

# PHISUTEGIA NEWSLETTER

PHILSUTECH Bldg., Magsaysay Avenue, Bacolod City, Philippines

August - September 2014 Vol. XX • No. 5

# SEN. VILLAR URGES PHILSUTECH CONVENTION DELEGATES: BOOST INDUSTRY COMPETITIVENESS FOR 2015



Sen. Cynthia Villar (8th from L) was the guest speaker during the opening of the 61st Philsutech Annual National Convention at Waterfront Hotel, Cebu City on August 13. With her are (L-R) Dir. Edgar D. Griño, VP & Dir. James Michael M. Cumagun, VP & Dir. Eduardo J. Deocadez, VP & Dir. Ireneo L. Tangon, Jr., VP & Dir. Jocelyn S. Sorrilla, SRA Adm. Ma. Regina B. Martin, Cebu Gov. Hilario Davide III, Cebu City Mayor Michael Rama, President Terence S. Uygongco, Chairman of the Board Linley A. Retirado, Convention Chairman Anthony Gerald S. Marañon, Vice-Chair & Dir. Jocelyn S. Teo, Dir. Almira G. Rey, Dir. Susan C. Benitez, Treasurer Danilo G. Villanueva, Corporate Secretary and Admin Manager Haydee V. Rivera and Dir. George C. Garcia.

Senator Cynthia Villar, chair of the Senate Committee on Agriculture and Food, assured sugarcane industry stakeholders that the impending full integration of the ASEAN Economic Community (AEC) will bring about opportunities and challenges.

"The biggest opportunity is that it has turned our region and our country into a very promising and viable market. ASEAN has an aggregate economic size of US\$2.3 trillion, a combined population of 616 million, an average real GDP growth rate of 5.4% in 2012 and an estimated GDP per capita of US\$3,745. I urge you to seize those huge opportunities out there," said Villar who was the keynote speaker at the opening of the 61st Philsutech Annual National Convention at the Waterfront Hotel in Cebu City last August 13.

"We need to pull our acts together so we can take advantage of all those opportunities. The key is preparedness and enhanced competitiveness," she stressed to the more than 1,000 delegates, product exhibitors, industry experts from the Philippines and abroad, and leaders of various organizations in the sugarcane industry.

Villar is one of the major proponents of the Senate version of the Sugarcane Industry Development Act that was authored by Rep. Albee Benitez (3rd District-Negros Occidental) and has already been approved in the House of Representatives.

The bill aims to generate funds to strengthen the competitiveness and boost diversification efforts of the sugarcane industry, especially when tariff on imported sugar drops to a

nominal five percent by 2015 under the AEC.

"As it stands, we are self-sufficient in sugar but we are anticipating stiffer competition with cheaper sugar from abroad. That is where the Senate version of the Sugarcane Development Act comes in as a supportive measure to help the industry become globally competitive," she said.

MORE ON PAGE 9



SECOND District Rep. Leo Rafael Cueva (3rd from L) and SRA Adm. Gina Martin (5th from L) lead the ribbon-cutting rites for the opening of the product exhibits last August 12. Assisting them are (from L) Mrs. Pia Uygongco, Philsutech president Terence Uygongco, Philsutech Board Chairman Linley Retirado, Convention Chairman Anthony Gerald Marañon and his wife Ana and Mrs. Juvy Retirado.

# **President's Message**



It is my distinct honor and privilege in behalf of the officers and Board of Directors of Philsutech to welcome each and every one to this year's our 61st Philsutech Annual National Convention.

We are deeply honoured by all of your presence today, as we witness another three days of technical papers and presentations, booth visits and don't miss tomorrow's gala night. We also had lots of fun last night at the fellowship.

This year's convention theme, "Philsutech: Bringing Together the Philippine Sugarcane Industry Towards Sustainable Development", magnifies the concern of the association towards the importance of updated technology for millers and planters to cope with the emerging opportunities in the changing global market and product for sugarcane.

We have lined up a total of 31 technical papers and 22 presentations. Dr. Rolando Dy, executive director of the Center for Food and Agri-Business of the University of Asia and the Pacific, will present in the plenary session important analysis of the Philippine sugar industry and the Asean Economic Community.

Along with these are 111 booths which showcase their latest technologies that will be helpful to the sugar mill and to the sugarcane farmer as we find ways how to keep our operations efficient and sustainable.

We also have two luncheon programs where we are fortunate that our two keynote speakers are present to discuss policies and programs. So prepare yourself to learn. Enjoy and learn!

The year 2013-2014 has been very busy for your Board of Directors and the staff of your association. We have conducted six seminars and forums throughout the year and close to three hundred of our members of our association have benefitted from all these short courses and seminars.

Our own current and retired senior Philsutech members who have gained so much experience in our industry have been giving these courses. We are in the process of having these short courses accredited with TESDA and also our convention technical papers

The various programs of Philsutech are aimed at strengthening and enabling our people in terms of knowledge and capabilities in making sure that we can overcome the opening up of markets by the Asean Economic Community which is just around the corner.

Before I end, let me take this opportunity to thank the Board of Directors, various committees and the administrative staff and our members for the trust and support all have given us to be able to execute programs for the welfare of the association and its members. Again, welcome to your convention!



### **BOARD OF DIRECTORS AND OFFICERS**

LINLEY A. RETIRADO Chairman of the Board

**TERENCE S. UYGONGCO** 

President

Factory Engineering Division Agriculture & Farm Eng'g Div. Bio-Energy & Env'tal Mgmt Div. **Process Division** Management Division

DANILO G. VILLANUEVA Treasurer

Vice-President & Director IRENEO L. TANGON, JR. JAMES MICHAEL M. CUMAGUN **JOCELYN S. SORRILLA EDUARDO J. DEOCADEZ** EDGAR D. GRIÑO, JR. HAYDEE V. RIVERA

Corporate Secretary & Administrative Manager

Director

**GEORGE C. GARCIA** ANTHONY GERALD S. MARAÑON SUSAN C. BENITEZ **ALMIRA G. REY** JOCELYN S. TEO (Vice-Chairman) **BUTCH S. BACAOCO** 

Editor / Communications Consultant

The PHILSUTECH NEWSLETTER is a semi-annual publication published by: PHILIPPINE SUGAR TECHNOLOGISTS ASSOCIATION, INC.

