

OCTOBER 2015 ISSUE

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A WONDERFUL CONVENTION IN PENANG, MALAYSIA !!



26th Convention an Outstanding Success

Raymond Lee and his hardworking and innovative Organising Committee from PCAM had promised delegates that they were really determined to make FAOPMA 2015 *“one the best convention that you have ever attended”* and to facilitate through the FAOPMA ‘spirit’, many great and lasting friendships amongst industry leaders and supporters from both within the region and globally. As you can see at right:



THE SONG THEY SANG WAS JUST PERFECT !



FAOPMA President (2015-2017)
Mdm. Huang Xiao Yun

Dear FAOPMA Members:



FAOPMA members have entrusted me to become the President of our Federation from 2015 to 2017.

I have not taken this responsibility lightly and will put forth my best effort to collaborate with all member country's Associations. With the participation, support and dedication of all our Members, I have no doubt that we shall be able to fulfil our responsibility of contributing to the growth of the Federation and our industry.

Beijing hosted two FAOPMA conferences way back in 1999 and again in 2009. These two events have been proven to be the milestones for the development of the pest management industry in China. This year, we welcomed this transformative event in Malaysia.

When I recalled the past and thought about the present, many thoughts came to mind. Asia and Oceania have more than half of the world's population, and many differences in climate. Our region has to deal with one of the most complex working environments and a great variety of pests.

This has presented great market potential and immense challenges. As such, it is imperative for our industry players to come together in order to exchange our ideas and our best practices, and also to collaborate with each other in our practices which shall further enhance our industry.

We have identified three areas on how to make this a reality:

- Firstly, to strengthen our mutual cooperation in order to grow alongside each other. By strengthening our cooperation with each other, we would be able to nurture a positive market condition in which the industry would be able to thrive healthily.
- Secondly, we would be looking into further promoting the green environment concept within the context of the pest industry and to further improve our own branding. Our world is a beautiful place and we need to continue preserving it in order for us humans to thrive well in it. Our industry need to be part of the this environmental movement, and place priority on its protection and sustainable growth.
- Lastly, to make a conscious effort to construct a scientific-based pest management system. FAOPMA needs to be viewed as a big information exchange platform, and we will aim to develop a win-win strategy internationally to better manage the pest control organisation.

PCAM poured its heart and soul into developing the best possible program for the 2015 Convention and they invited many top management and technical experts in our industry to participate and facilitate in many valuable sessions. The exhibition also showcased hundreds of best available products and the latest technologies. In addition, making new friends and connections, has always been the great tradition of our FAOPMA Conventions.

What a great start to FAOPMA 2015-2017 !

Warm Regards,

A handwritten signature in black ink, which appears to be 'Huang Xiao Yun'.

Mdm. HUANG XIAO YUN
President of FAOPMA
Director of The Chinese Pest Control
Association (CPCA)

Executive Committee 2015 – 2017



(Above - from right)

Administrator – Catherine Yan – (HKPMA) Hong Kong
Hon. Treasurer – Junichiro Katayama –(JPCA) Japan
Vice President – Vasili Tsoutouras – (AEPMA) Australia
President – Mdm Huang Xiao Yun – (CPCA) China
Hon. Secretary – Raymond Lee – Malaysia (PCAM) Malaysia
1st Reserve – Won Soo, Hong –(KPCA) Korea
Pres-Elect–Wutthikai Mathisariyapong–(TPMA) Thailand
(Not in photo) 2nd Reserve – Job B Dayandante –(PEAP) Philippines

For complete Photo Gallery Go to: <http://www.faopma.com/index.php?i=activities>

To download Video Go to: <http://we.tl/Ueyu1dt7ff>

Your New President Mdm. Huang Xiao Yun



The new President's first duty was to thank her predecessor for his very successful two-year term

Mdm Huang graduated from the Medical Department of the Second Military University and practised clinical Medicine for about a decade. Then she engaged in public health management work for over thirty years, successively involved in port health, public places epidemic prevention, export-import quarantine, and port transportation pest control management. Currently, she is a Director and Physician of the Chinese Pest Control Association.

Her published papers include 'Port Rodent Control' and 'Current Status of Pest Control in China'.

