

BUSINESS RELATIONS WITH ASIA

Finland

Reports by C. Lawrence, A. Feig, M. Joshi

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Sandvik Growing with Customers

Sandvik Tamrock is no stranger to Asia. In the 1960s the construction and mining equipment maker sold China 10,000 of its jack hammers. This was the start of a successful presence in the country. Since then, explosive growth in the construction, metal and coal mining industries has seen Sandvik Tamrock's business take off in new ways. The equipment sold today has seen a huge development since the early days. The Finnish company, which is a subsidiary of Sweden's Sandvik Group, recently opened a second factory in China to help handle increased demand.

India too is booming. Sandvik Tamrock is considering boosting production in both countries. "The coal mining and construction industries are growing, and if they are growing there we have to manufacture there," says Pekka Vauramo, president of Sandvik Tamrock. "Of course, there are also cost benefits to manufacturing products in India and China and exporting them to other parts of the world."

The strategy is part of a long-term commitment to Asia, which now accounts for about 10 percent of Sand-

vik Tamrock's turnover. The company has offices in China, Japan, India, Indonesia, the Philippines, Singapore, Hong Kong, South Korea, Kazakhstan, Malaysia and Australia.

That activity has earned it notice from Asian investors. Sandvik Mining and Construction is the fastest growing part of the Stockholm-listed Sandvik Group, which is about one percent owned by Asian shareholders, mainly large institutions in Japan and Singapore.

The future is all about adding value for customers. While strong research and development have always helped Sandvik Tamrock's products excel, the company provides more than just hardware. With simulation software, consulting services and long-term service agreements, it is becoming a total solution provider.

Vauramo's vision for Asian markets as they mature: "We are looking into covering more of our customers' processes, not only with individual machines here and there but with equipment that covers a bigger part of the process. While our customers are using our machines we also look forward to providing services in a much deeper way than in the past."



Pekka Vauramo

Safe Nuclear Energy

Teollisuuden Voima Oy (TVO) is a leader in safe, cost-efficient generation of nuclear power. Since formed in 1969 by 16 industrial and power companies, it has set new standards in productivity and waste disposal. The company's business model is notable. TVO produces power solely for its shareholders

and charges them a zero-profit tariff. Its aim is not to make money in the traditional sense but to generate electricity cost-effectively. Its two plants run at 96 percent capacity, making TVO one of the world's most cost-competitive generators. What's more, the company has been investing in capacity upgrades. Capacity, which was 660 megawatts at inception, will be 860 megawatts once modernization projects are finished. "You can imagine how much added value we are able to generate for our shareholders," says TVO president and chief executive Pertti Simola. "They are more than happy."

TVO's success centers on innovation. Research and develop-

ment expenditures average 8.4 million euros a year. A good portion of that goes toward waste management. The company has developed a unique disposal

method that will be operational in 2020. It involves putting spent fuel into cast iron cylinders, encasing the cylinders in corrosion-resistant copper canisters and burying them 500 meters under ground. The technique is ground-breaking in more ways than one. "We are among the front runners in the whole world from a technology point of view," says Simola.

TVO doesn't sell its technology but will share the general information and experiences with power generators worldwide. China, Japan, South Korea and Thailand have all shown interest in TVO's technology.

The company's future looks bright. Its existing plants can run another 40 years, and it is constructing a third plant, to be completed in 2009. "TVO has the muscle to build up nuclear capacity," says Simola. "I don't see any hurdles for my company."



Pertti Simola

Borealis Adds Value

Innovation is at the core of Borealis, a leading provider of plastics solutions to the pipe, wire and cable, advanced packaging and automotive components industries. The company was formed in 1994 when Statoil and Neste merged their olefin and polyolefin businesses.

The integrated complex at Porvoo, Finland, is one of Borealis' four European hubs. It includes a cracker, polyolefin plants, phenol and aromatics units and an R&D Innovation center.

Borealis' unique Borstar technology was developed based on the company's wide polyolefin experience and need for a better technology to better meet customer demands. Catalyst and process development was the focus at Porvoo where experienced researchers made a breakthrough resulting in the Borstar technology. The same Borstar platform is used for both major plastics; polyethylene and polypropylene. "Better mechanical properties combined with excellent convertibility of our Borstar products add value to customers and end users," says Henry Sperle, executive vice president of Hydrocarbon and Projects.

The firm's Finnish heritage has contributed to the company's safety, quality and innovative mindset. Borealis has moved towards higher density films and aims to produce the purest possi-

ble plastic film for packaging. "Customer requirements for thinner walls, higher throughput speeds and crack resistance for pipes are met with Borstar products," says Sperle. "High quality throughout our processes pays off time and time again."



Henry Sperle

Borstar technology underpins Borealis' joint venture, Borouge, with the Abu Dhabi National Oil Company. With major expansion plans for the production complex in Abu Dhabi, UAE,

Borouge targets to achieve a production capacity of two million tons by 2010. Enhancing growth in the Middle East will act as a springboard for supplying innovative plastics solutions into the fast developing Asian markets.

While it entered Asia 35 years ago, Borealis substantially increased volumes there in 1998. It has already sold a license for Borstar technology to Shanghai Petrochemicals, the most advanced polymer producer in China. Borouge expects the new facility in the UAE to double output for the region. The strategy is to target the added value plastic needs of technology leading Asian customers.

Borealis is not a commodity producer. "If our products are slightly more expensive, it is because they provide the best sustainable solutions to meet our customer's needs, society's challenges and consumer's expectations," says Sperle.

Outside The Box

Korea was a fairly closed market in the early 1990's, when most foreign companies operated through joint ventures. Fibox, a leading global enclosure manufacturer, had been selling there through distributors since 1991. When it established its first factory in Incheon in 1995 – a city where few spoke English – hardly any other foreign firms fully owned companies.

Fibox designs and manufactures over 1000 types of enclosures, customizing colors, shapes, logos and decorations, and develops thermoplastic molding technology to enclose and protect electrical components and control units.

Fibox Advanced Plastics develops solutions for small-to-medium volume customers, who outsource or produce themselves. These solutions enclose and secure products in a variety of industries, from light bulbs to cell phones, and protect against outside conditions such as heat, cold, moisture, water, acid, impact, pressure and weight. An international roster of customers includes Nokia and T-Mobile in communications, the new Eiffel tower lighting and the Queen Mary II, where Fibox encloses the power supply for passengers' cabin lights.

"We are a one-stop shop, providing a complete value chain package, from designing and developing to producing and installing anywhere, delivering to the right place," says Tapani Niemi, president of Fi-

box. Rapid prototyping has been another key competitive element. "We start working with the customer earlier," says Niemi.

The company operates manufacturing facilities in Finland, Germany, Korea, China and the United States. Fibox operates its own sales force in 11 countries complemented with 30 distributors in the rest of the world. The global company actively uses the internet to enhance its brand recognition for Scandinavian design and high quality engineering.

Asia currently accounts for about 25 percent of the firm's turnover. Since 1972, Fibox has been selling to Australia and Japan, where its works with a large Japanese manufacturer of metal enclosures. It is now the number one supplier in Korea, where it kept investing throughout the 1997 crisis. And India is on the radar screen.