PHILSUTECH Bldg., Magsaysay Avenue, Bacolod City, Negros Occidental 6100, Philippines Telefax: (63-34) 434-3013; 4348127

Tel. No. (63-34) 434-1591

Email: philsutech@gmail.com Website: www.philsutech.com Facebook: www.facebook.com/PHILSUTECH Twitter: twitter.com/philsutech

# **Cebu Governor's Message**

Despite the challenges posed by AFTA and the pressure of the international market, sugar remains a robust export commodity for the Philippines. Unfortunately, sugar is not unique to the Philippines. Many other nations also produce sugar.

Little did we expect Thailand to invest full-force on a sugar production program from efficient agricultural practices to efficient mills and for Australia to further make efficient its already efficient sugar industry.

To address the issue of efficiency, the 2011 Sugar Industry Roadmap proposed some bold and interesting solutions.

One is the consolidation of small farms into blocks of 50 hectares at least. This proposal is diametrically opposed to land reform and may not sit well with some sectors. Two is forming mill districts. This means closing small and uneconomical independent mills and making the already big

and profitable sugar mills bigger and more profitable. Three is aggressively promoting biofuel as an alternative revenue, targeting the 380 million liters of ethanol we import each year.

The target set three years ago was 75 tons per hectare and a milling efficiency of 7.5 tons of sugar per hectare. Judging from the confident smiles of sugar technologists today, that target is perfectly within sight.

When the target was made, tariff on imported sugar was set at 38%. AFTA brought it down to 28% in 2012 and further down to 18% last year. Today it is just 10% but, in less than six months, it's going to be 5%. This is something we should prepare for.

Another limiting factor is our restricted market. Out of the 2 million plus tons of sugar per year from our plantations and sugar mills, only 10% earns foreign exchange. Compare that with Thailand's 8 million tons per year and their 5.5 million tons of export.

I see that the way ahead is diversification and backward integration. You must consolidate cultivation, planting, harvesting, milling and marketing. You must diversify. Alcohol can be made from molasses, paper and board can be made from bagasse and organic fertilizer from filter mud. The development of saleable products from these by-products by millers widens the market and maximizes profits.

I know that this is easier said than done. The burden of making sugar sweetening its economic impact on the country rests upon the shoulders of the ladies and gentlemen in this hall. Let us succeed. Mabuhay ang Philsutech!

HILARIO DAVIDE III

# **Cebu City Mayor's Welcome Address**



I have been here when I was a councillor and when I was a vice-mayor. Now I am a re-elected mayor of the City of Cebu and again I am here to welcome all of you. Welcome, all delegates to the 61st Philsutech National Convention!

I arrived just yesterday from America. Even with the jetlag I am suffering, I am excited to be here again in this gathering of minds, heart, hard work, and of change and innovation.

Later, there will be an election. Please choose the right officers because that has always been the problem in our country. Now you have a problem. And I and the governor were asked, "Can you be of help?"

We were asked to pass a local legislation in preparation for 2015 when the ASEAN economic integration takes full effect. If it will be good for all, we will always be around to help you.

Is there a problem? Then you must stand. You've got to fly and reach for the sky and come up with some innovations and changes!

The most pressing question I was asked when I was in America was, "Is there hope for our country?"

There will always be hope for as long as we are alive, for as long as there is Philsutech because Philsutech has the heart, the hard work and the ability to adjust. That's why I am seeing all of you now so vibrant. I can see in your faces that you are not getting older but younger. That only means that you have adjusted.

But of course you need help. I will take a look at that legislation that you wanted to pass at the local level. If it is meritorious, I can guarantee that you've got a friend in the Mayor's Office and that's me, your usual visitor at the time of your convention.

Congratulations! Let us be one in making this country great. Let us choose the right people in government in 2016.

# Speech of SRA Adm. Ma. Regina B. Martin

61st Philsutech Annual National Convention Waterfront Hotel, Cebu City (August 14, 2014)

### **Global Sugar Scenario**

Most analysts are in unison that this year will still be a surplus but the surplus is smaller than earlier anticipated. From a high of 6 million metric tons (MT), it is now expected to be only 2-4 million MT.

The forecast is that this surplus may end by 2016, bringing the global stock into a balance. If no additional capacity is installed within the next three years, we shall then go into a deficit.

If the forecast will be true, which countries can then take advantage of the situation? It is likely that the major exporters like Brazil, Thailand, Australia, Mexico and Guatemala will try to stretch their production and export more when world sugar prices hit 19-20 cents/lb.

The importers will try to brace themselves so that they will not buy at a high price, as in the case of the EU which will lift its sugar quota regime in

2017, Indonesia which is trying to increase its productivity, and China which continues to stockpile for the rainy days.

The major consumers, in turn, will try to produce more as in India and the Russian Republic, try to reduce consumption as in the EU or do a forward buy to avail of stable prices as in the USA and EU.

In terms of cane production per hectare, the highest is Colombia at 110 TC/Ha. The Philippines is among the lowest with 59 TC/Ha. Most sugar-producing countries have large sugarcane plantations with highly mechanized operations. Colombia and Thailand boast of natural rivers, which provide good irrigation and good soil, and a certain degree of price support mechanism.

But the common driver in productivity for all of these countries is a strong private sector-led R&D program. How conscious are we on R&D? And more proactively, how can we enhance our R&D program?

### Asia's sugar situationer

Based on the 2013 volume of imports for some countries in Asia, China is the biggest importer with 4.3 million MT, followed by Indonesia at 3.8 million MT. Malaysia, South Korea and Japan also import more than 1 million MT each. Imports from Brazil dominate China, Indonesia and Malaysia.



Australia exports to almost everybody while Thailand supplies to all countries. We export only to Japan and South Korea.

Asia is a fast-growing market for sugar, primarily because of economic growth and the growing population of the middle class. Asia is a deficit market, which explains why sugar from Brazil arrives in China and Indonesia.

For ASEAN itself, which is composed of 10 countries, it is practically a surplus market, with Thailand and the Philippines as the only structural exporter. The biggest producer and exporter is Thailand. The importers are Indonesia and Malaysia. Vietnam, just like the Philippines, is a producer and net exporter in small volumes. All others are producing sugar but they are still net importers.

Most imports are filled up by Thailand because it is a reliable supplier. And with the increasing production of Thailand, with a target production at 20 million metric tons in

2020, we must expect that they will dominate the ASEAN import market.

