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## Ocean Glass pins hopes on AEC

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SET-listed glassware maker Ocean Glass Plc (OGC) sees a high possibility of 10% revenue growth to 2.2 billion baht this year.



The optimistic forecast is based on imminent Asean market expansion and declining production costs.

Managing director Kirati Assakul said full formation of the Asean Economic Community (AEC) late this year and robust economic growth in many members would help to boost company exports.

Major export markets are the Philippines, Indonesia, Singapore, Vietnam and Malaysia.

"We hope to increase the Asean contribution to 30% of our export sales in three years from 20% last year," Mr Kirati said.

Overall exports now represent 70% of company sales.

Last year, Ocean Glass posted a net profit of 42 million baht on revenue of 2 billion.

Mr Kirati said the global economy was fluctuating.

Europe is facing a downturn, but the US is bouncing back and Asia is enjoying robust growth, particularly Asean markets.

This makes Ocean Glass confident about achieving the ambitious 10% revenue growth target, Mr Kirati said.

Vietnam is seen as a rising export market thanks to its large population of 91 million and its citizens' growing willingness to pay more for quality products, Mr Kirati said, adding that India was also interesting for the same reasons.

Yesterday, Ocean Glass introduced its latest line of Lucaris wine glasses in a bid to enter the premium crystal glassware segment.

Mr Kirati said the new Lucaris wine glasses were expected to be an important sales driver this year.

Sales of Lucaris products accounted for 8% of the company's total last year and are expected to rise to 12% in 2015.

Ocean Glass launched its Lucaris production line in December 2009 at a cost of 1 billion baht.

Its goal is to sell a combined 10 million Lucaris wine glasses by 2019.

As of last year, it had sold 5 million Lucaris glasses priced from 450-600 baht apiece.

Wine glass sales in Southeast Asia are enjoying a positive trend, with annual growth estimated at 5-6%

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"Wine glasses rely on wine consumption, and this shows there's still a lot of **ROOM** to grow in this region," Mr Kirati said.

In Thailand, the company projected Lucaris wine glass sales will increase by 10% this year thanks to the growing tourism sector.

A total of 420,000 wine glasses were sold in Thailand last year, with 10% average annual growth from 2012-14.

Over the past 20 years, wine consumption among Thais has grown by 10-20% annually, and the trend is expected to continue, Mr Kirati said.

Ocean Glass has seen its production costs drop thanks to lower global oil prices.

Its factory, with annual production capacity of 140 million glasses a year, is located in Samut Prakan's Bangpu Industrial Estate.

The company's glassware brands are Ocean and Lucaris.

Mr Kirati said competition was quite high, with cheap glassware from China prompting Ocean Glass to focus on design, branding, quality and service.

OGC shares closed yesterday on the SET at 62 baht, up two baht, in trade worth 4.18 million baht.