

Spending on innovation in industry inadequate



BY: JESSICA OOSTHUIZEN
CREAMER MEDIA REPORTER

The private sector is not investing enough money and resources in innovation in the chemicals and petrochemicals industry, says thermoplastic products supplier Astore Keymak business development director Malindi Nkambule.

“One of the greatest challenges facing the industry is the lack of product innovation to meet discerning needs. Industry professionals are often ignorant, do not continue to grow in their specific field of study and are not aware of the latest trends and requirements.”

She believes there is an innovation gap, especially in the development of products that assists in curbing the loss of nonrenewable resources during production processes. The gap can be bridged by investing in upgraded technology and machinery that will play a pivotal role in refining the

production processes and assist in producing products that are more advanced technically in their application capabilities, Nkambule adds.

She notes, however, that the chemicals and petro- chemicals industry is in a fairly good state in relation to the challenges it has to deal with. "This sector is still seen as a positive contributor to economic growth and continues to flourish in the national and international arena."

The role of the chemicals and petrochemicals industry will continue to grow, owing to the increasing importance of its end-products in several industries, she adds.

Other Challenges

A serious challenge for the chemicals and petro- chemicals industry is cheaper, poorer quality products.

Nkambule notes that the trying economic times place companies under significant pressure to cut costs where possible, often to the detriment of their sustainability.

"This is evident, as companies opt to import products that are often inferior in quality and limited in their functioning, with major ramifications during production processes and the quality of the end-products."

While this remains a growing concern, Nkambule points out that the potential exists in the local market to overcome this challenge through a collective effort by considering competitive pricing and fair trade between suppliers and manufacturers.

Going forward, the chemicals and petrochemi- cals sector has a substantial place in the industry and the economic growth of South Africa. However, the challenges facing the industry can cripple the sector if sufficient effort, resources, technology and financial investment are not channelled towards bringing much needed change.

Nkambule and Astore Keymak MD Pranesh Maniraj predict a positive outlook for the industry – as there is a distinct change in the way the industry is starting

to move away from a mere supply and demand business model and towards a whole life costing – as well as the company, hinting at some of its future plans.

“The company’s plans for the next five years include considering product innovation that will address the issue of superior quality of products and, most importantly, competitive pricing that will eliminate having to import cheaper products,” says Maniraj.

Also, Astore Keymak and its international partners will work closely to improve its current product offering to be more aligned to industry needs. The company will also provide clients with ongoing training on the various products available and indicate the long-term benefits of superior-quality, locally manufactured and supplied products.

Agru Products

Astore Keymak is a distributor of plastic products supplier Agru products, which are used in the chemicals sector. A typical application for Agru heat-resistant products is process pressure piping in the chemicals industry. Agru products are also mechanically strong, with high abrasion resistance.

The company will distribute (new) products from Agru, including ethylene chlorotrifluoroethylene sheets, pipes and fittings used in high-temperature environments and environments containing high concentrations of acids, as well as perfluoroalkoxy sheeting used in high-temperature environments and for tanks temporarily storing fuel. 

EDITED BY: ZANDILE MAVUSO

CREAMER MEDIA SENIOR DEPUTY EDITOR: FEATURES