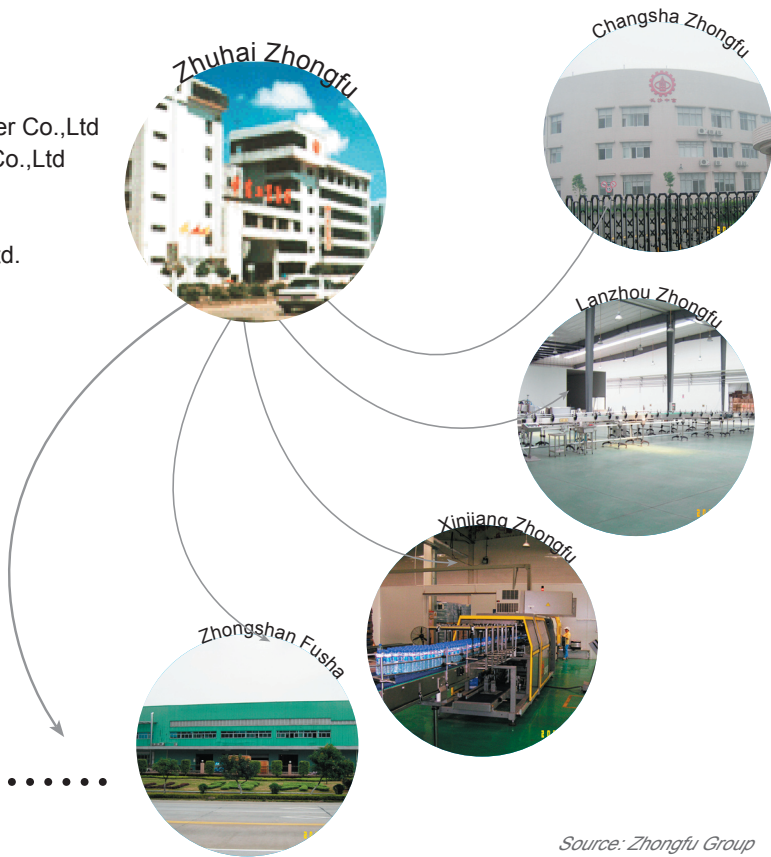
Zhuhai Zhongfu Industrial Group Corporation is the Guangdong Province hi-tech corporation, and is dedicated to providing foods and beverage container packaging for the filling factories of “Coco-cola” and “Pepsi” in China, and domestic famous beverage manufacturers, and is the professional manufacturer in PET bottle industry with most complete equipments, advanced technology and biggest scale in China. The products are appointed to providing packaging materials for beverage of “Coco-cola” and “Pepsi”. The total area of the workshop of Zhongfu Industrial Group Corporation reaches 114,675.8m<sup>2</sup>, and the annual output: 5 billion PET soda water bottles, mineral water, purified water and distilled water bottles, 4 billion PET bottle moulds, 5 billion (bottle) shrink and adhesive labels, 3000 ton of (LDPE, LLDPE) sheet film and shrink film, 100 million square meters of high grade 3-hole 7-layer packaging cartoon.....

Zhongfu occupies over 800,000m<sup>2</sup> and the workshop occupies over 350,000m<sup>2</sup>; in Zhuhai city, Zhongfu has set up three packaging industry production workshops; Zhongfu possesses over 4000 employees, among which, over 600 are researchers, senior engineers, engineers and technicians; the company possesses over 600 sets of most advanced computer program controlled fully automatic devices for PET packaging and non-woven fabric producing which are introduced from U.S., Germany, Canada, France, Italy and Japan, among which, over 100 fully automatic bottle blowing machines are imported.

Zhuhai Zhongfu is top 10 modern industrial corporations in Zhuhai city, with over 80 subsidiaries which are set up in other provinces and municipalities. Zhongfu Group is developing and expanding the business network throughout China and with the spirit of “constant striving”.

Zhuhai Zhongfu Group possesses over 80 subsidiaries, currently, such corporations are using Tech-Long equipments:

- Qingdao Zhongfu In-line Container Co.,Ltd
- Xinjiang Tianshan No.1 Glacier Water Beverage Development Co., Ltd.
- Shenyang Zhongfu Preform Co.,Ltd
- Changsha Zhongfu Preform Co.,Ltd
- Zhengzhou Full Tin Foods Co.,Ltd
- Chengdu Zhongfu Preform Co., Ltd.
- Shaanxi Zhongfu In-line Packaging Container Co.,Ltd
- Zhongshan Fusha Spring Water Beverage Co.,Ltd
- Kunshan Zhongfu Container Co., Ltd.
- Haikon Zhongfu Container Co., Ltd
- Beijing Zhongfu Hot Filling Container Co., Ltd.
- Lanzhou Zhongfu Container Co., Ltd.
- Taiyuan Zhongfu In-line Container Co., Ltd.
- Changchun Zhongfu Container Co., Ltd.
- Changsha Full-Tin Foods Co., Ltd.



