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French outsourcing service provider aims for double-digit growth

HOPES ITS UNIQUE MODELS HELP IT BUCK THAILAND'S DOWNTREND

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THE NATION

SODEXO THAILAND, a wholly owned subsidiary of the world's largest facilities management company, is expecting to continue bucking the overall economic trends in the country with a double-digit growth target set for the coming year.

The 20-billion-euro (Bt788 billion) French parent company, which employs 420,000 people in 80 countries, has increased its employment in Thailand by 50 per cent, from 2,000 about three years ago to 3,000 at present, even with many crises and economic slowdowns hitting the Kingdom during the period.

Arnaud Bialecki, president of Sodexo Thailand, told *The Nation* that his company would focus on three client sectors – industrial, healthcare and hospitality – during its fiscal year ending in August 2016.

Despite the slowdown of Thai manufacturing, Sodexo expects big growth to come from its joint venture formed this year with Thai-listed industrial-estate developer Amata Corporation.

It is counting on the JV to help it tap a client base of 900 factories located in Amata's two industrial estates in the country.

"This is why we are very much excited. The growth opportunity is huge," he said.

Sodexo would be satisfied if it could capture 10 per cent of the 900 factories as its clients.

Currently, it has only three industrial clients in Thailand – Unilever with two factories, Procter

& Gamble, and Thai Honda Manufacturing.

"Today, there is no other company that can provide services at the level that will meet the requirements of factories.

"We're also wanting to offer the services in Vietnam [where Amata has developed a few industrial estates]. This is a regional strategic partnership agreement," Bialecki said.

The joint venture, Amata Sodexo

Industrial Service (Thailand), provides outsourcing services to factories, comprising "hard services" such as plant utilities, operations and maintenance, including building maintenance and renovation, and "soft services" such as house-keeping, security and landscaping.

According to Amata's filing to the Stock Exchange of Thailand, the services can be expanded to central kitchens and uniform management in the future.

For large manufacturing facilities, Sodexo will dispatch its staff to work at their factories, while for small ones, it has mobile units that can reach clients in about twenty minutes.

"Because we have set up our office at Amata's industrial estates, our selling point is that we offer our services 24 hours a day, seven days a week," he said.

The healthcare industry was also growing slower here, but Sodexo was still seeing many opportunities because it could offer integrated facility management and medical device management services that no other competitors can provide.

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THE COMPANY WILL FOCUS ON THREE CLIENT SECTORS

– INDUSTRIAL, HEALTHCARE AND HOSPITALITY – DURING ITS FISCAL YEAR ENDING IN AUGUST 2016.

**Arnaud Bialecki
President, Sodexo Thailand**



This includes a lithotripsy service.

The company offers its services on a pay-per-use basis, which allows hospitals to avoid capital costs, as well as personnel expenses, since Sodexo also provides technical staff.

Mobile units

Sodexo's staff are now working at 40 hospitals in the country, while about 70-80 hospitals call for services from its mobile units when there is demand for the services from their patients.

Sodexo has maintained a good relationship with Bangkok Dusit Medical Services Group after its recent buy-out of all its shares in the two units of Samitivej, a BDMS subsidiary.

According to Samitivej's filing to the stock market authorities on November 10, Sodexo spent more than Bt112.8 million to buy out its share holding in Sodexo Support Service (Thailand) and Sodexo Healthcare Support Service (Thailand) from the upscale hospital company.

In the hospitality industry, Sodexo is eyeing the niche three-star hotels segment. It already has three Holiday Inn Express hotels here.

They were its first clients three years ago.

In September, Sodexo embarked on a new business model and a reorganisation that is transforming it from a country-based operator to one that is structured by businesses, including healthcare and elderly, corporate services, education and remote site services.

After the change, Bialecki was promoted as the president for Thailand.

He has also assumed the role of director of corporate services for Thailand, Vietnam and the Philippines.

During its last fiscal year ended August, Sodexo group reported net income of 700 million euros, up 42.9 per cent year on year, and revenue of 19.8 billion euros, up 10 per cent.