### The Philippine Sugarcane Industry in AEC

How about the Philippines? Given that our sugar quality does not consistently comply with 98.5 pol for raw sugar, we will not be a preferred supplier. We export only in small volumes. Our stable export market is only that of the US because of our quota and this will remain so if we do not increase our production.

On the other hand, our small export share in Japan and other Asian countries may dissipate if we do not improve our sugar quality. If we want to position ourselves in the long term as an exporter, then we need to produce more sugar with the right quality.

In my three previous speeches, I emphasized that we must be a major player in the global sugar trade. Specifically, we must produce sugar not only for our own consumption but to cover for our US quota and an export of at least 150,000 MT every year. We have done exactly that in the past three years.

We have a strong domestic market at an increasing volume that is now 2.25 million MT. If our economy continues

to grow, we should be expecting a 1-2% increase every year. In five years, we may hit a domestic demand of more than 2.3 million MT.

We must increase our sugar production to ensure that we meet our domestic demand and improve our quality to meet international standards for whatever excess sugar we produce. Our excess volume will be our buffer to address any unforeseen spike in the market. Thus, we must continue our efforts in increasing our productivity!

### **Enabling Programs**

What we need to do has been incorporated in the proposed Sugarcane Industry Development Act. Here are some salient features.

First, under the Productivity Improvement Programs are Block Farming, Farm Support, Farm Mechanization and Infrastructure Support which includes transport infrastructure, farm-to-mill roads and irrigation. Second, the strengthening of the industry's R&D through academic and research institutions.

Third, expanding the Extension Services program in partnership with the MDDCs. We are studying the propriety of redistricting the existing mill districts to ensure effective coverage. We have also tied up with TESDA to accredit our OPSI training program for farm managers.

Fourth, we are crafting the HRD Master Plan to equip our sugarcane workers with the right skills to compete under the AEC regime. Fifth is the establishment of sugarcane ecozones with the mills as the center of business activity.

Let me also share with you some initiatives of the SRA. First, in preparation for any potential legal battle if some quarters will insist on importing sugar come January 2015, we have asked the legal opinion of the Department of Justice on the issue of SRA's power to classify imported sugar. DOJ affirmed the authority of SRA to classify sugar once it has entered the country. Second, SRA has provided the inputs to the bill on the Sugarcane Act. Third, we have lobbied for the deferment of the food fortification law mandating the fortification of refined sugar with vitamin A.

Fourth, we have initiated the establishment of HYV nurseries through the MDDCs. These nurseries will be 5 hectares each and will be funded by SRA at P90,000 per hectare. Fifth, we have hired 100 junior agriculturists to assist at least one block farm each so that all effective sugarcane farming technologies are transferred to the farmers. Sixth, we are about 75% complete in mapping all the sugarcane areas in the country under our Crop Estimate Program to build the database that will show the profile of each cane field.

Seventh, we have started giving scholarships to deserving students of agriculture and engineering, both in the college and masteral levels, to prepare the batch of professionals for the industry in the future. Eighth, we have collaborated with the UP School of Statistics for the conduct of a Consumption Study on Sweeteners in the Philippines. The result of this study will guide our policies starting next crop year.

And ninth, we have been consistently pursuing strict but fair implementation of our regulatory rules and regulations. We have now started the process of cleaning our records with the compulsory disposition of old crop quedans. One step further, we will soon issue a sugar order that will set an expiration for quedans just like a check. And SRA will continue to initiate more programs and policies for the betterment of the industry.

### What is in store for CY 2014-15?

I hope that I have given you a good sense on what we have started and will do in AEC. The urgency for us to act now cannot be over emphasized. There is not much difference between now and January 2015. It is already here. We may expect a downward pressure on prices because of our high domestic price compared to the world market price. However, if our domestic prices are at par with world market prices, importation is unlikely to happen.

Our production estimate for crop year 2014-15 is 2.5 million MT while estimated consumption is around 2.25 million MT. That figure now reflects our demand at 25 kilos per capita per year, for 88 million Filipinos who are here in the country (since 12 million of our 100 million population are working abroad).

Given a projected ending stock balance at an ideal level for B, the Sugar Board is studying to put the allocation for B within the range of 90-94%. The next consideration is the US quota volume of about 137,000 MT which can be supplied by our carry-over stocks and the new crop year allocation. Any excess after allocating for domestic and US markets will be for the world market or D.

Let me close by congratulating PHILSUTECH for a successful event. Thank you for the opportunity for me to share my thoughts on the direction of our industry.



Sugar Regulatory Administrator Gina B. Martin receives from Philsutech President Terence Uygongco the plaque of appreciation as the guest speaker during the 61st Philsutech Annual National Convention at the Waterfront Hotel, Cebu City. With them are Convention Chairman Anthony Gerald Marañon (L) and Board Chairman Linley Retirado.

# What Awaits the Philippine Sugar Industry? 2015 and Beyond

## Rolando T. Dy, Ph.D.

Executive Director, Center for Food and Agri Business University of Asia and the Pacific

### Global trade and developments

Sugar trade accounts for 20% to 25% of world demand. This is higher than grains that range from 8% to 20%. In 2011, total sugar trade flow reached 55 million metric tons (MMT).

Asia is the largest sugar consumer and the highest in consumption growth rate. India's consumption in 2010-2011 was only 23 MMT but it is projected to reach 27 MMT in 2014-2015. China's consumption in the same period was 14 MMT to 17.4 MMT. On the other hand, the EU's demand growth was only 18 MMT to 18.5 MMT while USA posted 10.2 MMT to 10.6 MMT (Source: USDA May 2014).

Brazil and Thailand dominate sugar exports at 25.2 MMT and 8.3 MMT, respectively, for 2014-2015. Total world export is at 55.2 MMT for the same period.

Asia also posts the largest growth in sugar imports, led by Indonesia which equals EU imports at 3.8 MMT for 2014-2015 and China whose 3.3 MMT imports is larger than that of the USA's 2.8 MMT and the UAE's 2.2 MMT.

Due to rising incomes in China, it posted the fastest import growth rate from 1.2 MMT in 2001 to 4.5 MMT in 2013. Brazil accounted for 72% of China imports in 2013.

