

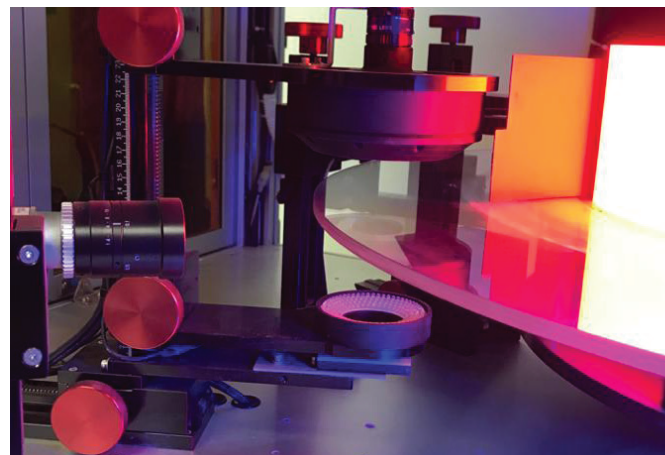
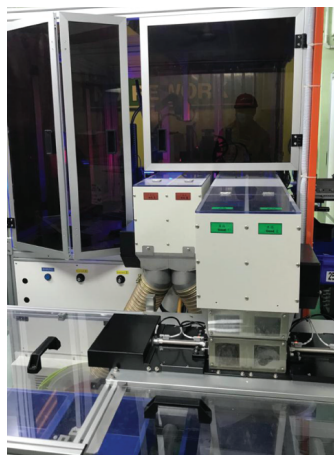
Moving Players Up the Global Value Chain

Business now is more competitive than ever, and the rubber industry too must scale up the value chain to fulfil increasingly stringent demands from authorities, regulators and buyers in export markets. As ESG (environmental, social and governance) concerns gain momentum, Malaysian rubber exporters must integrate sustainability matters into their business models in order to comply with regulations and safeguard their reputation and public trust.

To help industry players become more efficient and sustainable, MRC strongly advocates for adoption of Industrial Revolution 4.0 (IR4.0) manufacturing technologies as well as green technologies.

As financing is frequently cited as a major obstacle to technology transformation, MRC successfully launched the Fund for Automation and Green Technology (FAGT) in 2019 to help industry players embrace automation and increase their use of renewable energy resources such as solar, biomass and water.

The FAGT received many applications, out of which 17 were selected for funding. Below, we share two of the success stories emerging from the FAGT: Cooltec Industries Sdn. Bhd. and Nastah Industries Sdn. Bhd.



SUCCESS STORIES

Advancing Through Automation

Cooltec Industries Sdn. Bhd.



Year Established
1996



Batu Caves,
Selangor



Total Employees
58

SPECIALISATION: Dry rubber products, specifically automotive rubber components such as Rubber Molded Parts, O-Rings, Diaphragm, Seals, Grommets, Gaskets,.

EXPORT MARKETS: Singapore, Taiwan, Indonesia, India, United States of America, China and United Arab Emirates.

VALUE OF
FAGT GRANT

RM145,047.50 or **50%**
of the total project cost of
RM296,713.08

PROJECT OBJECTIVE: Boost productivity and quality by shifting from manual inspection to a fully automated process of sorting through visual inspection.

PROJECT BENEFITS: Reduced manpower needs, successful filtering of defective and rejected products, minimal human errors, and zero complaints.

Cooltec Industries effectively enhanced its quality inspection processes by installing an automated rubber sorting machine that leverages on visual inspection technology. Commissioned in June 2019, this automated sorting machine was intended to replace the manual visual inspection process of segregating, inspecting and rejecting parts.

By automating the sorting process, this initiative reduced manpower needed by up to 94% as of April 2020 and increased throughput from 500% to 650% as of May 2020.

The initiative also boosted quality tremendously as the automated sorting machine successfully detected defective and rejected products. This effectively minimised human error and resulted in zero complaints received.