Source: Zhongfu Group



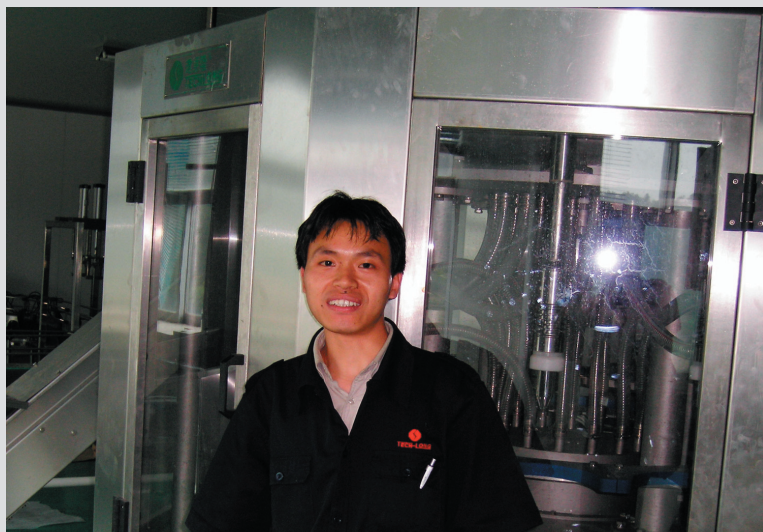
In August, 2005, Zhuhai Zhongfu Group Headquarter, Zhuhai Zhongfu and Tech-Long are negotiating the project, from left: Kong Deshan(Technical Department Manager of Zhuhai Zhongfu), Xu Zheng(Production Department Manager of Zhuhai Zhongfu), Lu Huancheng(President of Zhuhai Zhongfu), Headquarter Huang Lefu (President of Zhuhai Zhongfu), Zhang Songming(Board Chairman of Tech-Long), Li Youhua(Sales Manager of Tech-Long in South China Area).

## Story of Tech-Long and Zhuhai Zhongfu

Zhuhai Zhongfu, from late 2003 to early 2005, within short one and a half years, has purchased thirteen 18000-30000BPH bottle water product lines and nice 600-1200BPH barrel water product lines from Tech-Long, and has become the clients who have most bottle water product lines, additionally, the company will cooperate with Tech-Long in more projects. Zhongfu, as the biggest professional bottle manufacturer in China, before ordering Tech-Long bottle blowing equipments, has never applied domestic bottle blowing equipment. “It becomes the first without any intent!”, it is the brief and interesting summary of President of Zhongfu Mr. Huang Lefu to water product line when signing bottle blowing machine contract. After signing the contract to order 10 fully automatic bottle blowing machines, Zhuhai Zhongfu has become the biggest buyer of Tech-Long in bottle blowing machines followed by filling equipments. Before Tech-Long fully automatic rotary bottle blowing machine is launched into the market, domestic bottle blowing machine

making industry still remained half automatic “local machine” phase, and can’t meet the high requirements of such professional bottle manufacturers as Zhongfu in output capacity, mechanical efficiency, cost and waste rate control etc. But it was broken by Tech-Long after launching fully automatic bottle blowing machine. In 2000, Tech-Long has realized that fully automatic bottle blowing machine will have extremely big market at home and abroad, and started to develop fully automatic rotary bottle blowing machine which was still blank at home with special investment and labor. In 2002, when the first Tech-Long rotary fully automatic 8-head bottle blowing machine RJM8 was made in Guangzhou and successfully tested the blowing, it has aroused the stir in domestic packaging industry: China has developed bottle blowing equipment which is made by Chinese and can compete with imported equipments! At that time, domestic bottle blowing factories attached high attention to fully automatic





Engineer of Tech-Long Cao Dabai

Install 1200BPH 5 gallon filling line for  
Zhongshan Fusha Spring Water Beverage  
Co.,Ltd

bottle blowing machine, the development of Tech-Long and technical reform of bottle blowing machine.

Since it was the first time for Tech-Long to develop fully automatic bottle blowing machine, without rich experience, Tech-Long has also cost a lot in the early phase of development, during the course of using, some design problems of early machines have occurred, to the problems, Tech-Long assigned engineering technicians to settle the problems on site, if the problems can't be settled on site, the whole machine was transported to the factory for reconstructing with corporation resources, or even replace the old products with brand new machines.

In late 2003, Zhongfu started to provide OEM business for such international domestic beverage manufacturers as Coco-cola, and started the first cooperation with Tech-Long and purchased a lot of water product line equipments from Tech-Long, and became the client who possessed most Tech-Long bottle water product lines. During the course of our cooperation, Zhongfu attached high attention to the technical development of Tech-Long fully automatic bottle blowing machine.

In 2004, after constant improving, Tech-Long Generation II bottle blowing machine RJM10 SeriesII was exhibited in Beijing International Beer Beverage Exhibition, and the bottle blowing on site achieved outstanding success. Zhongfu leadership also visited the site blowing of bottle blowing machine in Tech-Long booth, and high praised the progress and improvement of Tech-Long. Additionally, Tech-Long Generation II bottle blowing machine has also achieved acceptance from Coco-cola, and RJM10 SeriesII was successfully exported to Hong Kong Swire Coco-cola.

In late 2004, Tech-Long started to cooperate with Swiss EUGENWEITZ Corporation in high pressure air blowing valve, and developed the new generation bottle blowing machine.

The bottle blowing efficiency of RJM10 Series III has been improved to 1400bottles/chamber. Additionally, Tech-Long bottle water product line has been used in over 10 branches of Zhuhai Zhongfu, the output of original bottle blowing machines can't meet the requirements of water product line

any more. Under this condition, the cooperation on bottle blowing machine between Tech-Long and Zhongfu is also put in the agenda.

In early 2005, Zhongfu and Tech-Long has held several frank communication on bottle blowing machine, in August 2005, both parties reached primary cooperation agreement. On September 1st, 2005, Board Chairman of Zhuhai Zhongfu Mr. Huang Lefu and Manager Xu Zheng visited Tech-Long, after visiting the factory, Chairman Huang expressed high interest to the products and development of Tech-Long and signed the contract to order 10 RJM10III series fully automatic rotary bottle blowing machines, and presented wider cooperation intent to Tech-Long in bottle blowing and filling fields, which is the symbol that Tech-Long bottle blowing equipment has successfully launched into China professional bottle making industry, and Tech-Long will draw and better blueprint in this field.