Convention Pictorial Roundup



FAOPMA “PPM NEWS” Editor’s Report to AGM 2015

Our FAOPMA “PPM NEWS” has continued to be published every two months. However, due to the timing of events, there have been five issues rather than six since the 2014 Annual General Meeting. Details of that event in Hong Kong, with appropriate photographs, were recorded in the **December Issue** as well as other news items of more general interest. For those in the wider FAOPMA family who have been unable to attend AGMs or Conferences, the Newsletter is an important way to maintain communication and provide interesting information.

Once into the 2015 calendar year, our **February Issue** commenced its detailed coverage aimed at providing initial information for this 26th FOAOPMA Convention. All subsequent Issues devoted no less than two full pages aimed at stimulating further interest in the Convention here in Penang, Malaysia, as well as providing up to date information on the meeting arrangements, registration deadlines, speakers and other details.

What little feedback I receive as Editor, indicates that the value of the Newsletter for our members, Exhibition Sponsors and others, **is in its content**. Meaningful content of interest to our members is key. There could be more items of news of FAOPMA Associations, personal news of their members (including births or deaths), job positions open, industry or academic news (including job changes), etc. **However, the inclusion of all or any of these items is dependent upon the details being emailed to me.** As your Editor, I generally have to rely upon my own resources to “ferret” out the information through persistent investigation. **If Members have any suggestions in this regard it would be most helpful.**

A significant and important section of the Newsletter is the President’s Message. This is where Members look for information, encouragement and guidance from our Leader. I have been most appreciative of every contribution from **Mr Myeon-Ha Park** over the last two years during his term as President of FAOPMA. As well as being informative, they have been inspiring!

I must also acknowledge the willing cooperation and assistance I have received from **Nari Kim** who has efficiently ensured that I have had those messages on time.

If you wish me to continue as your Editor:

“Here’s to the next Six Issues”!



Doug Howick



Editor, "FAOPMA PPM News"

Border Finds

Before you travel or mail items to Australia check to see if your goods can be imported into Australia. Some goods require an import permit, some may require treatment, and others are prohibited. When travelling to Australia you must declare all food, animal and plant material on your Incoming Passenger Card. In most cases your goods will be returned to you.

Shining a black light on illegal scorpion imports

A biosecurity officer escaped a sting or two after opening a package containing live scorpions at the Melbourne mail centre.

Once euthanised, Department of Agriculture entomologists identified the scorpions as Malaysian Forest Scorpions (*Heterometrus spinifer*).

Live invertebrate animals are not allowed to be imported into Australia without an import permit, therefore the scorpions were referred to the investigations team. The investigation determined that the package was incorrectly addressed and as such the intended recipient was not located.



Entomologists shone an ultraviolet black light to show the impressive fluorescence that all scorpions exhibit. The scorpions have been added to the department's

specimen collection.

Intention: deception

A book is a present that keeps on giving, but in this case what was found in this book's pages was anything but a gift. A biosecurity officer at the Sydney mail centre found the consignor had cut out a section of the book which concealed eight paper packets filled with seeds.

The seeds were identified as unhulled rice. As stated in the department's [Import Conditions Database \(ICON\)](#), rice seeds for sowing require a valid import permit, must be packed in clean, new packaging, clearly labelled with the full botanical name (i.e. genus and species), and require growth in a post entry quarantine facility.

The department investigated the matter because this was an intentional concealment and uncovered that the intended recipient had a valid import permit for rice seeds from all countries but the parcel was unsolicited.

The consequences of such a breach can result in a maximum 10 years imprisonment.



Biosecurity Bulletin - Edition 3, 2015

BAF: Strategies For Preventing Termite Infestations



by Biosecurity Authority of Fiji, SUVA - September 21

The Biosecurity Authority of Fiji (BAF) advises precautionary measures be taken to prevent termite swarms from entering and forming colonies in and around homes and compounds.

BAF is requesting that people in the vicinity of termite-affected areas close all windows and doors from 5:30 p.m. until 8:00 p.m. and that small fires be lit in controlled areas outside homes.

These measures should remain in effect during the termite-swarms season from mid-September through October.

Termites are attracted to light. By switching off lights during peak swarm hours you will deter termites from entering your home. In addition, small controlled fires will attract and burn termites. Please do not leave fires unattended, and afterwards be sure to douse them completely.

