

Medical foods leader Thai Otsuka set to launch a new factory, aiming to undertake a massive penetration of domestic and overseas markets



Thai Otsuka Pharmaceutical Co., Ltd., Thailand's leading pharmaceutical group, is set to inject up to 650 million baht to build a new factory to produce vital medical foods. This is the only factory in Thailand that will cater to an expanding market both domestically and internationally.

The company is organizing an enormous launch of the factory, confident that it will generate additional income of more than 20 per cent, or 300 million baht, this year. Thai Otsuka has set a target to increase its market share to 32 per cent in 5 years. The company has fixed an "auspicious time" for the official opening ceremony, which will be graced by Industry Minister Dr Atchaka Sibunruang, who will preside over the ceremony with Shinsuke Yuasa, President of Thai Otsuka Pharmaceutical Co., Ltd. and Thanan Suntayodom, Chairman. Executives of the company are inviting the media to visit the new factory at Thai Otsuka Pharmaceutical in Krathum Baen district, Samut Sakhon.

"We are one of the pharmaceutical leaders that place emphasis on quality products and services - a strategy that has catapulted us to become one of the top ten Thailand-based pharmaceutical companies producing saline solution through efficient technology by Otsuka in Japan," said President Shinsuke Yuasa. "The company has expanded into the production of medical foods - the only firm in Thailand that enjoys domestic and international sales of around 2 billion baht, witnessing continuous growth every year. The market for medical foods has enjoyed robust growth of 10 per cent annually because such products are in high demand," he said.

"Medical foods are foods that have undergone experiments, medical research and studies and proven to be effective for consumption by not only patients of various diseases but also healthy people. Medical research and studies show that these foods are more effective, safe and suitable for patients than nutritional supplements. Before any medical foods are registered legally, there is clinical evidence that they are safe and effective, which has led to consumer confidence in the effectiveness of such foods, resulting in continuous demand for such products."

Thai Otsuka operates the only factory in Thailand that produces medical foods and develops products by incorporating Thai traditional medicine in the production process to meet customer demand in terms of high quality. Since the company's production capacity is not enough to cater to the increasing market demand, it decided to inject around 650 million baht in a new factory, which has four times the current production capacity. Of this amount, 250 million baht is being spent for construction of buildings and 400 million baht for machinery, research and development to cater to consumer demand both domestically and internationally.

The new factory uses the latest technology that meets international standards and Japanese-style management. Consumers are ensured that production standards are on par with those in the production of saline solution and medicine.

“Medical foods cater to the demands of various groups of customers, not only to the major group of patients who suffer from diabetes, cancer and liver diseases, and children who have digestive malabsorption syndrome, but also people in general who consume medical foods that have proven to show good results because these foods contain all the nutrients and are suitable to a lifestyle in which people nowadays have to rush and do not have enough time to eat a well-rounded diet of five food groups. Medical foods can supplement nutrients that the body lacks and they are convenient for people to consume each day,” Mr Yuasa pointed out.

Said Mr Thanan Suntayodom, Chairman: “The move by our company to build a new factory to produce medical foods in Thailand will without a doubt help the country’s economic development as it reduces the need for imports and creates more jobs in the country. We plan to use more raw materials in Thailand, which increases the potential of the supply chain.

“During the last quarter of this year, the company plans to spend 50 million baht to launch a new product under the brand “Once Pro” by implementing an integrated strategy of marketing, promotion, advertising and publicity campaigns to make the brand popular among consumers. The company also aims to approach medical personnel like doctors to endorse this product, and increase research and development to produce quality and innovative products to cater to the demands of patients and consumers in general.”

The market for medical foods is witnessing robust, continuous growth of more than 10 per cent each year. The company aims to increase its sales by more than 20 per cent, or 300 million baht, by the end of this year after the construction of the new factory is complete. The company is totally confident that it will snap up a sizable market share of 32 per cent from the present 22 per cent in five years.