China, however, offers the most potential of all for growth. In 2002, the company set up a joint venture in Dalian, followed a year later by a sales company in Shanghai. It is now also operating manufacturing facilities in Guangzhou, and a network of Chinese wholesale distributors.

The philosophy is to grow organically, rather than by acquisitions. "We hope to be the number one brand in Asia with our own products and a key brand in contract manufacturing," says Niemi.

Tapani Niemi



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Oldest Finnish Paper Mill Brings Expertise to China



The Chinese and Finns share a devotion to the art of papermaking. China invented paper 2,000 years ago and Finland is a world leader in paper production today.

Finnish paper company Tervakoski has returned to the birthplace of paper offering some of the world's highest quality products. The most popular is release base paper, the backing on self-adhesive labels applied on high speed factory lines, used in labeling fast moving consumer goods such as toiletries. "The paper has

to be very technically designed to have proper release values for the label, otherwise you always have to stop and start the bottling lines," says Dominik Mindl, Tervakoski's managing director.

Demand in greater China and Southeast Asia is rising dramatically where industry growth is 20 percent. Tervakoski, working through its Hong Kong regional office, aims to become the top supplier of release base paper in Asia.

The competition is stiff but Tervakoski has several advantages. It recently acquired a paper mill in

Hungary, which claims the world's fastest release base paper machine. The company also has the benefit of Finnish paper expertise and a university system that trains highly qualified paper engineers. Tervakoski is the oldest operating paper mill in Finland where it's been making paper since 1818.

Other Tervakoski products include fine writing papers, which have been named the official stationery of the Santa Claus Foundation, an organisation that places a high priority on letter writing. Tervakoski also owns the

only handmade paper mill in Finland. Visitors can tour the mill and make their own paper on site. Graphical paper, cigarette industry paper and electrical insulating paper are also part of the product portfolio. Tervakoski's ThinPrint paper, used for catalogues, medical leaflets and bibles, is yet another special product unique in its quality, brightness and opacity. These products explain why PAPER IS BETTER... with Tervakoski!

Genano Provides Cleaner Breathing

The SARS virus and avian flu both spread by ultra-fine particles. Mold from 'sick building syndrome', volatile organic compounds from gasses and bacteria are some of

the dangerous air contaminants that pollute environments across the world.

Genano, established in 1999 after 27 years' research, comes to the rescue with its patented air filtration system. Its unique multifunction-ion technology removes particles from the air with electricity. While traditional filters require substantial energy from large blowers, Genano's units need less. Yet they clean with higher efficiency and leave no microbial mold.

The low maintenance filters have unique automatic cleaning systems. The firm mainly markets its high end products to

B2B clients, and offers cost benefits where hygienic upgrades are urgent.

Healthcare is an important application. "Infections are a problem in hospitals everywhere," says Mikael Rentto, managing director of Genano. His firm is also targeting hotels, offices, sports

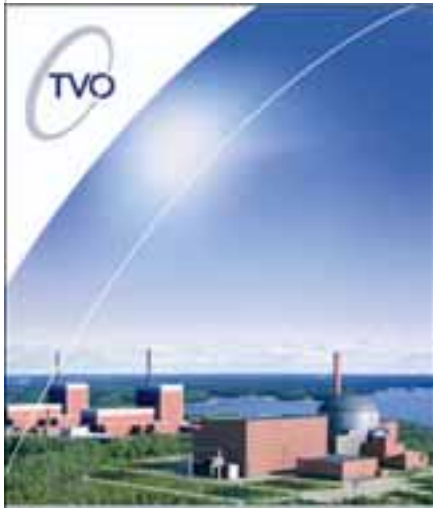
centers, schools, daycare facilities and laboratories where DNA molecules can cross-contaminate.

Genano's global ambitions are already taking hold in Asia, which accounts for 17 percent of turnover. It has distributors in Japan and a close partner in Taiwan, its two main markets. China may become a manufacturing base. Sales are also ongoing in Singapore, Thailand and Malay-

sia, and many inquiries are arising from Korea.

The company is open to additional distribution relationships in Asia. It uses distributors for each of its market segments as a growth strategy, and supports them with thorough sales training and materials that address sources and types of pollutants.

"We want to go global fast," says Rentto. As people become more knowledgeable about fine particles, and standards of living improve, Genano predicts increased demand for its products. "2006 will be important. It is the first year that international volume will outstrip domestic sales in Finland."



World-class Nuclear Power Generator

TVO has produced electricity in Finland since 1978. Capacity factors of TVO's plant units O1.1 and O1.2 are top-class in the world.

TVO is also constructing new production capacity. The third nuclear unit, O1.3, will start commercial operation in 2009 in Finland.

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Finn-Power Group: Flexibly Yours

The Finn-Power Group and its management come from Ostrobothnia in western Finland, where a hardworking population struggles to succeed in agriculture and small businesses. A tradition of entrepreneurship, challenge and adventure still characterize the world's fifth largest sheet metal machine manufacturer. Reflecting its outward looking orientation, it exports 90 percent of its sales.

The company provides machinery, installations and after-sales servicing to all the industrialized countries. Products range from punching and right angle shearing to laser cutting and bending, and supply a host of industries: lighting systems,

elevators, furniture, door frames, white goods, computers and automotive. The completely automated production lines run 24/7, with automated storage connected.

"Our slogan is 'flexibly yours'," says Tomas Hedeborg, president and CEO of Finn-Power. His company's tailored technological solutions enable customers to optimize productivity. "We are there to help plan layouts, even at the earliest phase."

Management systems also need efficient processes, so that corporate functions may interrelate smoothly and constructively. The international firm applies its understanding of organization design, and draws

on talent from a variety of cultures in its own management ranks.

For instance, the senior vice president of strategy, based in Hong Kong, oversees activities in mainland China, Taiwan and Korea. Australia is already a large market, and Finn-Power foresees increasing its efforts in Japan and new markets like Vietnam. The entire region is growing faster than the rest of the global network.

So far this year, the company has sold four large night train systems to China. It is planning to establish an industrial presence in China by 2007.

"Asia offers huge potential for growth, and we want to use our know how and technology to participate in this development," says Hedeborg. "I think we have all the elements we need to do so."



T. Hedeborg

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Pekka Ketonen

Special Advertising Section

Vaisala's Forecast in Asia is Sunny

Technology has changed dramatically since Vilho Väisälä invented an improved version of the atmospheric measurement instrument known as the radiosonde nearly 70 years ago. The company he founded, Vaisala, continues to break new ground in the field of environmental measurement.

Vaisala dominates about two-thirds of the worldwide market for radiosondes – weather observation devices that can reach up to 30 kilometers altitude to measure temperature, humidity, barometric pressure as well as wind

speed and direction. Approximately 10 percent of the company's annual net sales go to R&D, making Vaisala the leading supplier of other weather observation systems such as automatic weather stations for airports to detect lightning, measure visibility and wind and runway surface conditions. The company's latest invention is a compact and lightweight weather transmitter targeted for weather sensitive businesses such as agriculture.