Text by Tech-Long Li Youhua  
Photo by Tech-Long Jay Gao/Li Youhua



President LEAU Water Brand

Tech-Long filling equipments:  
Xinjiang Zhongfu 30000BPH water  
filling line  
Zhongshan Fusha 24000BPH  
water filling line

## New concept of Beverage Packaging Equipment Development

Blow-Fill-Cap 3 in 1

# Combi Line

*Currently, beverage markets such as mineral water, tea and fruit juice beverage, carbonated beverage are developing fast in the international market. It is estimated by expert that the average annual growth of filling water will reach 9%, the consumption of filling water will reach 206 billion liter in 2008, about 50 billion liter more than 2003. Among which, 1/5 growth will appear in North America, 2/5 in Asia. In terms of packaging, PET bottle occupies 80% in global packaging water market.*

*Facing the wide market and sharp competition, beverage corporations take more consideration on how to improve production efficiency and drop cost and how to assure stable equipments, therefore, the equipments suppliers are facing more challenges.*

With the requirements of market development, Tech-Long, after the development from five gallon filling equipments to fully automatic rotary bottle blowing machine, is planning to develop new generation products: develop filling product line into a whole Combi line, which is a revolutionary technical innovation in filling and packaging field. And the design thought also makes Tech-Long advance a big step to world leading beverage packaging technology.

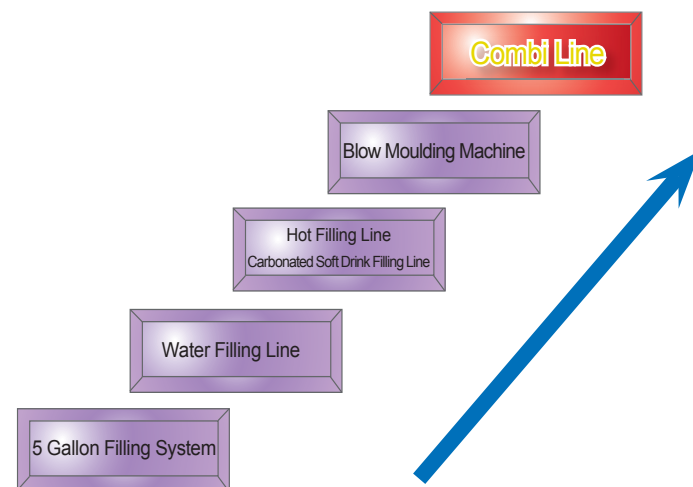
Tech-Long is dedicated to promote world advanced beverage packaging technology, and has created one and another miracle in different phases, Combi line is another challenge for Tech-Long to constantly surpass, we believe that everything is possible once we have the courage and confidence for constant innovation.

Improve the efficiency of whole product line through achieving harmony and balance in key equipments, which is the original intention of Tech-Long design.

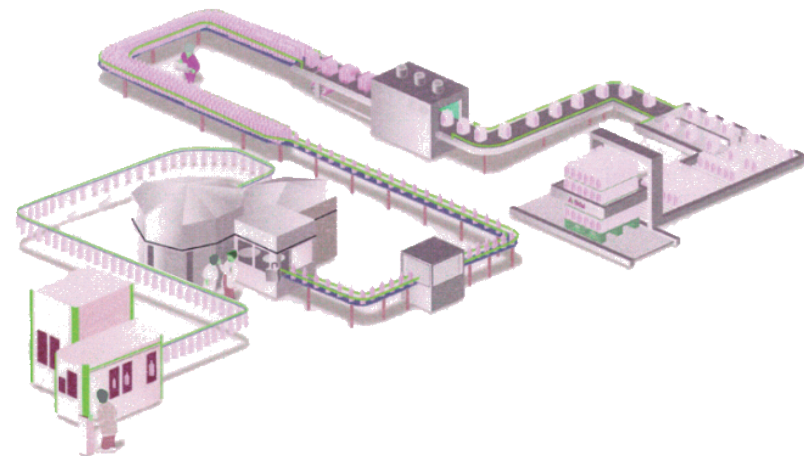




## Development History of Tech-Long Production



## Traditional whole production line



"Whole production line" is a series of machines which are connected by conveyer belt, traditional whole production line needs more area.

If the procedures keep effective (>95%), the efficiency of whole product line can be counted with the following formula:

Whole product line efficiency = efficiency of key equipment 1 × efficiency of key equipment 2 × efficiency of key equipment 3 × ...

The high efficiency and key of whole product line is to assure effective run of key equipments, Combi line are key equipments.

### Structure of blow-fil-cap 3 in 1, Combi Line:

- 2-step method bottle blowing machine
- Bottle convey starwheel
- Filling machine
- Capping machine

In our opinion, key factors for improving efficiency of whole production line lie in:

- Thought and design of whole product line
- Quality and reliability of equipments
- Harmony and balance of equipments