Indonesia's imports also increased from 1.3 MMT in 2001 to 3.3 MMT in 2013. In 2001, Thailand accounted for 55% of Indonesian sugar imports while Brazil supplied only 4% and Australia provided 5%. In 2013, Brazil's share rose to 34% and Australia's share increased to 20% while Thailand's share decreased to 37%.

For the same period, South Korea's imports posted a slow growth of 1.5 MMT to 1.9 MMT while Japan's imports have stagnated at the 1.4 MMT level due to its aging population. Taiwan, Malaysia and Singapore's imports also did not show significant growth.

### **Global Developments**

Trading houses are the only true global players in the sugar market. The top sugar traders are Cargill/Copersucar, Sucres Et Denress (Sucden), Louis Dreyfus and ED&F Man.

Last March, Cargill and Brazil's Copersucar announced plans for a JV to create the world's biggest sugar trader. The venture will combine Cargill's trading and logistics expertise with supply from Copersucar's vast network of 47 mills, which produces 10 percent of the world's sugar exports. The deal will catapult the JV ahead of their major trading competitors, Sucres et Denrees (Sucden), Louis Dreyfus and ED&F Man.

Wilmar also bought CSR Australia sugar business,

Sucrogen, for \$1.75B. Goodman Fielder accepted a A\$1.4 B (US\$1.3 B) takeover offer from Wilmar International Ltd and First Pacific Co. Fielder is Australia's largest baker.

In the Asean scene, First Pacific Company Ltd acquired 31% stake in Roxas Holdings Inc. "This partnership of RHI with First Pacific, a leading global player, will strengthen RHI and prepare it for the industry consolidation that will take place with the advent of the ASEAN integration in 2015," said the company's CEO.

Last year, IndoAgri purchased a 50% stake in Brazil's sugar company Companhia Mineira de Acucar e Alcool. In 2010, Mitr Phol acquired Australian sugar producer MSF Sugar Ltd which owns four mills. Mitr Phol is Thailand's and Asia's biggest sugar and bioenergy producer. Its operation in Thailand has a crushing capacity of 179,800 ton canes per day. It produces 6,720 TPD refined sugar and 400 TPD liquid sugar.

Benchmarking Philippine and Thailand Sugar Industries In 2013, Thailand exported about 7 MMT sugar, making it the world's second biggest exporter, while the Philippines exported only around 400,000 MT, primarily to the US as part of its export quota and to other countries. Thailand's local consumption is 2.5 MMT while that of the Philippines is 2.1 MMT.

The average farm size in Thailand is 6–13 hectares while that of the Philippines is 6 hectares. Thailand's total area planted to sugarcane is about 1.3 million hectares. In the Philippines, it is only 435,000 hectares. In Thailand, farmers can easily lease and consolidate land while it is an entirely different scenario in the Philippines. Thai farms produce an average of 76 tons cane per hectare while the Philippines produces only 60 tons cane per hectare. Thailand also has more ratoon crops which produce 62 tons/hectare.

Moreover, Thai mills are newer, bigger and better utilized. The typical mill capacity in Thailand is 15,000 to 20,000 tons per day while in the Philippines it is only 5,000. The largest mills in Thailand have a capacity of 46,000 (Mitr Pohl Mills A, B & C), 40,000 (Kaset Thai), 36,000 (Angvian), 24,000 (Thai Roong Ruang-3) and 23,000 (Saraburi). In contrast, the largest Philippine mills have a capacity of only 18,000 (BUSCO), 16,000 (CALC) and 15,000 (VMC).

Thailand's average daily crushing capacity is about 14,000 while that of the Philippines is only about 7,000. Thailand has 50 sugar mills with capacity utilization of 60% to 70% and mill recovery of 10.5%. The Philippines has only 28 with capacity utilization of less than 80% and mill recovery of less than 10%.

### Cost Comparison of Imported vs. Domestic Sugar

The cost of imported sugar to the Philippine retailer is only P1,636 per 50-kilo bag while the cost of domestic sugar is P2,563, showing a cost differential of P937 or 36% price differential per bag.

The cost of domestic refined sugar, based on the raw sugar millgate price of P1,635/bag, is almost P2,300/bag ex-mill when the tolling fee, VAT, refining loss, storage fee and insurance are factored in. If the freight, trader's margin, trucking cost, repacking cost and repacker's profit are added, the cost of domestic refined sugar to the retailer reaches more than P2,560/bag.

On the other hand, imported refined sugar costs only P1,173/bag CIF Philippines. When all other expenses, taxes and liens are included, the total cost of imported refined sugar to the retailer is only P1,635.98/bag.

For Philippine refined sugar to be at par with Thai imports in 2015 (i.e., break-even), the mill-site price should not exceed P1,290/Lkg, or about 30 percent lower than the March 2012 level of P1,853/Lkg, assuming everything equal, if the Thai price for refined sugar were at US\$460/ton. (UA&P Study 2012)

In terms of pricing, Philippine composite sugar price is computed based on the percentage allocation of production. Thai sugar has an assured price of  $\beta1,000$ /ton plus  $\beta60$  CCS premium. Thai domestic sugar prices, both wholesale and retail, are controlled while Philippine prices are market-driven.

The Philippine sugar industry is regulated by SRA which is composed on only three representatives. Thailand's Office of the Cane Supply Board is funded from the Cane Fund and has 21 members representing the millers, planters and concerned government agencies.

The Philippine sugar industry lacks government support while its Thai counterpart enjoys the Cane Fund which is sourced from the 7% VAT on raw and refined sugar. Raw sugar is VAT-exempt while refined sugar in the Philippines is imposed with 12% VAT. In Thailand, raw and refined sugar is imposed a uniform 7% VAT.

The Philippines practices a sugar production sharing of an average 65:35 in favor of the planters while Thailand practices cane purchase. Thailand strictly adheres to the mill district system while there are many instances of pole-vaulting in the Philippines.

In terms of hauling, Philippine mills pay on the average 65% of the cost; hauling allowance accounts for 25% to 30% of mill operating cost. In Thailand, farmers pay the transport cost, except in few areas with large concentration of mills.

In the Philippines, planters secure financing from many sources while Thai farmers are funded by the mills from the Cane Fund and the Bank for Agriculture and Agricultural Cooperatives (BAAC). Unlike in the Philippines, land preparation and cane loading in Thailand are mostly mechanized while harvesting is mostly manual for both countries. Knife-to-knife period in the Philippines is 10-48 hours while it is only 4-10 hours in Thailand.

