



Dato' Yong Seng Yeow

In conversation with Dato' Yong Seng Yeow

Asian Timber magazine once again talks to Dato' Yong Seng Yeow, who is the Managing Director of MIECO Chipboard Berhad. He took some time to answer the questions put forth by our editor.

MIECO's particleboards, or sometimes known as chipboards, conform to international quality standards such as the European Community's BS EN 312 standard, applicable for both moisture-resistant and non-moisture resistant boards with E1 and E2 formaldehyde emission levels.

With the growing concern for the environment, especially from the developed countries, MIECO commercialised the production of the Super E0 particleboard in 2003, or referred to as the F-4 Star grade in Japan, designed with very low formaldehyde emission.

In 2004, MIECO became the first company in Malaysia wood-panel industry to receive the prestigious BS EN ISO 14001:1996 Environmental Management System accredited by Lloyd's Register Quality Assurance. In line with this, MIECO also successfully attained the certification for the Occupational Health and Safety Management System 18001:1999 in March 2005.

Having established a dominant presence in the domestic market, MIECO went on an export campaign in 1995 and today, it is exporting to over 20 countries including China, Taiwan, Japan, Korea, Hong Kong, South East Asia, the Indian subcontinents, the Middle East, Africa, and the Australasian countries. In anticipation of the economic

expansion in China, MIECO set up a representative office in Guangzhou, China and a regional office in Hong Kong in 1999 and 2000 respectively.

In 2005, MIECO open its third particleboard plant, which is Asia's largest single-line

particleboard plant on a site in Kechau Tui, Pahang. The plant has a design capacity of 2,000m³/day. The line was supplied by Dieffenbacher GmbH, and it comprised the supply of the entire plant package starting from wood yard infeed decks to sanded and finished cut-to-size stacks.

1. What is the capacity MIECO's Plant 3 is (in Kechau Tui, Pahang) currently running at?

In fact, since Asian Timber last spoke to me in 2005, MIECO's Plant 3 (Kechau Tui, Pahang) is now currently running near to full capacity. At full capacity the line produces over 640,000 m² per annum. Combined with the two existing plants in Semambu and Gebeng that produce 300,000m³, MIECO's current production capacity is over 900,000m³ per annually.

2. What is your outlook on the current state of the particleboard market in Asia Pacific region, in terms of: (i) demand/supply; and (ii) raw material?

In terms of demand and supply, despite the surge in particleboard supply in Southeast Asian region (over 2 million m³), I feel that there is still not a situation of oversupply. In fact, I believe demand will continue to grow. Based on a survey we conducted, the Asia Pacific region nett imports about 3 million m³ of particleboard annually.

As for raw material, it is still mainly rubberwood used, as there is sufficient supply particularly in Malaysia and Thailand. Due to the surge in latex prices there has been slight price increase for rubberwood. However, MIECO has not been much affected by this as we have own supply of rubberwood (in 1996, MIECO entered into a joint venture with Plantation Development Corporation, whereby MEICO received a concession from the Pahang State Government for purpose



Mieco's particleboard.

of a reforestation programme in rubber wood plantation). MIECO has embarked on research using other wood species. One of them is Kenaf, along with other wood species available in Pahang that are fast growing and with shorter gestation period for harvesting.

3. At the recently concluded MIFF 2007, MIECO sponsored a design competition for furniture made of particleboard. How important is the concept of “value-adding” to MIECO?

It is not the first time we are sponsoring such design competitions, and we will continue to support similar events with the primary aim of nurturing young furniture designers towards creative application of wood panel and to strengthen the Malaysian Brand as a key producer and exporter of high quality furniture.

MIECO has always realised the importance of “value- adding” to its products. In fact, under MIECO’s corporate mission from being a plain particleboard producer in 1976, MIECO developed and expanded into value-added products such as MIECO Decorative MFC, Electron Beam Foil Chipboard (‘EBFC’) and Polymer Faced Chipboard (‘PFC’) products, MIECO Worktop, MIECO DPF Board, to value-added services and DIY furniture series under the MIECO Livin Style brand name.

4. What are the other efforts being taken by MIECO to maintain their market presence and leadership?

MIECO aims to maintain its long-term viability by placing a heavy emphasis on our corporate mission statement and its quality policy.

I feel that we need place a strong emphasis in human resource development. Factory personnel are constantly sent for training, and marketing staff also participate and visit international exhibitions and trade fairs to keep up with the latest industry trends.

Our long-term business plan is to focus on growth and expansion to ensure that MIECO remains the leader in the region. MIECO will also look into overseas investments, as and when the right opportunities come around.

And we will continue to step up R&D developments to add value and profitability to our company.



Dato’ Yong Seng Yeow and Andy Heng (Dieffenbacher) with Asian Timber editor.



MIECO’s Plant 3, which is Asia’s largest single-line particleboard plant in Kechau Tui, Pahang. The line was supplied by Dieffenbacher GmbH.