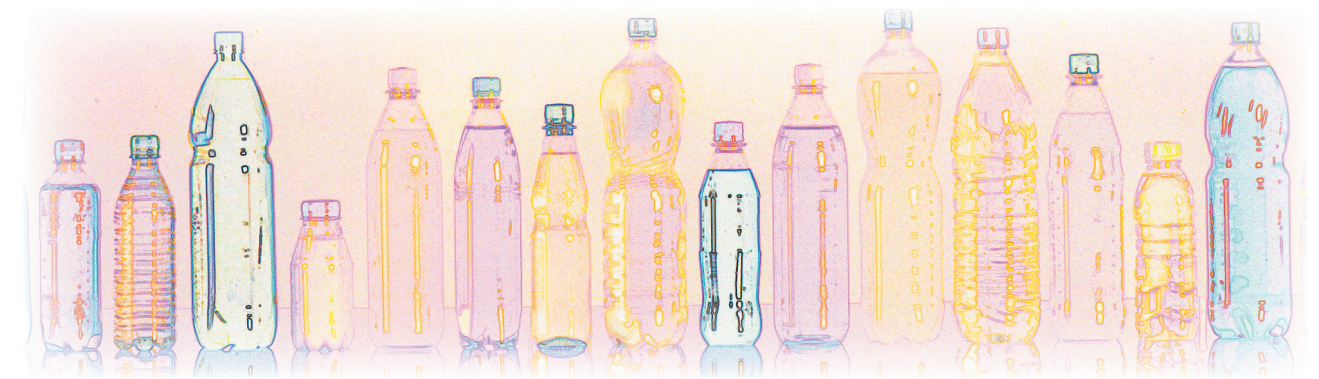
For improving competitive force in the market, it has become the significant factor for beverage filling to reduce cost. It can reduce the equipment and workshop investment cost and run cost through improving efficiency of whole product line.....Now, let's know which improvements can Combi line provide for us --

### ● Simple Operation:

Central operation station can control two equipments, operator may clearly master the main production state of whole product line, only one operator is required;

### ● Bottle Convey:

Convey bottles through bottle



neck ring, bottles won't contact each other, thus completely prevent scratches;

### ● Less Maintenance:

Equipment becomes more simplified, it has no need to replace wind filter core, reduce bottle jam;

### ● Improving Mechanical Safety

Apply bottle neck treatment technology, equipment won't contact the bottles, simple process, reduce bottle jam

### ● Healthy, safe and reliable:

The whole process is completed in nearly closed space, reduce crossed pollution;

### ● Reduce equipment investment cost :

It has no need to install ventilation path and bottle washing machine for the blowing, filling and capping integration

machine;

### ● Reduce workshop investment cost in :

Largely reduce the occupation area of the equipment, which is only 35% of original mode;

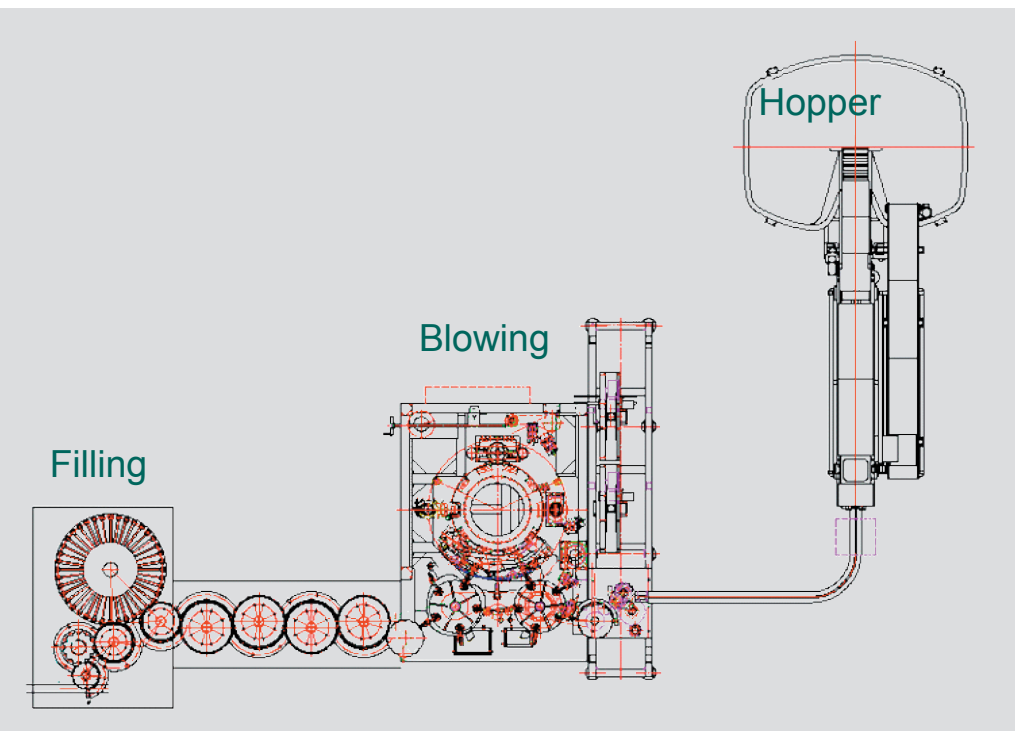
### ● Reduce cost:

Only one operator is required, it requires once start from twice starts with two equipments, reduce start loss, without ventilation energy consumption, bottle jam consumption, it has no need to flush the bottles, thus reducing the weight of bottles.

### ● Improve performance and price ratio through providing project design

Text/Photo by Tech-Long Hakim/Mukee

## Floor Plan Layout of Combi Line





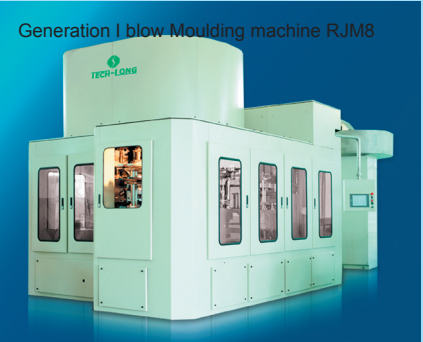
# Tech-Long RJM Series Comtomers List of Blow Moulding Machine

Tech-Long started to develop bottle blowing machine in 2000, and has experienced three phases, fully automatic rotary bottle blowing equipment has earned wide attention from domestic and foreign comtomers owing to high speed, stable run and low cost.