The areas most likely to be affected by termite swarms are Lautoka, Tomuka, Kashmir, Field 40, Naikabula, Saru and parts of Waiyavi.

For assistance and further information, please contact the BAF office in Lautoka at Reddy Diamond Complex, Marine Drive or by phone at 6665984 (Short code 5996) or e-mail at info@baf.com.fj



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It is also relevant to note that neither the content of articles nor comments of the Editor are necessarily endorsed by FAOPMA or its office bearers.

Global Pesticide Market - By Regions and Vendors - Market Size, Demand Forecasts, Industry Trends and Updates, Supplier Market Shares 2014- 2020

“The global volume market for pesticides is projected to reach 3.2 million tons by 2019”

FEATURED COMPANIES

- BASF SE (Germany)
- Cheminova A/S (Denmark)
- DuPont (United States)
- IsAgro Spa (Italy)
- Nufarm Ltd (Australia)
- [MORE](#)

Pesticides or crop protection products, also known as agrochemicals, are products that preserve crops from pests, diseases and weeds. Any substance or mixture intended for preventing, destroying, repelling or mitigating a pest. The market for pesticide can be broken down into two segments: synthetic pesticides and biopesticides. Based on kind of Pest control the pesticides market is segmented into herbicides, insecticides, fungicides and other pesticides that include nematicides, fumigants and other miscellaneous conventional pesticides, and other chemicals used as pesticides such as sulfur, oil, and sulfuric acid.

Supply - Demand Scenario:

The global volume market for pesticides is projected to reach 3.2 million tons by 2019, with a CAGR for volume growth being 6.1% between 2014 and 2020. The global value market for pesticides is projected to reach \$81.13 billion by 2019, expected to register a CAGR of 6.9%. **Growth will be higher in the developing countries of South America (Brazil and Argentina, especially) and Asia.** Mature markets, like the United States and the European Union, will also continue to attract a lot of sales. Growth will be driven by rising demand in all three market segments: agriculture, commercial, and consumer.

Growth by End Use Industry:

The industry is in the mature phase of its life cycle because of its market acceptance and acquisition activity. The existence of clearly segmented product groups and user industries, and the fairly stable nature of industry products, brands and ownership are also indicative of the industry's mature phase. **Industry firms Bayer, Monsanto and DuPont have been continuous influential players, while the key buying markets continue to be farming industries and households.**

Drivers vs. Constraints:

This growth is mainly driven by the increase in global population which is increasing the food demand. The increasing calorie intake per capita is also an additional factor for increasing food demand. **Factors driving the markets for pesticides include decreasing arable land, increasing population and the requirement of improving crop yields.** On the other hand, regulatory authorities such as EPA (Environment Protection Agency) frequently come up with stringent laws related to curbing pesticide use for alleviating environmental damage and increasing consumer awareness about pesticide consumption, which is expected to be instrumental in slowing down growth in demand for synthetic pesticides.

Industry Structure and Updates:

Despite being the largest market for Pesticides, demand growth in North America is likely to be the slowest, **while Asia-Pacific is expected to emerge as the fastest growing market.** According to estimates, US demand for formulated pesticide products is forecast to grow 2.6 % per year to \$12.1 billion in 2016. Over the same period, demand for active ingredients will increase by 1.4% per year to 945 million pounds, valued at \$4.8 billion.

India, China and Japan pesticide market revenue (collective) is expected to reach \$16.2 billion by 2016, growing at a CAGR of 6.8% from 2011 to 2016. Japan is expected to be the second largest pesticide market after China by 2016. Governments in several countries have come up with initiatives aimed at promoting the development and use of Biopesticides because of their low toxicity, greater safety and higher effectiveness in controlling pests. However, growth in the market has also been hampered due to the entrenched pesticides market, low per capita usage of pesticides in several regions, shrinking farm lands, and burgeoning research and development costs.

RESEARCH AND MARKETS
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Rentokil buys \$425 million U.S. pest control business Steritech

LONDON, BY LI-MEI HOANG

British support services company Rentokil Initial has continued its North American expansion with its biggest deal in 10 years, agreeing to buy pest control business Steritech for \$425 million.

Rentokil said the deal, which is subject to regulatory approval, strengthens its position as the No.3 pest control business in a U.S. market worth about \$7.5 billion.