Vaisala's meteorological expertise has helped it expand into industrial markets, with products like humidity measurement devices for the semiconductor industry. "Originally they were invented for weather applications," says Kenneth Forss, director of Vaisala Instruments. "We had meteorological customers who demanded the best from the

very beginning. When we started marketing the technology to other industries, we had a huge advantage." That advantage has made Vaisala market leader in humidity instruments in Japan, the US and Europe.

Expansion in Asia, especially in China is next. Vaisala has had a representative office in Beijing since 1994, and it established Vaisala China in 2005. A new service center, where the instruments can be calibrated and repaired, was opened in Beijing late last year.

Vaisala will soon begin sourcing from China, and plans to open assembly operations there by 2007. "The most important thing is that we improve our competitiveness to

guarantee our success," says Pekka Ketonen, Vaisala's president and CEO. "If it requires relocating some operations we will do that." Within five years Ketonen predicts Vaisala may be shipping finished products from China to the rest of the world.

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Elematic's Concrete Success

As the construction industry in Southeast Asia continues to grow, Elematic predicts the use of pre-cast concrete will also increase. Pre-cast concrete is concrete that is formed into wall panels, floor slabs, beams and columns at a factory before proceeding to the building site. It is used in buildings and infrastructure as a time and labor-saving alternative to conventional structures. "We see that many countries where pre-cast is already well known – South Korea, Malaysia, Singapore, Hong Kong, the Philippines, Australia and New Zealand – are already recovering," says Leo Sandqvist, managing director of Elematic. "The biggest



Leo Sandqvist

concrete companies in those countries will raise their capacities." That means good things for Elematic. The company provides machinery, production lines and factories to pre-cast concrete manufacturers. Elematic's advanced technologies provide an edge for customers facing competition from other construction methods, such as in-situ casting. "In order to survive in today's competitive situation pre-casters have to make everything right," says Esa Enqvist, Elematic's director of marketing and sales. "It starts from the technology, which then guarantees good quality. Quality is one of the main factors in competition nowadays." Finland is the home of the pre-cast concrete industry. Elematic

stands out from other technology suppliers because it is the only one-stop shop. "We are the only one in the business able to give turnkey factories for production of the whole variety of precast components, including software for production planning, training and production start-up services," says Enqvist. The company is active in more than 70 countries, and has supplied many well-known customers in Asia such as Samsung, Hopewell and Hyundai since the 1980s. It is looking to Pakistan and India for growth in the near-term. China, which got burned using poor-quality pre-cast concrete in the 1970s, may take a little longer to come back around. "Pre-cast will have a very important role in China in the future," says Sandqvist. "Not this year, maybe not next year, but certainly in 10 years."

Shaping the future with plastics...

Borealis is a leading, innovative provider of plastics solutions with more than 40 years experience in polyethylene (PE) and polypropylene (PP).

Borealis has a strong sales force throughout Europe and is present in the Middle East and Asia with its joint venture, Borouge.

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T. Pajuharju



Lumene's Nordic Secrets

Arctic wild berries, which capture energy from

the short summers filled with intense light and power, contain beneficial antioxidants and vitamins. Lumene sources its active ingredients from Northern hand-picked berries like cloudbberries, cranberries and raspberries. Blueberry seeds produce oil used to prolong mascara.

The company's three business lines comprise cosmetics, hair care and industrial and institutional hygiene and cleaning products, mainly for the food industry.

Within these lines, its main brands are Lumene skin care and colour cosmetics, Cutrin for professional hair products and Far-mos for professional cleaning.

"Our excellent R&D combined with Nordic ingredients makes the difference," says Tapio Pajuharju, president and CEO of LUMENE Group. "Our people and partners contribute a mix of skills in chemistry, biochemistry, engineering and medicine." An entrepreneurial culture, leading to swift decisions, gives the company an advantage over giant bureaucratic cosmetics competitors.

Pharmaceutical principles, however, are never compromised. The products must function in both dry and humid climates, and extreme temperatures of Scandinavia,

Russia and the Baltic countries. Beyond those markets, the firm's co-operation with the largest pharmacy drugstore chain, CVS, in the United States provides a platform of 3400 stores nationwide. Lumene targets end users between selective and upper mass market segments, and balances quality with affordability.

In 1998, Lumene entered the Chinese market with a Hong Kong based partner, applied for certification and began selling in department stores in major cities. Later on, it will focus more on an Asian penetration strategy.

The Finnish firm, impressed by the innovation and agility of Asian packaging companies, would welcome their contributions and raw materials. Its own packaging, with dark blue and silver themes, reflects the

Arctic Black Currant



company's fresh Nordic spirit. In fact, the name Lumene derives from a local crystal clear lake

Lummenne.

"We combine the old folk traditions of nature with science and modern technology," says Pajuharju. "Our unique value added is the secret of Nordic nature."

Ship Shape Wiring

The growth of Asia's shipbuilding industry is opening new portals for Helkama Bica. A world leader in the production of cables used on ships, the Finnish company is increasing its commitment to Asia with a new plant in Shanghai to better serve customers in the region.

The family-owned Helkama Bica has a long history of excellence. Parent company Helkama is 100 years old and Helkama Bica has been making cables for four decades. It has specialized in ship cables for 20 years and is among the top 10 suppliers globally, serving shipbuilders, cabin manufacturers and contractors for shipyards. Satisfied customers include Chinese shipbuilder Waigaoqiao Shipyard in Shanghai.

Helkama Bica's size and focus on ship cables give it an advantage over competitors. It is large enough to offer full service and an extensive product stock and small enough to be flexible. "Flexibility is important because sometimes shipyards cannot forecast very accurately what kinds of

cables they need," says Timo Vesala, vice president of Helkama Bica. "We can respond to requests on very short notice." The company's on-time delivery rate has been an impressive 95

to 99 percent annually in the last few years.

Asia accounts for about one-third of the company's turnover, and that number is expected to rise. South Korea, Japan and China are the top Asian

markets but Helkama Bica also exports to Singapore and India, via agents. It is on the lookout now for a representative in Vietnam with knowledge of shipbuilding and electrical products.

Within the next five years Vesala, expects its Shanghai operation to match or surpass the company's production in Finland. China will be a big driver. "The shipbuilding industry in China is growing very fast and the government has clear plans to be the biggest shipbuilding nation in the world within 10 years," says Vesala. "This will bring many opportunities for us."

Timo Vesala



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Jussi Muikku

When Vehicles Think

A remote monitoring system describes online the lifts, speeds, or collisions of a warehouse truck somewhere. Perhaps another vehicle itself reports when it needs servicing. These are examples of the latest computer software that tracks information for intelligent materials and handling solutions.

Rocla manufactures warehouse trucks and automated guided vehicles for the paper, steel, food, beverage, pharmaceutical and automotive industries, and exports 90 percent of its products internationally. Demand from the tobacco industry is strong in Asia. Projects are ongoing in Japan, China, the United States, South Africa and Australia.

"We provide a life cycle of service," says Jussi Muikku, managing director of Rocla. "We're the only company offering such a wide range of products, and a total service solution."