Comtomers List of Tech-Long Blow Moulding Machine

Name	Equipment
Danone AQUA	RJM-10
San Miguel Corporation	RJM-10
Coco-cola (Hong Kong Swire )	RJM-10
Zhuhai Zhongfu	RJM-10
Zhuhai Zhongfu	RJM-14
Shanghai Zijiang (Wuhan)	RJM-10
Shandong Jiufa	RJM-10
Dongguan Sunray Cave Group	RJM-10
Hainan Coconut Palm (Haikou)	RJM-10
Jinan Please mineral water co.,Ltd	RJM-10
Laiyang Luhua	RJM-10
Blue Ribbon Beer (Hebei)	RJM-10
Luohe Changda	RJM-10
Luohe Changda	RJM-8
Siping Hongbaolai	RJM-10
Guangzhou Xinlian	RJM-10
Jiangxi Runtian	RJM-10
Hengkan Milk	RJM-14
Sudan Uhud International LLC	RJM-10
Linyi Peak Pine	RJM-10
Japan Chuzanmon Shoji Ltd	RJM-10
Greece Ippokrates	RJM-10
Egypt Ecap Ecfp Poly PET Siwa	RJM-10
Yemen Aioon Investment Co. Ltd	RJM-10
Sudan Emirates Pure Spping Water	RJM-2
United Arab Emirates National FoodProducts Company	RJM-2
Donghai Container (Zhangjiagang)	RJM-2

Text by Tech-Long Jay Gao/Mukee  
Photo by Tech-Long Hakim



## Tech-Long Cooperate with UFIDA Construct ERP Management System

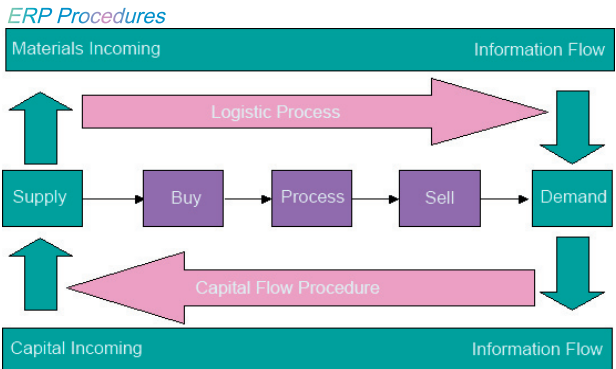
*"ERP" is the shortened form of Enterprise Resources Planning, it brings computerized and automatic corporation operation, assists the corporation to utilize diversified resources and standardize the management of the corporation, and implements effective organization, coordination and control to the resources, production and operation of the corporation, thus achieving complete integration and consolidate management to logistic, capital flow and information flow, assist the corporation to reduce stock, reduce capital employment, shorten production cycle, reduce production cost and completely improve the economic efficiency and competitive force of the corporation*

UFIDA S is the biggest ERP and financial software supplier in China. In Chinese ERP market, UFIDA is the leading role with highest market share, richest products, most successful application, widest industry coverage, biggest service network and strongest delivery ability. Tech-Long has started to use relative financial software since September 2003 in Financial Department, which developed Tech-Long from manual accounting to computerized accounting, which has powerfully improved the financial management, achieved shared resources in the department and largely improved the work efficiency.

In January 2005, Tech-Long started another cooperation with UFIDA, and started to implement warehouse management and stock auditing module. In March, Tech-Long signed the contract with UFIDA to formally and completely introduce UFIDA ERP system for optimizing organization structure, meeting the requirements of competition, constructing standard production, supply and sale integrated business procedures, achieving shared information in different departments and locations and improving management. Such departments as Financial Department, Filling Affairs Department, Production, External Coordination, Purchasing, Quality Inspection, Storage and Transportation apply ERP. UFIDA provides the latest product --- U860, which has been applied in June.

In order to completely apply ERP system and integrate into Tech-Long PDM, ERP has presented a series of

requirements to the corporation:  
ERP must be standardized with uniform name, specific definition, standard format and field requirements; the relations of information must be specifically defined;  
ERP must achieve standard information process program, follow certain regulations on processing information;  
In terms of scope, ERP has integrated diversified information of all procedures in supplying chain;  
ERP is undertaken by dedicated clerk in such aspects as information collecting, processing and reporting, with specific responsibility, without redundant information collecting and processing work, assure information is timely, accurate and complete;  
In terms of time, ERP has integrated the historical, current and expected information;  
Management information comes from consolidated database, which is shared form the management staff of relative departments with authorization and security measures;  
The departments perform management according to the information and regulations provided by consolidated database, achieve the general operation target of the corporation.  
The effect of business level and movement information integration is not as simple as plus in quantity but the improvement of management and personnel. After applying ERP, the information flow of the departments has been widely improved, and ERP has shown outstanding effect.



Text/Photo by Tech-Long Zhou Jinhai



Drinktech started from 1951, and is held once every 4 years, currently, it has become the global summit for international beverage and liquid foods industry. It collects the nearly all latest products and technology in such aspects as making, processing, filling and packaging in beverage industry. In order to meet the development of international beverage and liquid foods market, the exposition also collect liquid foods into the exhibiting scope, therefore, milk products will acts as the important role with wine, tea beverage, water, functional beverage and healthy beverage for the first time. Additionally, PET point exhibition, as an independent element, is arranged in the 11,000m2 exhibition hall for completely exhibiting the heat resistant polyester packaging materials and technologies, from raw materials grains grinding, primary processing to beverage bottle producing and packaging materials recycling. Therefore, Drinktec has also improved the content in PET packaging.

# Olympic for International Beverage and Brewing Industry

## Tech-Long RJM14 bottle blowing machine is shown on Munich Drinktec 2005



On September 2nd, Tech-Long equipments launched into the Munich exhibition hall



In the exhibition, the Chinese consul general in Munich and Zhang Songming(Board Chairman of Tech-Longland Zhang Sheng(Vice General Manager of International Department) are in front of the Tech-Long booth.