Revenue from Rentokil's North American operations now account for \$800 million, making it the biggest operation in the group, the company added.

"It is going to drive our revenues more aggressively and really give us an opportunity to improve our North American margins significantly," Chief Executive Andy Ransom said of the Steritech deal.

Rentokil, which offers services from pest control to the supply of workwear, has made about 40 acquisitions in the past 18 months, 20 of which were in North America.

The group's shares were up 1.4 percent at 150 pence at 0735 GMT, roughly in line with the mid-cap FTSE index.

"The market is likely to be neutral on the deal until the earnings improvements start to come through, though clearly at such rates the deal is earnings-enhancing from the start," said Stephen Rawlinson, analyst at brokerage Whitman Howard.

"It also begs questions about future disposals at Rentokil, given the clear strategic intention to be a global leader in pest control."

(Editing by David Goodman)



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This very large Rentokil purchase prompted several comments from well-known international pest control Mergers & Acquisitions "guru" Paul Giannamore of The Potomac Company, 1800 JFK Blvd, Philadelphia PA 19103 USA, in an email to me on the 1st September, extracts of which are shown in the column opposite. Ed.



"Subject: Transaction Multiples Peak as Rentokil Pays \$425M to Acquire Steritech"

"... ..valuations in the pest control market have peaked and will likely remain elevated for the next six months or so."

"Rentokil's acquisition of Steritech for \$425 million (2.8x revenue / 17x EBITA) in cash likely represents the high water mark in terms of valuation and pricing.

John Whitley, founder of Steritech, has come full circle as he used to run Rentokil North America decades ago before founding Steritech. It's awesome to be able to sell your business to your former for \$425 million in cash and I salute John for building a phenomenal company -- and after running it for decades -- to exit at the exact right moment.

If he would have sold this business two years ago, he would have been lucky to get \$250 million for it -- what a huge difference two years makes!"

"Andy Ransom, Chief Executive of Rentokil Initial plc, commented: "For some time we have been pursuing a growth strategy in North America, the world's largest pest control market, with Steritech at the top of our target list. It has an outstanding management team with a proven track record and a reputation founded on technical expertise and a premium service, similar to ours. It is also highly geographically complementary to our existing US business.

This is a rare opportunity to acquire a high-quality business with national scale in this key target growth market. The deal is in line with our growth strategy and will be transformational for Rentokil in North America, providing us with the opportunity to further accelerate our revenue growth and significantly enhance margins.""

"Rich Ennis, CEO of Steritech, commented: "Steritech's success has largely been based on great people delivering world class service to customers. Rentokil's strong culture and focus on people make them the perfect fit for Steritech's people and customers. I believe that the future is bright for the new organization.""

"The transaction will be financed through existing cash resources and a new debt facility which provides the Company with the opportunity to borrow up to £300m, maturing in 2018, at an interest rate of c1.5%, resulting in interest costs relating to this transaction of c£4m in 2016. The transaction is expected to close in the fourth quarter of 2015 upon satisfaction of certain customary conditions, including Hart-Scott-Rodino anti-trust clearance."

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ARE PLEASED TO HOST



Welcome to the FAOPMA Conference on the Gold Coast!

AEPMA is pleased to host the 27th FAOPMA Conference in 2016 at Sea World Resort and Conference Centre on Australia's Gold Coast.

The key message for the 2016 conference is "Solving Pest Managers Problems", bringing Pest Managers, Industry Specialists and Experts together to work towards solving real life pest problems.

We are thrilled to be hosting the conference at the brand new Sea World Resort Conference Centre. This truly unique venue provides the setting for some exciting after-hour functions to catch up with old friends, make new friends and to further your business opportunities. **The event will be launched "with a bang" at a not-to-be-missed Cocktail Reception at Dolphin Beach featuring a live dolphin show just for us !**

The Gold Coast is Australia's premier holiday destination, famous for its theme parks, stunning Surfer's Paradise beaches and subtropical rainforests, the Gold Coast boasts 70 kilometres of uninterrupted coastline and 26 patrolled beaches.

I warmly invite and encourage you to join us on the Gold Coast and to make the most of this exciting opportunity.

Vasili Tsoutouras, President AEPMA

<https://www.aepma.com.au/Conference>