For the Philippine sugar industry to survive when AFTA takes effect in 2015, farms should be made more efficient, farm and chain/time costs must be reduced and inefficient farms should be converted to more profitable crops.

If both the mill and the farm are inefficient, should we close the mills and convert marginal lands to other crops?

If the mill is efficient but the farm is inefficient, the options are to consolidate the farms, mechanize and organize a farm service company.

If the mills are inefficient but the farms are efficient, the options are to buy-out the inefficient mills or bring the canes to more efficient mills.

If both the mills and farms are efficient, then the mill district should be expanded and innovations for further improvement should be adopted.

ASEAN companies are moving beyond borders. For the Philippine sugar industry, it has to choose whether to maintain the status quo or for rapid deployment.

As Peter Drucker said, "The enterprise that does not innovate inevitably ages and declines. And in the period of rapid change such as the present... the decline will be fast."



Rolando T. Dy, Ph.D.

# Rep. Cueva opens products exhibit





Rep. Leo Rafael Cueva (center) receives his plaque and token of appreciation for being the guest of honor at the opening of the product exhibits last August 12. With him are (L-R) Philsutech Board Chairman Linley Retirado, Convention Chairman Anthony Gerald Maraňon, Corporate Secretary and Admin Manager Haydee Rivera and President Terence Uygongco.

Rep. Leo Rafael Cueva delivers his message.

"Our industry will not only survive tomorrow but will evolve even more and become stronger to be able to face head on the challenge of time," said 2nd District Rep. Leo Raphael Cueva last August 12 as he officially opened the products exhibit of the 61st Annual National Convention of the Philippine Sugar Technologists Association, Inc. (Philsutech) at Waterfront Hotel, Cebu City.

The Philsutech convention is a much-awaited annual event in the sugarcane industry where technologists, industry experts, millers, sugarcane farmers and bio-energy producers from here and abroad gather under one roof to discuss the latest innovations and policy updates which affect the sugarcane industry.

"Over the years, the Philsutech has played a vital role in the industry. It provided everyone from sugarcane planters to mill managers and mill owners a venue to interact with each other, share ideas and discover new farming and milling innovations," he added. "The sugar industry would not have thrived this long without the help of the lessons and technologies we learned and discovered in each Philsutech convention... 61 conventions, to be exact. I believe that every convention has been a major leap for the industry," he stressed.

According to Cueva, the theme for the 61st Philsutech Annual Convention "Bringing Together the Sugarcane Industry Towards Sustainable Development" clearly conveys that, as it is now, the sugar industry will be even more vibrant for decades more to come and beyond.

One hundred twenty one booths at the ground floor and mezzanine of the Waterfront Hotel were occupied by 112 product exhibitors who showcased the latest technologies and innovations in the sugarcane industry. The exhibitors which displayed their products and services include a substantial number of foreign companies, most of which are regular participants during the Philsutech conventions.







Rep. Leo Rafael Cueva and SRA Adm. Gina Martin, together with Philsutech officers and their spouses, lead the ribbon-cutting rites for the opening of the product exhibits at the ground floor and mezzanine of Waterfront Hotel.

## Sen. Villar urges Philsutech....from page 1



(L-R) Philsutech Convention Chairman Anthony Gerald Marañon, Chairman of the Board Linley Retirado, Sen. Cynthia Villar, President Terence Uygongco and Sugar Regulatory Administrator Ma. Regina B. Martin

Among others, it aims to boost the diversification efforts through alternative markets, such as molasses from bioethanol production, bio-plastics from sugarcane bagasse, and bio-water from sugarcane water.

The bill provides for a Sugarcane Industry Development Fund which will help finance the implementation of various programs for the industry. The fund allocation will be 30% on block farm; 30% on farm support; 15% for farm mechanization; 15% for research and development; and 10% for human resource development and extension services.

"We are one with you in working towards making the Philippine sugarcane industry not only regionally competitive but globally competitive. And like Philsutech, our ultimate aim is to lead the agriculture sector into a more sustainable and inclusive growth," Villar emphasized.

The formal opening of the convention was graced by Cebu

City Mayor Michael Rama and Cebu Gov. Hilario Davide III who welcomed the delegates to the city and the province, respectively. Sugar Regulatory Administrator Ma. Regina B. Martin was also on hand to introduce the keynote speaker.

Philsutech President Terence Uygongco welcomed the delegates and guests while Convention Chairman Anthony Gerald Marañon officially declared the opening of the convention.

Another highlight during the opening day was the plenary address of Rolando Dy, Ph.D., Executive Director, Center for Food and Agri Business of the University of Asia and the Pacific.

Dy discussed global sugar trade and developments, the ASEAN Economic Community, benchmarking Thailand and Philippine sugar

industries, and what lies ahead for the Philippine sugar industry in 2015 and beyond.

After Dy's speech, the convention featured numerous technical and product presentations in the fields of Agriculture and Farm Engineering, Sugar Process, Management, Factory Engineering and Bio-Energy and Environmental Management.

The product exhibits, which showcased the latest innovations and technology in sugarcane farming and milling, opened a day before the formal opening of the convention. Rep. Leo Rafael Cueva (2nd District-Negros Occidental) was the guest of honor at the opening of the product exhibits.

SRA chief Gina Martin was the keynote speaker during the plenary session on August 14. She briefed the delegates on the global and ASEAN sugar scenario, the industry's performance for Crop Year 2013-2014 and what's in store for the next crop year, and what SRA has been doing in preparation for the ASEAN economic integration by 2015.

On the same day, the Gala Night was held. Business tycoon John Gokongwei, Jr. was conferred the Don Carlos Locsin award for his outstanding contributions to the sugar industry, particularly the investments made by one of his companies, the URC Sugar Division, in ethanol production and cogeneration of electric power in its mills in Negros.

The winner of the Best Technical Paper was announced during the Gala Night. This year's winner was the entry of Sagay Central, Inc. titled "Production of Low GI Sugar (Glycemic Index)" presented by Resident Manager Engr. Primitivo G. Rivera, Jr., Factory Manager Engr. Nelson P. Delfin and consultant Dr. Robert J. Kwok. The same team also won last year's award with its entry "Alternative Options for Sagay Central, Inc. in Preparation for 2015".