10th Munich International Beverage and Brewing Technology Expo (Drinktec2005), the 6-day long exhibition, completed on September 17th.

The booth area of the exhibition reaches 132,000m2, altogether 1470 corporations from 60 countries participated into the exhibition, among which, 765 corporation are not from Germany, about 70,000 traders visited the exhibition.

28 Chinese corporations participated into the exhibition, which ranked the 10 in the exhibition. The exhibiting equipments have also earned highly attention from international professions. And the professional gentries have pointed out: after less than 10 years of development, our equipments which are developed by ourselves after absorbing foreign technologies have reached the world advanced level, and features absolute advantages in domestic market and the equipments are starting to launch into international market.

Tech-Long has attach high emphasis to the exhibition, after 5 months of planning and preparing, as the leading role in domestic, Tech-Long booth is located at the most obvious position in Chinese exhibition group, and occupies 120m2, which occupies 40% of the whole group. Fully automatic rotary bottle blowing machine, model: RJM14, was exhibited, the equipment is installed with 14 bottle blowing cavities, and is applicable for P.E.T bottles ranges 250ml-2500ml and 500ml P.E.T bottles, and the max output reaches 19600 bottle/hour, only a few big corporations in the world possess the high speed fully automatic P.E.T. bottle blowing technology. Owing to outstanding performance and price ratio, the equipment has earned highly attention from global buyers. The design of Tech-Long booth is concise and modern, the main structure is made of aluminum with bright halogen light, and the whole effect is modern. During the exhibiting period, Chinese consul general in Munich visited the Tech-Long booth, and presented highly praise to us, and praised Tech-Long "show the new image of

Chinese equipment corporations".

In the exhibiting hall construction site, Chairman Zhang installed the machines together with employees, and promoted the construction of booth. Tech-Long has shown outstanding courage and team work spirit to both showing RJM14 bottle blowing machine and the service and spirit of exhibitors to clients.

During the exhibition, such professional guests from such countries and regions as Southeast Asia, Europe, Middle East, Africa, Australia, America, Japan and Taiwan visited Tech-Long booth, and extended high interest to RJM 1 4 high speed bottle blowing machine. Greece Ippokrates S.A. Mr.George Zourdos & Michael Vazanellis & Mr.Michalis Mavros signed the contract to order USD\$500,000 Tech-Long equipments; additionally, Egypt ECAP ECFP POLY PET SIWA has also confirmed to order two

RJM10 bottle blowing machines, and the total amount reached USD\$600,000; the regional agent of one multinational beverage equipment corporation in Middle East and Africa has also extend clear intention to Tech-Long equipments. The success of the exhibition will powerfully promote "Tech-Long" brand to the world market.



Text by Tech-Long Margen/Hakim  
Photo by Tech-Long Hakim

## Photos in the Exhibition



1.Tech-Long staff on the Exhibitors



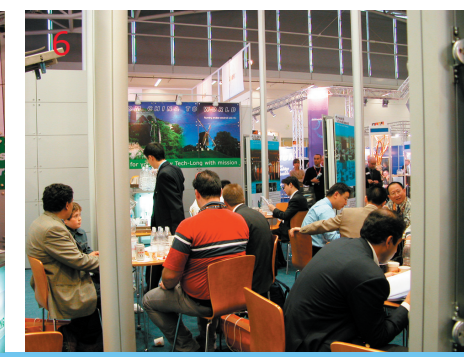
2.Modern Exhibition Booth



3.RJM14 Bottle Blowing Equipment is Under Test



4.RJM14 Bottle Blowing Machine Earned High Attention the Exhibition



5/6.In the Exhibition, Visitors are Crowding in Front of Tech-Long



# Brief Information

## Clients are our Partners and Friends

### --Hainan Coconut Palm Group



Since Coconut Palm Group purchased the Tech-Long water treatment equipments in 2000, currently, the group has reached several cooperations in such projects as hot-filling equipments and fully automatic bottle blowing machine with Tech-Long, both two parties look like partners and friends owing to the confidence and support. On September 29th, 2005, both parties signed the contract on ordering two fully automatic bottle blowing machines, and then one set of 24,000 bottles/hour filling product line.

Established in 1956, Coconut Palm Group is one of the top 10 corporations in China beverage industry with 16 subsidiaries and over 6,000 employees. Hainan Coconut Palm Group incudes such subsidiaries: Haikou Coconut Palm Juice Co., Ltd., Haikou Coconut Palm mineral water Co., Ltd., Shaoxing Coconut Palm beverage Co., Ltd., Zhanjiang Coconut Palm beverage Co., Ltd. etc. Currently, Coconut Palm Group is advancing to the ultra big group with the annual output reaching 1 million tones and the production value reaches RMB6.5 billion.

Text/Photo by Tech-Long Kuang Mingqiang/Mukee

On September 29th, 2005, Zhang Songming(Board Chairman of Tech-Long,Left) and Pan Hanqing(General Manager of Haikou Coconut Palm Mineral Water Co., Ltd. ,Right)signed the contract on ordering two fully automatic bottle blowing machines and one set of 24,000BPH water filling line.



## Chairman Speech

In August 2005, after discussing in Tech-Long board, the former vice president Mr. Wang Zhong of the company was nominated as CEO, and undertook the responsibility of the corporation management.

