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Conair, Rapid Granulate open China plant

By Lauren Hilgers

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SHANGHAI — Representatives from Rapid Granulate Machinery (Shanghai) Co. Ltd. and Conair Group Inc. celebrated the Aug. 6 opening of a new factory in Shanghai that brings the companies together under one roof and under the umbrella of their mutual parent, International Plastics Equipment Group Inc.

The factory, in Shanghai's Songjiang district, also will include a wood composite line in collaboration with Milacron Inc. of Cincinnati

"Milacron makes the extruders; we make the downstream equipment," said Christopher Keller, president and chief executive officer of both Pittsburgh-based Conair and parent IPEG.

"Jointly, we'll have a wood composite line for demonstration — we actually had one ready to go and then someone bought it. We had to deliver it to a customer," he said.

Although Conair has had offices in Singapore and Taipei for more than 20 years, the 32,300-square-foot manufacturing plant is the first Conair has opened outside of the United States.

"It's no accident we opened it in China," Keller said. "We're here for no other reason

than to serve the local market."

Conair initially plans to produce two of its machines in China, but hopes to grow quickly, he said. "In the next two years, we expect to expand the range of equipment," Keller said.

While this is Conair's first factory in China, Rapid of Bredaryd, Sweden, has had a small production facility in Shanghai since 2005. The move has increased Rapid's production space nearly five times, according to Rapid CEO Rolf Gren.

The factory's layout allows the companies to keep their operations entirely separate from each other. Rapid takes up somewhere between 20-30 percent of the available manufacturing space, and occupies a set of rooms on the first floor of two-story office space, Keller said. Conair operates from the second floor.

"I think this is something you will see more and more in new markets," Keller said. "It gives us more focus and more leverage."

Conair also uses a Rapid-designed granulator in its line of products, according to Keller.

The stay under one roof may be short-lived, Gren said, since Rapid soon will be looking to expand again.

"I don't think we're going to expand — I know so," he said.

While the factory mainly produces the firm's small-size granulators, its medium- and large-size machines are on their way to being produced in China, said Kenneth Gustafsson, Rapid's general manager in Asia.

"If we had known then what we know now,

we would have hired this whole block," Gustafsson said.

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