August 15, the last day of the confab, witnessed the general membership meeting where the outgoing Philsutech officers were honored while the newly-elected members of the Philsutech Board of Directors were inducted into office and held their first meeting.

**MORE ON PAGE 12** 



Entertainer extraordinaire Gizelle Sanchez enlivened the Gala Night with her naughty but wholesome jokes and songs.

# **The Grand Entrance**



Cebu City Mayor and Cebu Gov. Hilario Davide III



Corporate Secretary & Admin Manager Haydee V. Rivera



PP ARNEL J. AMPARO (2008-2009)



PP DEMOCRITO G. OPPUS (2009-2010)



PP EDUARDO V. CONCEPCION (2005-2006)



PP JAVIER T. SAGARBARRIA (2004-2005)



PP NILO A. FLORCRUZ (2007-2008)

# **The Grand Entrance**



PP RAMON A. PICORNELL JR. (1987-1988)



PP RAMON H. DURANO VI (1997-1998)



PP SIMON A. SUAREZ, JR. (1986-1987)



PP Virgilio H. Lopez (1981-1982)



RICARDO LEON C. ECHAUS (2003-2004)



Sugar Regulatory Administrator Ma. Regina B. Martin with Philsutech Board Chairman Linley Retirado



The Guest of Honor and Keynote Speaker, Sen. Cynthia Villar is escorted by Philsutech President Terence Uygongco and Convention Chairman Anthony Gerald Maranon.

## Sen. Villar urges Philsutech....from page 9



Philsutech President Terence Uygongco (right) and Treasurer Danilo Villanueva award the ceremonial check amounting to FIVE HUNDRED THOUSAND PESOS (P500,000.00) tax-free as the grand prize in the Philsutech Grand Raffle Draw to Miss Shiela Marie Alejandro of Bacolod City. Manager Nilo Aldon.

The five-day confab was not a "strictly business" affair, as the delegates, sponsors and guests engaged in friendly competition in golf and tennis at the Cebu Country Club on August 12. Later that day, the delegates put on their best Western-themed attire and converged for fellowship cocktails at the Grand Ballroom of the Waterfront Hotel for the Product Exhibitors Night which featured a period-themed dance competition and a contest on who wore the best Western-themed attire.

Aside from the never-ending prizes and give-aways from

product exhibitors, a raffle was held for members who attended the membership meeting. Emalyn Apacible of Victorias Milling Company went home with the P20,000 special prize. The Grand Raffle was also held after the meeting. Sheila Marie Alejandro of Bacolod City was the lucky winner of the P500,000.00 tax-free grand prize.

But perhaps the most enjoyable portion of the confab was the Gala Night where delegates put on their best ballroom suits and gowns not only to honor the Don Carlos Locsin awardee but also to dance the night away after laughing their hearts out from the performance of entertainer-comedienne Gizelle Sanchez.

Indeed, there are more than just a couple of reasons to look forward to next year's Philsutech convention!



Emalyn Apacible of Victorias Milling Company was the lucky winner of the TWENTY THOUSAND PESOS (P20,000.00) Special Door Prize for Philsutech members who attended the General Membership Meeting on August 15 at the Waterfront Hotel, Cebu City. With her are Convention Chairman Anthony Gerald Marañon (left) and President Terence Uygongco.

	AUGI	61st PHILSUTECH ANNUAL CONVENT GRAND RAFFLE DRAW JST 15, 2014, WATERFRONT HOTEL, LAHL			
		LIST OF WINNERS			
	TICKET NO.			OR#	
GRAND PRIZE		IALF A MILLION PESOS (P500,000.00)	SHEILA MARIE R. ALEJANDRO Airport Subd., Bacolod City	21554	
			Solicitor: Suzette V. Gedalanga		
FIRST MINOR PRIZE	#0374 1	UNIT APPLE iPhone 5S	CONSTANCIO (TANI) GALINATO	21622	
			Davao Sugar Central Solicitor: Juvy Retirado		
SECOND MINOR PRIZE	#2329 1	UNIT SAMSUNG GALAXY NOTE 3	LENNARD D. LIBOON Hawaiian Phil. Co., Silay City,	21560	
			Negros Occ.		
THIRD MINOR PRIZE	#4686 1	UNIT APPLE iPad Air	LUZONFED, INC. Nasugbu, Batangas	20984	
			Solicitor: Conrad Martinez		
OURTH MINOR PRIZE		UNIT APPLE iPad Mini vith Retina Display	RIGHT EIGHT SECURITY AGENCY Pasong Tamo, Makati City	21357	
		,	Solicitor: Almira Rey		
	10	CONSOLATION PRIZES OF Php2,50	0.00 EACH		
TICKET NO.	WINNERS	ADDRESS	SOLICITORS		OR#
1. #1958	JESUS GILNES	#808 ANTEL Corporate Center			#21341
2. #0851	AYLWIN Y. YAP	Bacolod City	Jocelyn Sorrilla		#21642
3. #3050	MARLA JOY F. ANOTA	Central Azucarera de la Carlota, Ir			#21361
4. #1916	GEOSPHERE TECHNOLOGIES		Susan Benitez		#21636
5. #1537	JASON PALOMARIA	Makati City	J.L. Jolito/VMC		#21264
6. #3872	KINETIC FLUIDTRONICS INC		Marissa Palma/Crys		#21630
7. #3878	LEONCITA D. ARTAJO	Aluba Subd., Macasandig, CDO	Marissa Palma/Crys	tal Sugar	#21630
8. #4494	MA. SUZETTE ESPOLON	Central Azu. De La Carlota, Inc.	Lina Convite, CACI		#21044
9. #0192 10. #1769	DONNALIE D. GINETE SAGREX CORP.	Iloilo City Makati City	Jorge Bordon Anthony Marañon		#21172 #21502
10. #1/09	SAUREA CURP.	ividRdti City	Antilony Maranon		#21502

# Sagay Central score back-to-back win in "Best Technical Paper" contest



Sagay Central's team composed of consultant Dr. Robert J. Kwok, Resident Manager Engr. Primitivo G. Rivera, Jr., Factory Manager Engr. Nelson P. Delfin (3rd, 4th & 5th from left) proudly display their "Best Technical Paper" award which they have won for two consecutive years now. With them are (L-R) Convention Chairman Anthony Gerald Marañon, President Terence Uygongco, Technical Paper Committee Chairman Pastor Esmeris and Board Chairman Linley Retirado.