Mr. Wang Zhong, majored in Mechanical Design, graduated from Tianjin University . work experience:

.Sales Manager of Tianjin ALCOA Co., Ltd.  
.General Manager of Tech-Long Beijing Branch  
.Sales Director /Vice President of Tech-Long Group

Mr. Wang Zhong has extended high confidence to Tech-Long development and he expressed his expectation to Tech-long people:

“In 2001, I was in charge of the Sales work in the headquarter, Tech-Long has given me a big platform and made me exert my talents. Today, Tech-Long has developed into a leading role in China beverage packaging equipment industry, she has shown a bigger stage for me, and I also feel greater responsibility and I’m also proud of it, I promise to face all the challenges and constantly develop the business together with all Tech-Long people.

After years of development, Tech-Long has enjoyed the joy of success and also experienced tribulation, Facing sharp competitive market, we have to figure out how to advance with the time, and lead our future to the right direction, and make us more competitive in the constantly changing market.

I’m expecting that all Tech-Long people work together to achieve our target with our dedication and enthusiasm--provide high quality products and service for global beverage customers and develop Tech-Long into a world-class brand in the industry.”



## Hengkang Milk Selects Tech-Long Equipment for Producing New Type Beverage Products

Recently, Shanxi Hengkang Milk ordered five 15,000 bottles/hour hot-filling machines and five RJM14 bottle blowing machines from Tech-Long for producing a new type beverage, and the total value of the order exceeded RMB30,000,000.

Hengkang Milk was established in 1999 and is a private hi-tech corporation focusing on producing and selling milk products and fruit juice and involving in cow breeding and new products development. In early 2005, the company started to develop this new type beverage, and it is estimated that the beverage will be launched into the market in February, 2006.

Before ordering our products, Hengkang Milk mainly used equipments imported from Finland, Norway and America, and it shows that Ttech-Long equipments provides high confidence to clients that Hengkang Milk selected our products.

Text/Photo by Tech-Long Cheng Wei

## First Cooperation between Nongfu Spring and Tech-Long

Nongfu Spring Co., Ltd. was established in 1996 and is one of the “Top 10 Corporations” in China beverage industry. The main products consist of barrel water, bottle purified water, fruit and vegetable beverage, soda tea and functional beverage etc.

Nongfu Spring ordered one 1,200 barrel/hour five gallons filling equipment in September 2005 with us for the first time, which set solid foundation for the long term cooperation with us.

Text by Tech-Long Liu Yougang

## Another Cooperation between Tech-Long and Tetrapak



On September 1st, 2005, Tech-Long and Rile Group signed the cooperation agreement on SMC(SanMiguel Corporation) project in Tech-Long Guangzhou Headquarter.

General Manager of Tech-Long Filling Affairs Department Zhang Xiaoping (front, left) and Market President of Rile Group Mr.Hansdahlvig (front right) are congratulating the cooperation. From left to right in rear row are: Vice General Manager of Tech-Long Filling Affairs Department Su Jihui, Rile Group Products Manager Liang Ying, General Manager of Processing Department Li Zhicheng, General Manager of After Service Department Cao Xiaolong, attended the signing ceremony.

Text by Tech-Long Mukee  
Photo by Tech-Long Jay Gao

## Tech-Long Applies “CECI” Business to Reduce the Risk of Foreign Exchange Acceptance

On September 7th, 2005, Tech-Long signed the contract with Vietnam TAN HIEP PHAT TRADING AND SERVICE CO., (shortened as THP Company) on 18T/H fruit juice and tea beverage product line, and 6T/H soy milk product line, the total value of the contract exceeds USD\$ 2,000,000.

The above contract applies the payment mode of remittance and letter of credit. The letter of credit payment applies China Export Credit Insurance business (shortened as “CECI”), which is the first time for Tech-Long to apply “CECI” business to reduce the rise of export proceeds in foreign exchange.

Text by Tech-Long Amy



# Milestones for Tech-Long and Zhuhai Zhongfu

1

On December 13th, 2003, first 30000BPH bottle water product line, 18000BPH bottle water product line and two 600BPH barrel water filling product lines for Qingdao and Changsha factories

In February, 2004, first Tech-Long 48X48X12 new type 24000PBH bottle water product line for Zhengzhou Futian

2

3

On April 12th, 2004, four 18000-24000BPH bottle water product lines and three barrel water product line for Shenyang, Changsha, Chengdu, Xian factories

In September 2004, one 24000BPH bottle water product line and 1200BPH barrel water product line respectively for Zhongshan Zhongfu

4

5

In October 2004, one 18000BPH bottle water product line and 600BPH barrel water product line respectively for Haikou Zhongfu

In December 2004, one 600BPH barrel water product line for Beijing Zhongfu

6

7

In February 2005, three 18000BPH bottle water product lines and one 600BPH barrel water product line for Lanzhou, Changchun, Taiyuan factories

In May 2005, one 18000BPH bottle water product line for Kunshan Zhongfu

8

9

On September 1st, 2005, ten fully automatic bottle blowing machines in Guangzhou Tech-Long factory, among which, 7 are RJM14

In October 2005, two 24000BPH bottle water product lines for Shenyang Zhongfu, one 18000BPH bottle water product line for Nanning Zhongfu Container Co., Ltd.

10

Text by Tech-long Li Youhua

# Industry Dynamics



## 14th IFU Meeting was held in Beijing

4th IFU Meeting, held by China Beverage Industry Association (CBIA) with the subject of "Improving global fruit juice industry --- innovate and advance together" was held on August 16th, 2005 in Beijing. International Fruit Juice Manufacturer Union (IFU), held once every 4 years, is the comprehensive academic meeting with highest level and biggest size in international fruit juice industry, and is also the review of international fruit juice science and trade development. Compared with last IFU Meeting held in other countries, 14th IFU Meeting has broken the limit of past IFU meeting in technical exchange, and covers such fields as market and trade etc. The meeting has attracted 220 guests from 26 countries and regions such as Brazil, Malaysia, America, Mexico, South Africa, Swiss, Switzerland, Thailand, Turkey, Singapore, New Zealand, Hungary, Israel, Italy, Britain, Russia, Austria, Australia, China, Hong and Taiwan, and over 100 foreign corporations and 40 domestic corporations, and the scope covers fruit juice production, raw material supply and trade etc.