His firm is open to building partnerships, such as its branding relationships with Caterpillar and Mitsubishi. A net-

work may potentially include Asian component suppliers, and dealer representatives in China and Korea. Rocla already establishes 'industry clusters', to forge cooperation with other companies that supply complementary logistics to its customer base.

As a small and flexible producer, Rocla can meet customer specifications. Moreover, delivery times, from factory to purchaser, are short. But the key elements remain intelligence and engineering know how. The company's technology translates into many efficiency benefits. Security, damage control and logistics optimization are just a few of the advantages it delivers for improving intralogistic processes.

Turnkey projects, which extend from preliminary design to implementation, rely on substantial investment in R&D. The firm has earned a nomination for the Fennia Prize, an international competition that recognizes outstanding product designs. Rocla's designs involve the ergonomics of how drivers operate and interface with their machines.

"We don't just want to make good products for you," says Muikku. "We want to stretch our thinking, to be able to say *we are you*."

Efficiency Expert

Many manufacturers have inefficiencies due to assembly lines that are devoted to one particular product. If a manufacturer gets an order for product A, for instance, the lines for products B and C may only be at 20 percent capacity. Swedish firm FlexLink has created a flexible production system that eliminates those inefficiencies.

"Manufacturers can integrate the production into one line and keep it up and running fully," says Mats Lillqvist, managing director of FlexLink in Finland.

FlexLink's technique, called stepwise automation, has won it devoted customers in the telecom and electronic industries. The system is based on modules. Each module has built-in control equipment, so modules can be added as a manufacturer's production grows. "If you look at our competitors at the moment, no one can do this as efficiently as we can," says Lillqvist.

Finnish technology has helped the Swedish firm excel. FlexLink's acquisition of Finland's FL Solutions several years ago provided it with software

know-how that complements the company's hardware expertise.

Technological advancement is ingrained in the company's culture and enabled by a global corporate structure.

Mats Lillqvist



FlexLink employs 540 people in 25 companies and is represented in 50 countries. In 2004 the group's turnover was \$155 million.

Asia Pacific represents FlexLink's fastest-growing region. The company is already well established in Japan, China, Singapore, Malaysia, Thailand, South Korea, Australia and India, and has a regional research and development center based in Kuala Lumpur. It plans to expand further in Asia, both organically and through collaboration.

FlexLink's success is built on its leadership in organizing the product flow in the manufacturing process. "We can provide our customer with the most efficient production logistics system on the market if they need to build small batch sizes or build to order with full product and process control," says Lillqvist.

Emfit's Sensitive Touch

Under the hospital mattress of a sleeping patient, a thin film dynamic sensor is monitoring heart rate and respiration. The unique ferro-electret sensors can also track dementia patients' movements, or trigger epileptic seizure alarms. Emfit originally invented this technology



H. Raisanen

in the late 1980's for hydrophones and continued to develop it with VTT, the Finnish state research center. The 70-90-micron thin film has a cellular structure and responds to tiny pressure changes. It transmits an electric signal that interfaces analog or digital electronics. Since 2000, the company has utilized digital signal processing as a cost effective platform, while improved keypad technology enhances durability.

Other non-healthcare applications include musical instrument transducers, vandal-proof keypads, visitor and traffic flow counting. "Our products play an invisible role in basic daily life," says Heikki Raisanen, CEO and president of Emfit. Customers represent diverse industries, from healthcare to paper and automation industries. The small Finnish firm, with its global outlook, entered the Asian market in 1998. It targets specific application sectors, rather than particular countries.

It has established successful relationships in Japan, and is open to licensing partnerships and distribution in Singapore and other locations. The keypad applications, proven in Finland in trains, busses and metros may turn out especially

promising for China. Moreover, Asia could eventually offer a source of fresh venture capital.

The company expects accelerated growth in the region, keeping its perspective over a long horizon. It plans to offer not only competitive pricing, but also a reputation for lasting customer support, built on solid personal ties.

"In 20 years, I am sure we will have Emfit subsidiaries in most of the Asian countries," says Raisanen. "They will provide local expertise to help customers use our sensing technology in devices that invisibly improve everybody's life."



Inspired Wireless Solutions



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Environmental Investment Projects in Asia

As environmental regulations mount around the world, more and more companies are turning to consultants to help reduce and treat risks or safely dispose of various types of waste, or to increase energy efficiency. Trouble is, the services of traditional environmental consultancies typically end with project design and good advice.



Johan Malm

WSP Environmental's unique approach goes much further. WSP provides project management who oversee the entire project lifecycle, from inception to implementation to follow-up reporting. European utilities like Estonian Energy and Jacobsen Electro have praised the company's results. "Customers get the best resources in the world to take their investment projects from start to finish, according to the time schedule they determine," says Johan Malm, managing director of WSP Environmental. "And they don't have to add a single employee to their own organization if they don't want."

WSP's strategy has helped it expand from two people at start-up 10 years ago to 600 now. Its annual growth rate

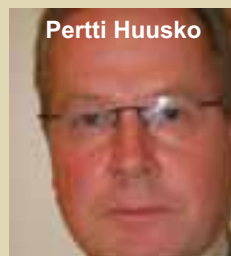
ranges from 20 to 30 percent, with no signs of slowing down. Indeed, the company wants to step up its expansion in Asia. It already has offices in Shanghai, Beijing, Singapore, Philippines and Vietnam. As new opportunities arise, it will be looking for partners such as other consultants or design companies working in the energy and environmental field.

WSP sees big potential in Asia for projects that boost energy savings. "Many customers say that this is maybe the best they can do for the environment," says Malm. "They save energy, money and get an environmental benefit."

As the only Finnish company to successfully trade carbon emissions internationally, WSP also anticipates bringing carbon trading to Asia. It hopes that five years from now it will have two or three more offices and a staff of 150 people dealing mainly with environmental investments in the energy sector. "We will bring world class environmental knowledge to investments in Asia," says Malm. "We can and we will – everything for our customers."

Real Time Solutions

With growing traffic congestion in major cities, modern real time audiovisual solutions are encouraging public transport usage by informing passengers when the next bus is coming or what the next stop on the train is.



Pertti Huusko

The family-owned Insta Group – formerly known as Instrumentointi – develops this technology, in addition to its automation, defense and security businesses. Automation customers include the oil, gas, nuclear energy, water, forest and process industries. Services range from concepts and engineering to manufacturing, installation and maintenance. "We want to support projects for their entire life cycles," says Pertti Huusko, president and CEO of Insta Group.

Since joining the firm two years ago, Huusko has been reorganizing and implementing new management processes. He encourages open communication, delegation and closer interaction among departments. Flexibility gained from reduced bureaucracy allows his company to achieve higher technical levels. It has recently reached peak growth in its 45-

year history, as it becomes more global in its outlook. The firm is turning attention toward China, where its audiovisual solutions can be used for the new railway system at the Beijing Olympics. It would like to cooperate with Finnish companies like suppliers for paper, railroad or energy industries, or with other large Nordic companies. "We are too small to start in China by ourselves," says Huusko. Insta's security technology for crisis management can be utilized in Aceh, Indonesia. Authorities dealing with disasters like the Asian tsunami, Mexico Gulf's hurricanes or earthquakes cooperate better by having access to identical information.