They did it again!

Sagay Central, Incorporated's entry again took center stage in this year's edition of the "Best Technical Paper" award, one of the highlights of the 61st Philsutech Annual National Convention.

Scoring the historic back-to-back victory for Sagay Central is the team of Resident Manager Engr. Primitivo G. Rivera, Jr., Factory Manager Engr. Nelson P. Delfin and consultant Dr. Robert J. Kwok who presented the study titled "Production of Low GI Sugar (Glycemic Index)".

Last year, the team also won the "Best Technical Paper" plum with its entry "Alternative Options for Sagay Central, Inc. in Preparation for 2015".

Second Place Winner was the entry "Taking Advantage of the Benefits of the Renewable Energy Law" presented by Miss Edna B. Tatel, Environmental and Energy Affairs

Officer of the Philippine Sugar Millers Association (PSMA).

At third place was the entry "Ratoon Performance of Phil 99-1793, PHIL 2000-0791, PHIL 2000-2569, PHIL 2001-0295 and PHIL 2002-0359" presented by Miss Rosario M. Bombio and Miss Jean C. Nierves, Science Research Specialists of the Sugar Regulatory Administration's La Granja Agricultural Research and Extension Center (LGAREC) in La Granja, La Carlota City.

Thirty-one entries competed for this year's prestigious title. The entries were judged on Originality (25%), Impact to the Sugar Industry (30%), Relevance (25%), Clarity (10%) and Presentation (10%).

Pastor P. Esmeris of Lopez Sugar Corporation headed the committee which evaluated the entries.



Second Place Winner Miss Edna B. Tatel receives her award for her entry "Taking Advantage of the Benefits of the Renewable Energy Law".



Third Place Winner receives the award for in behalf of the Sugar Regulatory Administration's La Granja Agricultural Research and Extension Center (LGAREC).

# Philsutech confers DCL Award to Gokongwei



MR. JOHN L. GOKONGWEI, JR. 2014 Don Carlos Locsin Awardee

The 2014 Don Carlos Locsin awardee is a man who chose to live his life unafraid, even during times that he was afraid; the man who believed that success can be achieved through hard work, frugality, integrity, responsiveness change, and most of all, the boldness to dream. He is an entrepreneur, although he did choose to be one. He became an entrepreneur to survive.

He was born on August 11, 1926 in Gulangyu, Xiamen, in Fujian Province, China. When he was barely a year old, his parents

returned to the Philippines and settled in Cebu.

However, in 1939, his father died. The family lost all that they have. Being the eldest of six children, he was forced to help his mother support his siblings. When his mother and siblings went to China, he was left in the care of his uncle who sent him to school.

When the war broke out in December 1941, life became difficult that even his uncle could no longer support him. At the age of 15, he was forced to survive on his own. He became an itinerant vendor in Cebu and later expanded his market to Manila via the lowly and risky batel.

After the war ended, he set up his first company, the American-Asia Trading, which imported fruits, milk, flour, onions, old newspaper and magazines, used clothing and other items from the US.

He had always dreamed of making an all-Filipino brand. Hence, in 1961, he established the Consolidated Foods Corporation (CFC) and initially launched its coffee under the "Presto" brand. It competed well enough to stay in the market but was not able to out-sell Nescafe or Café Puro. Two years later, CFC launched Blend 45 and it was a hit.

In 1966, the company expanded into the Universal Robina Corporation (URC). From the cornstarch business, production included ice cream, flour, candy, chocolates and snack foods.

His involvement in the sugar industry stemmed from his belief that agricultural productivity management needs entrepreneurial vision and skills; that agriculture can be a pillar of our economy just as in Thailand. After all, many of our industries need the outputs from the farms such as sugar for candies, bakery products and softdrink.

In 1986, he acquired the United Planters Sugar Milling Company (UPSUMCO) in Negros Oriental from the Asset Privatization Trust (APT) and named it the Universal Robina Sugar Milling Corporation (URSUMCO). This was followed by the acquisition on the same year of the Southern Negros

Development Company (SONEDCO) in Negros Occidental and the Cagayan Sugar Milling Company (CASUCO) in Cagayan Valley in 1988. CASUCO was later renamed Cagayan Robina Sugar Milling Corporation (CARSUMCO).

In 2007, URC acquired Passi Sugar Mill and, in 2012, it acquired URC-Tolong from the Herminio G. Teves Company. The 5 sugar mills compose the URC Sugar Division that supply the sugar requirements of URC for its expanding snacks and food products.

His entry into the sugar industry in 1986 was very timely, as it provided the much-needed boost when sugar prices were down to its lowest, causing sugar farmers to abandon the trade. He injected the needed capital to the sugar mills he acquired, resulting to renewed interest in sugarcane farming.

With his keen foresight and strong entrepreneurial skill, he saw a bright future for the sugar industry. He allowed URSUMCO to increase its capacity to cope with the expanded sugarcane yield. The mills ventured on a long-term lease of sugarcane farms to grow their own canes that will support milling requirements. He encouraged farmers to expand through the mill's farm support systems, professional and transparent management and operation. The services of reliable foreign sugar technology providers were hired to upgrade, expand and modernize the sugar mills. In all of these projects, local contractors were given the chance to participate, thus creating jobs for all those involved in the industry.

His competitors, seeing the need to cope with him, also modernized, upgraded and expanded their sugar mills. This resulted to a growing, vibrant and dynamic sugar industry. Once again, the Philippine sugar industry became self-sufficient to supply the domestic requirement as well as the export quota.

As URC expanded its snacks and food product diversification, so did its sugar requirement. To address the need for white sugar, sugar refineries were established in URSUMCO, SONEDCO and CARSUMCO. With a ready and stable market for raw and refined sugar, URC sugar farmers were assured that their canes will be milled.

In 1990, JG Summit Holdings, Inc. was incorporated as the holding company of his group of companies which already encompassed a wide range of businesses – sugar, flour, coffee, snack products, textile mills, realty, hotels, retail, and banking, among others. Universal Robina Corporation (URC), with its branded consumer foods, agro-industrial and commodity foods, became the flagship company.