Source: China Beverage Industry Association

## Chongqing Beer Group: Set up Factory in Zhongshan of Guangdong, Want to Launch into South China Market

Recently, it is known from Chongqing State-owned Assets Supervision and Administration Commission, it has been approved that Chongqing Beer Group want to set up factory in Zhongshan of Guangdong Province. The total investment of the project reaches RMB20 million, and Chongqing Beer Group invests RMB18 million, occupies 90%, Zhongshan Fusha Town Industry Development Co., Ltd. invests RMB2 million and occupies 10%. The name of the joint venture is Chongqing Beer Group Zhongshan Co., Ltd. Viewing from investment, the size of the base is much smaller than Chongqing Beer Group Changde Base. It is known that Chongqing Beer Group Changde Base has been put into production on July 20, 2005, and the total investment reaches RMB250 million. It is said by professions that Chongqing Beer Group wants to promote beer in Guangdong and launch South China market, and then expand the output at suitable time.

Source: "China Foods Industry"

## Italy Packaging Machine Export Market is Considerable

On July 8th, 2005, UCIMA (Italy Automatic Packaging Machine Manufacturer Association) held the annual meeting in Bologna, and publicized the data in the meeting: Italy Packaging Machine industry, in 2004, kept growth: and the sales volume increased 3.1%, export increased 7.5%, over 86% of the sales volume came from foreign market. Among which, the growth in Europe market (including EU and other countries) was smooth, and exceeded over 60%. The rising of EUR has dropped the sales volume in the regions which use US Dollar as circulation currency. The export to Asia also dropped, but active signal has appear in 2005. In the first three months in 2005, the export of Italy machines to China increased 127%.

Source: "Packaging Machine"

## 1/4 of Global Plastic is Used for Packaging

It is known from the market research consultation company, packaging film has become the main consuming filed for world plastic, and has occupied 25% of total in the world, Europe and North America occupy 30% of global sheet film. The demands on sheet film is constantly increasing in the world, particularly, the demands of developing countries are increasing fast, it is one of the main factors for the demand increasing of plastic film materials that the packaging mode transfers from hard packaging to soft packaging. Sheet film is mainly used for packaging foods, and such industries as medical, electronic, car and building etc.

Source: "MM Modern Plastic"

## Germany Beverage Industry Association Expressed: Beverage Equipment Industry is Facing Sharp Competition from China

Before the world biggest and professional exposition in beverage industry --- International Beverage Technology Expo (Drinktec) was held in Munich, Germany beverage Industry Association expressed that Germany beverage equipment industry is facing the competitive pressure from China, and China has become the real competitor for them. It is said, in 2004, the sales volume of Germany beverage producing equipment reached EUR1.8 billion, with over 100 manufacturers and about 14,000 employees. 80% of the equipments are for export, and the beer producing equipment occupies 90% of total export, the main markets are Russia, Belgium, Luxemburg, Taiwan and Lithuania. Currently, Germany beer producing equipment occupies over 70% marked in the world. Since China beer consumption market is big with fast growth, the status in Germany beer producing equipment export is constantly improving. Germany manufacturers are facing sharp competition from local Chinese manufacturers. Though the quality of home made equipments is not so high compared with Germany products, they feature obvious advantages in market, and the quality can also meet the market requirements. Germany corporations shall constantly develop new technology to keep the leading status, thus competing with local Chinese corporations.

Source: China Light Industry Machinery Association

## San Miguel Corporation: Targeting the Hungry Asian Beer Market

As one of the Generation II top 10 brewing corporations in the world, San Miguel has expanded the business to China, Indonesia, Vietnam and Australia. The beer and other malt beverages have been exported to 40 countries and regions, mainly Japan, South Korea and America. In China, San Miguel is planning to reinforce the South China market (particularly Guangdong and Hebei), therefore, San Miguel strengthened the sales and distribution system. Recently, the combination of China beer corporations is powerful, San Miguel also showed the strength, the charger has expressed: "San Miguel will improve the strength through purchasing and combination, thus increasing the market share in Chinese beer market which is biggest and has fast development."

Source: "Drinktec Express"

## It has Become the Trend to Package Beer with Plastic Bottle

In recent years, several plastic beer bottle technologies are developed. Some developed countries have improved the air isolation of PET bottles by applying multiple compound and surface coating or form recyclable filling beer bottles by applying new type plastic --- PEN. Though the current technology shall be improved and innovated, and the measures in safety and environmental protection shall also be fulfilled, and the production cost is high, as the improving and innovating of plastic beer bottle manufacturing industry, after mass production, the production cost is constantly dropping and relative laws are gradually established, plastic beer bottle will be popular for most beer manufacturers and consumers with favorable prospect.

Source: "MM Modern Plastic"

## Non Carbonated Beverage Shows High Development potential

It is estimated, the total sales volume of soft beverage will reach 47.2 liters in 2009 in China. The favorable economic environment will be the main external factor for promoting the growth of soft beverage.

As the consumption trend gradually transferring from carbonated beverage to non carbonated beverage, bottle water and instant tea beverage, in the coming years, it will be the role for promoting the market. According to the long term development opportunity for non carbonated beverage, carbonated beverage has increased the investment in non carbonated field. For example, in January 2004, Pepsi started to product non carbonated beverage in Guangzhou. Coca-cola also purchased a series of water resources in some key cities in Southeast and South China, thus entering into drink water market which is relatively weak to Coca-cola currently.

Source: "Packaging Machine"