On the defense side, Insta creates real time situation awareness systems, simulators and life cycle support. The Finnish air force, army and navy are the main clients today, but export markets offer a huge potential.

"What we do directly relates to products and solutions," says Huusko. "We deliver what we promise, which is why customers are knocking at our door."

Dangerous Fine Particles

Fine particles from engine emissions can enter blood circulation and become deadly. Dekati has worked with Tampere University of Technology's Aerosol Physics Laboratory since 1994 to develop equipment for measuring and sampling engine particle emissions in real time.



J. Tikkanen

From combustion processes, such as diesel, gasoline, oil and coal, Dekati expanded into applications for ambient aerosol monitoring, including bioaerosol monitoring for 'detect to warn systems'. It also serves the pharmaceutical industry, by screening the doses for pulmonary inhalators.

Unlike its competitors, the firm measures particles in real time, with substantial labor cost savings. "Our instruments, customer

service and after sales support are exceptionally reliable," says Juha Tikkanen, Dekati's CEO.

Dekati is working on new, sensitive mass based instruments, to replace traditional filter technology. It has completed the first phase of a US Environmental Protection Agency Program for quality assurance for these products. It is also helping the agency test real world highway emissions, using acceleration and deceleration, outside the laboratory.

Another innovation is a sensor for monitoring diesel particle filters for diesel engines, for cities like Tokyo, which has 2000 diesel testing and maintenance stations. Competing against Japanese rival manufacturers poses both challenges and an opportunity to dem-

onstrate commitment.

Stricter environmental standards will catalyze the US market in 2007, and Europe in 2008. Asia, which is less regulated, is more susceptible to pollution and pandemics. Dekati is focusing on Japan, India and especially China, where it expects to branch out, from coal to oil combustion and energy production industries. It is open to forging distribution agreements in other Asian territories, like Indonesia and the Philippines.

While Europeans often retain entrenched technologies, China tends to jump over a generation to the most advanced instru-

ments, such as Dekati's ambient air monitors. But every continent needs the equipment. "If you want to live long on this earth, you must use green technologies," says Tikkanen.

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A. Niinivaara

Ecocat's Green Products

With car manufacturers increasingly moving production to China and India, Ecocat sees no choice but to follow them. The 55 million euro Finnish company makes substrates and catalytic converters for gasoline and diesel vehicles, small engines, after markets and industrial applications. "Our philosophy is that we are logistically close to clients," says Antti Niinivaara, president and CEO of Ecocat.

The company has a joint venture production facility in India and an interest in a smaller scale plant in

China. It is looking for more partners to help it expand its distribution, small scale manufacturing and assembly. Ecocat usually trades technology for equity in its partners. "The more we give you information the more of you we want to own," says Niinivaara.

Most of Ecocat's competitors are Fortune 500 companies, which tend to specialize in either the mechanics or the chemistry of making catalytic converters. Ecocat does both. Its small size also makes it more flexible. While large rivals may be interested in

only mass production, Ecocat can custom-make applications specific to customer requirements for much smaller volume runs.

That is how the heavy duty diesel engine industry likes to work. It is one of the fastest growing segments of the market today. Ecocat also sees promise in the stationary business, which produces, for example, equipment for power stations. "This industry is driven by regulations, which are getting tougher and tougher," says Niinivaara. "Global warming and pollution are issues to us and the

whole world so I think we can find something there."

His vision for the company is to be transnational by 2008, with locations close to clients who will not necessarily be in the automotive industry, only. "We are in the environment business," says Niinivaara. "We definitely are cleaning the air with fresh ideas. That is our slogan."

Building Partnerships in Asia

Imagine a warm, cozy log cabin made from the finest Finnish timber. Now transport that cabin to an Asian countryside setting. What you've got is a recipe for business success. At least, that's what Finland's Vehasen Saha has found in Japan. The log cabin maker is hoping to



Hannu Vehanen

nese have also come to appreciate the ecological aspects of Vehasen's cabins. "There are no chemicals," says Vehanen. "It is a healthy, natural material." Vehasen's wood cabins in Japan have been able to withstand earthquakes.

The longevity of Vehasen's relationship with Talo is something it wants to recreate with partners in South Korea and China. It aims to have new partners in those countries within one year. "They should have some experience in the building industry and maybe knowledge about wood buildings," says Vehanen. "They must also want to develop the product for the market with us."

repeat that success in China and South Korea. "I see great potential," says Hannu Vehanen, president of Vehasen. "In Finland the building season is short but it is year-round in Asia."

Vehanen's father founded the company in 1947, and began making log cabins more than 40 years ago. Exports to Japan started in 1986, with the help of Japanese partner Talo International.

Vehasen still works with Talo to develop cabins that suit constantly evolving local tastes. For instance, 20 years ago, customers primarily bought Vehasen cabins for holiday homes. Today, more than half are looking for permanent living quarters. The Japa-

nese have also come to appreciate the ecological aspects of Vehasen's cabins. "There are no chemicals," says Vehanen. "It is a healthy, natural material." Vehasen's wood cabins in Japan have been able to withstand earthquakes. The longevity of Vehasen's relationship with Talo is something it wants to recreate with partners in South Korea and China. It aims to have new partners in those countries within one year. "They should have some experience in the building industry and maybe knowledge about wood buildings," says Vehanen. "They must also want to develop the product for the market with us."

In the meantime, Vehanen is working on educating himself about business in China. He will go to Shanghai next March on a trip organized by the Finish ministry as a way to learn more about the market and meet potential partners.

Faster Runnability

Finland is a land of forests. No wonder the top caliber automation, mechanical and chemical engineers have backgrounds in the paper, board and pulp industries. In 1992, after gaining expertise at two major paper machine manufacturers, the principals of EV Group founded their own business for paper machine runnability.

EV Group's total solutions enable its customers' machines to run faster and more efficiently. Some products include web moisture and temperature measuring devices, production optimization, dryer fabrics cleaners and mist removal systems.

The firm uses five subcontractors as manufacturing workshops, which avoids seasonal bottlenecks. "Since we don't need to sell our manufacturing capacity, we can concentrate on customers' needs and provide tailor-made solutions," says Pekka Koskinen, managing director of EV Group.

As a small and flexible organization, it can react quickly, delivering com-

ponents faster than its larger competitors. EV Group undertakes about 50 projects per year, of which 90 percent are exported. France and Italy are its most important markets in Europe, where the company provides turn-key solutions.

Asian customers perform their own installations. However, the company's engineers visit customers in China, India, Thailand, Korea, Indonesia and Malaysia, to survey their processes and provide highly specialized, technical answers. The region prom-

ciency.

Over the past three years, 50 percent of new paper machines have been built in China, where EV Group is building brand recognition. While Asian sales are currently less than 10 percent, it hopes to increase that level to about 25 percent over the next five



Koskinen

years.

"As forerunners, we have been able to improve the runnability of machines in Europe already," says Koskinen. "We would like to help our customers in Asia make better quality paper, too."

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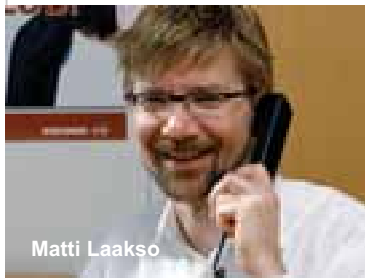
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Sanako is Top Of Class

While language learning used to involve only pen and paper, Finland-based SANAKO has introduced cutting edge



Matti Laakso

technology to make language education more effective. Sanako plans to penetrate deeper into Asia with this technology.

One of Sanako's founding companies, Tandberg, created the first language lab in 1961. Tape recorders were used to help students improve their speaking and comprehension. Sanako later introduced digital recorders to the industry, and pioneered the first standard computer based solutions with graphical user interfaces for language learning.

Today, Sanako is creating mobile systems, which can be wheeled into all-purpose classrooms to create instant language labs. It has started developing non-language teaching software, such as classroom management and e-learning solutions. These tools emphasize interactivity among students and teachers. "Our asset is an understanding of how teaching and learning take place," says Juha Merinen, Sanako's

sales director. "We know how teachers and students get the best results from a class."

The Programme for International Student Assessment conducted by the OECD has documented Finland's success in education. In the last two assessments Finnish students outperformed all

others worldwide. Sanako hopes to export the Finnish commitment to education as far and as wide as possible.

Sanako first entered India and China in the 1970s. The company has a sales office in Shanghai, but hopes to expand its Asian presence. "We plan to widen operations there, depending on how we succeed in discussions with various partners," says Sakari Nikkanen, chairman of Sanako's board.

Sanako seeks partners for multiple sales channels. Clients range from corporations, to universities, to government bodies overseeing national education programs. Sometimes non-governmental organizations like the World Bank provide financing.

Matti Laakso, Sanako's CEO, says the time is ripe for an Asian expansion. "Asian countries have put a big focus on educating their citizens to improve their competitiveness on the world market. We believe that we have value to add to that process."

Going Shopping

Checkmark, a family owned business since 1993 with 42 employees, makes checkout systems. Despite its size, it was only the second in its field to "check in" to the Chinese market, establishing a joint venture in Shanghai in 2003 with China's biggest shelving manufacturer.

In addition to 1,300 checkouts a year, it manufactures turnstiles, mechanical gates and railings for organizing and monitoring customer access, and back lockers for depositing luggage. The products are installed in retail, grocery, traffic and hardware stores, and supermarkets across Scandinavia, Russia, Latvia and Estonia.

"This young field is not about tradition," says Jukka Pihlajamaki, managing director of Checkmark. "You have to know the technology – making sheet metal, bending and styling – and you must understand buyers' needs."

Checkmark makes efforts to learn customers' specific requirements and can customize if there is sufficient volume. For example, one year it produced ten different

products in China, adapting them to a shorter

population, and to standing, rather than seated, cashiers.

In China, labor costs are the driver. The firm, focusing there on domestic rather than export markets, relies on its belted checkout technology to compete on quality. As long as it can overcome the risk of copycats, demand for its convoy checkouts could increase by 30-50 percent per year.

In a country so large, with customers located from Hainan Island to Harbin, Checkmark will soon require 20 or 30 partners. One large customer alone, the Hua Lian chain, has over 4000 shops. Checkmark intends to build a network for servicing every client within 24 hours, despite the vast distances.

Scandinavian customers are used to fast service, as they do not want faulty checkouts or cash registers to slow sales. "We are a reliable producer, we keep our promises, and deliver on time," says Pihlajamaki.



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SEB Opens Branch Office in Shanghai

SEB has a long tradition of working with clients in Finland, one of the bank's home markets, both domestically and abroad. The bank is now boosting its services for Finnish firms doing business in Asia and China in particular.

With over 20 years of experience in China, SEB has the knowledge needed to negotiate the unique business and cultural environment of the country. The Chinese economy has matured rapidly, and now more and more of SEB's clients, both large and small, are looking to make inroads into this enormous market.

Since the Wallenberg family founded it 150 years ago, SEB has helped support and guide clients as their international business has grown. This philosophy has now led SEB to expand its Chinese presence to provide a complete banking service.

In November last year, SEB opened a branch office in Shanghai. With experienced teams in Shanghai and Beijing, SEB has the competence needed to help Nordic companies make their business in China a success.

"We have reached a critical mass of clients to warrant a fully-fledged bank here," says Håkan Aldrin, head of corporate banking at SEB in Shanghai. "We offer traditional bank services such as lending, cash management, foreign exchange, trade finance, and export and project finance. Through our cooperation with the country's sixth largest bank, China Merchants Bank, we also offer local and national geographical coverage."

Given China's unique characteristics and its physical distance from the Nordic countries, SEB also offers advice and support to companies wanting to set up busi-

ness in the country. SEB has local professionals with deep experience and knowledge of the issues.

"We are more than a banking partner for the companies that we work with," says Aldrin. "We can help companies at an early stage to find the right place to establish themselves in, choose the right approach for their business, and develop contacts with important networks."

With no domestic Finnish bank providing similar services in China, SEB is best placed to serve the needs of Finnish companies.

"SEB's strategic advantage is its combination of international reach and deep local presence," says Jan Stjernström, head



H. Aldrin

J. Stjernström

Asia Calling

Combine the engineering know-how of Finnish Filtronic Comtek, with a 1,000-strong Chinese workforce and you've got the reason wireless infrastructure maker Filtronic is already a force to be reckoned with in China.

Now Filtronic plans to expand to keep up with the world's fastest-growing wireless infrastructure market.

Filtronic Comtek belongs to the Wireless Infrastructure division of Filtronic group. Filtronic Comtek was started as an independent company in 1978 by Nokia executive Lauri Kuokkanen. His aim was to develop products incorporating radio frequency technology. Today Filtronic Comtek is a leading RF specialist and Filtronic group is among the industry's top three players worldwide.

Filtronic Comtek was owned by Nokia in the 1990s before eventually merging with Britain's Filtronic. It has kept an edge on rivals throughout the years by focusing on its core competence – engineering. It also only sells to original equipment manufacturers, not to

operators as its competitors do. "They are competing with their own customer base," says Juha Mort, Filtronic Comtek's managing director. "We don't try to compete with the OEMs, we support them."

Filtronic has been in Asia for years. Its handset division followed customers to China in 1999, setting up a factory,

sales office and research and development center in Suzhou. The Suzhou facility now makes more than 60 percent of Filtronic's wireless products. Filtronic also established a successful Tokyo office, but China offers the most potential. With one eye on the country's developing mobile technology standards, Filtronic plans to expand plant capacity within six months.

As it grows in China, Filtronic will inevitably face local competitors. But Chinese rivals won't have much home-turf advantage, thanks to Filtronic's long standing localization policy. "We have locals who know how the business works there," says Mort. "We trust their capability to run their business with the locals."



Juha Mort



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Building on Experience

Finnish engineering contractor Rintekno plans to build its name in Asia the same way it has in Scandinavia: by focusing on the customer. Rintekno is an expert in designing and overseeing construction of industrial facilities.

“We have organized and equipped ourselves so that we may offer solutions that are beyond the commodity engineering task,” says Reino Kalmari,

Rintekno’s vice president of marketing and projects. “We are capable to adapt and tailor solutions to customers’ inventions and needs.”

Those customers largely fall into the life sciences or chemical process industries. Rintekno is the leading Scandinavian contractor for the chemical process industries. Manufacturers hire Rintekno to either deliver engineering services or to act as a full-service contractor.

The 35-year-old company stands out partly because it’s deep unit operational skills mean it can design systems or processes rather than just buy them from suppliers. This is essential for our clients in the initial, confidential stage of the project. It helps that Rintekno’s

organizational hierarchy is low and its engineers highly qualified and take initiative. More than one-third hold Master of Science degrees and another one-third have bachelors in science.

In addition, decades of work with different industries has provided Rintekno with a valuable interdisciplinary approach. “We have the ability to combine different solutions from different sectors,” says Kalmari.

As customers move to resource-rich Asia, Rintekno is moving with them. It already has a representative office in Singapore and a technology partner in Hong Kong. It now seeks more partners, especially in China, Thailand and Malaysia. “The most important thing is that they have a customer-driven approach,” says Olli Gerdt, president of Rintekno. “We try to respect the client’s cultural stand point.”

Asia will be key to the company’s growth within the next three to five years. “We really target that area because, based on the experience we’ve had in past years, we think it is a real possibility for us,” says Gerdt.



R. Kalmari and O. Gerdt

Relying on Finnchain

When Athens needed a new sewage collection plant for the city on nearby Psyttalia Island, it turned to

Finnchain, a world leader in chain collector systems for waste water treatment. In just nine months, the Finnish firm designed and constructed biological treatment facilities with 128 scraper systems. In its home country, it has delivered scrapers for about 400 tanks and about 1500 systems in total worldwide.

The 15-person family business involving multiple subcontractors produces chain scrapers and conveyors for municipal waste water plants and other industrial applications in the environmental field. Finnchain was established in 1992, based on a patented system designed in 1982 by its founder, and continues to innovate with the latest technology for all tank types: circular, flotation, primary and secondary settling tanks and grit scrapers.

Large-scale projects do not faze the family firm, which has the capability to deliver solutions for any size or scope. “Our systems are

unmatched for their reliability, which saves maintenance,” says Leena Tuomikoski, managing director of Finnchain.

Customers, who often require replacement and rebuilding, appreciate the firm’s flexibility and rapid delivery times. Manufacturing takes place in Finland. Abroad, the company stays

close to its distributors in Europe and Asia. The latter represents 40 percent of sales.

Since initial work in Taiwan in 1994, Finnchain has completed important projects in Japan, Malaysia and South Korea. It is now eyeing growth in China, where it is actively examining the market with its two distributors, and may start to subcontract.

Exhibitions have proved useful for generating personal connections, leading to relationships with agents and distributors. This year, it plans on attending exhibitions in both China and Malaysia. In its narrow field, Finnchain has become familiar to most participants, who recognize the high quality it offers.



L. Tuomikoski, P. Tuomikoski

R. Säpyskä

Avant Offers Versatility

Avant Tecno’s loaders do it all. Tasks include loading, digging, earthmoving and demolition on construction sites, property maintenance, mowing lawns between flower beds, seedbed preparation in parks and gardens, or removing snow. They can clean stables or distribute silage for agricultural users too.

The leading manufacturer for compact loaders under 1,000 kilograms targets three customer segments, and pays close attention to their requirements for particular attachments. With the help of large choice of options different customer groups can easily build up exactly the right machine for their purposes.

“We offer multipurpose products for a wide range of customers, from private home owners to professional landscaping contractors or rental companies,” says Risto Kakela, president and CEO of Avant Tecno.

Kakela, who founded the firm in 1991, and was named ‘Entrepreneur of the Year’ in 2001, believes in continuous product and production development. He encourages an informal, creative environment

among the 100 employees in his rapidly expanding company, whose turnover has reached 30 million euros.

The theme of innovation predominates, while about eight percent goes to R&D.



Risto Kakela

Avant has designed its latest 600 line with superior ergonomics and dimensions, all-round vision and options for added performance.

With 70 percent of current sales in 30 countries, the firm plans to boost exports, particularly in India, Australia and New Zealand, where it has already been supplying landscapers for ten years. Meanwhile, the search is ongoing for new distributors and for dealers who are sufficiently familiar with this type of products to provide after sales service. Most important is to find distributors, large or small, who will focus proactively on selling Avant’s machines.

After further penetration in Eastern Europe and Russia, the company will move systematically into Asian markets. “We are looking to increase sales there,” says Kakela. “We will soon be launching new, and even more competitive, products.”



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The Paper Pro

As Chinese paper firms ramp up production, an increasing number are turning to Finland's Vaahto to meet their pulp and paper machinery needs.

Decades of rebuilding existing equipment in Europe have made Vaahto a technology leader in the field. For the past seven years, it has been using that expertise to make new machines for China. Outside of Asia it has been modernizing paper machines for demanding customers including the largest paper makers in the world. "When you remake machines, you have to do things differently each time because the needs of the machines and projects are different," says Antti Vaahto, CEO of Vaahto. "We customize each project, which is why we have huge development and engineering experience and know-how base."

The Vaahto family has operated the company since its founding in 1874. Antti Vaahto belongs to the fifth generation, helping the company become the paper machine leader it is today. "We've had a very extensive development phase in the past 20 years and I don't

think that it would have been possible without the family influence as a public company," he says.

Vaahto keeps ahead of lower-cost competitors by focusing on high value-added technologies which help its customers in the paper industry increase their returns on investment. By manufacturing higher end products and decreasing bottlenecks in the paper production process Vaahto creates value for its customers.



Antti Vaahto

The company markets its equipment through agents, and is always looking for new partners in Asia. In China, customers use many different suppliers to build a single machine, creating the need for other kinds of partnerships.

Growing at 17 to 30 percent a year, Vaahto hopes to continue its rapid expansion. Says Vaahto: "We are working very hard, the biggest paper makers in the world are our customers, and today our hi-tech products cover the paper machine from the beginning (headbox) to the end (reel). We have a leading technology product portfolio and hope to expand our business further. We are looking for good results, good partnerships and good participation."

Winning Game

If you haven't heard of Habbo Hotel, you probably will soon – perhaps from your kids. The "hotel" is a massively popular virtual world accessed online by teens in 16 countries, including Singapore and Japan. China will join the list by year-end, while possibilities to open hotels in South Korea, Thailand, Malaysia, Indonesia and India are also being examined.

The game's creator, Sulake, was ranked by Deloitte Consulting among the top ten fastest growing European companies over the past five years. During that time Habbo Hotel became the top teen destination site in Australia, Canada and Finland, among others, and revenues ballooned 8,137 percent.

Here's how the game works. Users create online characters that interact with each other in the hotel's disco, game rooms and public meeting areas. They can also build their own rooms and buy virtual furniture. Payments are made with credit cards, pre-paid cards or mobile phones, a billing technology that Sulake helped pioneer. The

furniture is Sulake's biggest money earner. "Whoever thought you could create a business worth millions of dollars by selling virtual furniture," says Timo Soininen, Sulake's CEO.



T. Soininen

Other revenue streams include advertising, mobile games and licensing fees from online games developed for other firms. Merchandising and brand licensing fees are also growing. "We try to build our properties and brands so they can automatically be extended to areas like animation, television and merchandise," says Soininen.

Sulake works with three types of partners: marketing and distribution companies that launch and promote the game in local markets; advertisers; and government agencies disseminating information about drugs, loneliness and other teen issues. Sulake is looking for all of these in Asia. "In five years more than half of our revenues will come from Asia," says Soininen. "The market is developing really fast and some of the infrastructure is far more advanced than in the West."

Sixty Years' Experience

Kolmeks Group supplies an impressive roster of companies including ITT-Flygt, ABB, KCI and Kone. The group consists of Kolmeks Motors and Kolmeks in Finland, Kolmeks of Estonia and Kolmeks China, a subsidiary in Chuzhou.

For the past 60 years, Kolmeks Motors has been making different motors becoming a specialist in motors and their components. It now produces about 70,000 motors annually. A large part of the company's production today consists of sub-supply in areas related to electric motors.

Kolmeks is a producer of



E. Vuorinen

pumps, which become more complicated as they increase in size. The company makes about 40,000 pumps a year for heating, cooling and circulating as well as for industrial applications. Pumps are made out of cast iron, cast stainless steel and cast bronze. Solutions are to a large extent tailored to the customers needs.

Customers appreciate swift delivery speeds, which may be as fast as a week or two. "The large pump manufacturers can almost never meet our flexibility and delivery times," says Esko Vuorinen, president of Kolmeks Group.

Kolmeks Group has factories in Finland, Estonia and China, the

two latter of which are significant producers of elevator motor components. It also regularly sources materials from Asia. The group has been following its European customer base to China, and hopes to find local buyers there eventually.

Since first selling pumps to a power station in the Philippines 25 years ago, the group has become an active supplier to China, Korea and India. After China, India will possibly become its second largest Asian market, and it is planning to expand operations in that country in 2008.

Finding local joint venture partners for manufacturing remains a priority. An ideal partner should bring knowl-

edge and experience in supplying the relevant products and components.

"Most important, you must deliver what you promise," says Vuorinen. "Working closely with our customers has been the key to our success for 30 years."

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Success in the Air

As China devotes increasing attention to environmental and public health issues, its centers for disease control and environmental monitoring stations are buying up technology for continuous monitoring of gas emissions in the air. A favored supplier is Finnish company Gasmot Technologies.

The company makes gas analyzers which use state-of-the-art FT-IR (Fourier Transform Infrared) technology. They are more reliable, faster to set up and more efficient than traditional analyzers. "The main benefit of FT-IR technology in the emissions monitoring market is that you only need one analyzer to measure several types of gas," says Petri Jaakkola, president of Gasmot Technologies. "Traditionally, you needed one box for each gas."

Gasmot Technologies was formerly Temet Instruments, part of the Temet Group, a company that specializes in shelter technology, until a management buyout last year made Jaakkola the majority shareholder.

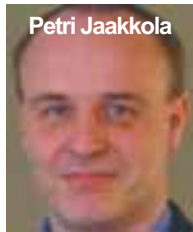
While emissions monitoring accounts for about 80 percent of Gasmot

Technologies' business, Gasmot analyzers are used in other applications such as monitoring exhaust emissions for engine manufacturers and monitoring air quality in the workplace. This year, the company will launch a small, portable analyzer for use by fire brigades and emergency rescue services.

Products are custom-made for different markets, and innovation is key. Gasmot

Technologies recently introduced the only FT-IR analyzer for continuous emission monitoring that does not require gas to be extracted from the duct. It monitors inside the duct, making measurement more cost-effective.

Asia holds big potential for Gasmot Technologies. Jaakkola expects business there to continue growing at around 20 percent annually. Although the company already has distributors in 10 Asian countries and a new Hong Kong office, it seeks new distributors, especially in countries in Southeast Asia where Gasmot products are not yet distributed. "They need expertise in both selling and maintaining the analyzers that they sell," says Jaakkola.



Petri Jaakkola

SATEL is Unwiring Asia

When it comes to wireless communications,

Finland is world renowned as a source of innovation. SATEL, a local area wireless data communications firm founded by a former Nokia executive, has been building on that tradition for 20 years and is now expanding distribution in Asia.

SATEL sells narrow-band radio technology for local area networks that covers a range of up to 50 square kilometers. Its products make up the industry's most diverse line and are used in everything from surveillance systems for private property to remotely controlled haulage trucks in mines and snow guns on ski slopes.

Customers include European giants ABB and Siemens, whose systems integrators rely on SATEL for high quality, customized products delivered in as little as seven days. "We are quite flexible and can react very fast," says Pekka Aura, founder and CEO of SATEL. "We can also do special

modifications of a standard product line if that is what customers need."

A dedicated system of after-sales service and technical support also helps set SATEL apart from rivals. "We don't leave our customers on their own if they have a question or need help," says Aura. "We can even send technical support people to any part of the world."

The company works with distributors and has been active in Singapore and Malaysia for years. Now it is looking for partners to help build its business in China and India. "We are looking for smaller, active companies ready to devote at least half of their business to our devices," says Aura.

Eventually, SATEL plans to open a service center in Asia too. It sees the region, especially China, as a promising source of future growth. "We have a very good picture of the total market for our products in China," says Aura. "We believe in China."



Pekka Aura

Improving Implant Attachment to Tissues

The human body has about 35 potential sites for medical implants,

which are typically made of titanium metal. Vivoxid, founded in 2001 to manufacture biomaterial products, has created surface reactive materials that improve the functionality of current devices.

The young company has a wide patent portfolio covering three main technology platforms. Its MetAlive oxide surface modification is used for soft tissue contacting devices, such as dental implants. Secondly, its antibacterial bioactive glasses are suitable for bone filling applications which have an evident risk of infection. Thirdly, its cellulose sponge dressings treat chronic

wounds such as promoting leg-ulcer healing.

"The advantage of

our products is that there is no need to use the patient's own bone, so there is no need for painful, risky and costly bone harvesting operations," says Kauko Kurkela, CEO of Vivoxid.

"Antibacterial, hygiene improving effect is in many cases a major additional benefit."

Sales and marketing are currently active only in the Nordic countries, but Vivoxid is planning an international expansion.

American and European markets are of course the main target but the firm hopes that Asia will ultimately provide 20 to 30 percent

of its turnover.

Market research is being conducted in Japan, along with early market exploration in China. Operations are planned to be launched in both countries next

year, and later in India, Pakistan, Malaysia, Singapore and Taiwan. The company is looking for potential distributors and partnerships for Asia for example in Japan and China. Although the firm aims to grow organically, it may be able to speed up the process through joint ventures and additional equity investment.

"In the titanium oxide area, we are improving the functionality of the currently marketed prod-

ucts," says Kurkela. "We are able to launch quickly, business to business, going directly with the products of current implant manufacturers."



Kauko Kurkela

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