The full integration of the Asean Free Trade Agreement (AFTA) in 2015 created fear among sugar farmers and manufacturers, and threatens the survival of the Philippine sugar industry. Cheap sugar from Thailand will flood the domestic market when the tariff will be reduced to almost zero. Again, the local sugar industry is on the brink of extinction.

He saw the opportunity rather than the adversity. His entrepreneurial vision saw the need for alternative sugarcane product that will sustain the sugarcane industry. With his boldness and daring, he invested in sugarcane-based bioethanol production and bio-mass power generation.

The bio-fuel plant in Negros Oriental is rated to produce 100,000 liters of fuel-grade ethanol per day. This will start commercial operation in August of this year. The 46 MW bio-mass power generation plant in Kabankalan, Negros Occidental will start commercial operation also this year. The ethanol plant will utilize molasses as raw material while the bio-mass power generation will use bagasse as fuel.

While the rest of the industry is uncertain as to the effect of the AFTA integration, URC is embarking on capacity expansion of its Tolong sugar mill – an assurance to the sugar planters that there is no lost hope for the sugar industry. Thanks to the entrepreneurial mind and spirit of the man who only wanted to survive and support his family but ended up helping and supporting the local industry and economy.

Today, his empire extends beyond the Philippine shore. JG Summit Holdings now includes airline, real estate, petrochemical, packaging, communication, publishing, supermarkets and department stores. URC is very strong in the ASEAN market with plants in China, Indonesia, Malaysia, Thailand, Vietnam and Singapore. The URC Sugar Division produced a combined volume of 6.5 million bags of raw sugar, the second highest in the country.

It is therefore no wonder that Channel News Asia (CNA) conferred on him the 2014 Lifetime Achievement Award for his contribution to the growth of the Philippine industry and the Asian economy. He is the first Filipino to receive this recognition. JG Summit Holdings was chosen by Forbes as one of Asia's FAB 50 Best Publicly-Traded Companies in 2011 and 2012. In February 2013, he was declared Honorary Mayor of the City of Bacolod for his contribution to the economic development of the city.

Today at 88, he still has the determination and boldness of the 15 year-old boy riding his bicycle to peddle his wares. He may be retired from the day-to-day management responsibilities but he is still actively involved in major decision-making for the companies under JG Summit Holdings, of which he is the Chairman Emeritus. On his personal time, he enjoys the moment with his wife, the former Elizabeth Yu, with whom he has six children - Robina, Lance, Liza, Faith, Hope and Marsha.

He also relishes the pride of knowing that he is able to give back the blessings he received through his Gokongwei Brothers Foundation that provided college scholarships to deserving students. San Carlos University in Cebu and Ateneo de Manila University are recipients of his endowments to build the School of Engineering and the

School of Management, respectively.

His legacy of entrepreneurship is a source of hope for the Filipinos. The sugar industry can derive inspirations and lessons from him and can help produce strong entrepreneurial class among the sugar farmers and technologists that will spur innovation, create a culture than can help deal with the challenges of globalization, bring changes that will make the industry become globally competitive, and bring economic development to the Philippines.

development to the Philippines.

In his book titled "John Gokongwei: The Path to Entrepreneurship", Gabriel Singson, First Governor of the Bangko Sentral ng Pilipinas (1993-1996), stated: "His entrepreneurial mind has provided us with a new mindset, a fresh way to think about the future, and a means to navigate our globalized world in a way that will benefit our country and our people."

During the groundbreaking of the URC Ethanol Plant in Bais City, Negros Oriental in May 2014, Senator Franklin Drilon, who was the Guest of Honor, hailed him for his dynamic leadership and pioneering spirit. He sealed it when he said, "We should have more Gokongweis in the country today!"

PHILSUTECH is proud and honoured to confer the Don Carlos Locsin Award for his outstanding achievements in management of sugar business and for his outstanding contribution to the Philippine sugar industry through his entrepreneurial vision and spirit to MR. JOHN L. GOKONGWEI, JR!



Mrs. Lily Ngo Chua with officers and staff of the URC Sugar Division



Mrs. Lily Ngo Chua (center), the younger sister of Mr. John L. Gokongwei, Jr., received the award in behalf of her brother. With her are (L-R) Past President Ramon A. Picornell, Jr., PP Mario Palma, Board Chairman Linley Retirado, President Terence Uygongco, Corporate Secretary & Admin Manager Haydee V. Rivera, Convention Chairman Anthony Gerald Marañon, URC Sugar Division's Renato Cabati, PP Primitivo Rivera, Jr., PP Arnel Amparo and PP Eduardo Concepcion.

# **Uygongco is new Board Chairman, Marañon is new president**

Terence Uygongco was elected Chairman of the Board while Anthony Gerald Marañon was elected President for 2014-2015 during the election held by the Board of Directors in its first special session right after the General Membership Meeting of the 61st Philsutech Annual National Convention at the Waterfront Hotel, Cebu City on August 15.

Election Committee Chairman Giovanni Kilayko reported the results of the election of members of the Philsutech Board of Directors during the General Membership Meeting. He also took the opportunity to thank the other committee members, namely Nestor Delfin and Dione Caspe, for their cooperation and support.

Past President Mario Palma then inducted the new officers into office. The 2014-2015 Philsutech Officers and Board of directors are:

Terence S. Uygongco - Chairman of the Board, Anthony Gerald S. Marañon – President, Fernando M. Hernadez - VP & Director for Agriculture & Farm Engineering Division, Susan C. Benitez - VP & Director for Bio-Energy & Environmental Management Division;

Almira G. Rey - VP & Director for Process Division, George C. Garcia - VP & Director for Factory Engineering Division, Alfredo O. Sapa - VP & Director for Management Division;

Jake Rodrigo K. Mayor – Director for Bio-energy & Environmental Management Division, Anthony D. Sanchez, Director for Process Division, Philip J. Vecino – Director for Factory Engineering Division, Danilo M. Jugno – Director for Management Division;

Haydee V. Rivera - Corporate Secretary & Administrative Officer and Danilo G. Villanueva – Treasurer.

In his report, Marañon expressed his heartfelt thanks to the members of the Organizing Committee and the Working Committees, as well as to PP Mario Palma and PP Primitivo Rivera, Jr. as advisers, for their invaluable help in ensuring the smooth and successful conduct of the convention.

Plaques of appreciation were also presented to the 2013-2014 Philsutech officers, after which Chairman of the Board Linley Retirado delivered the Closing Remarks.

# **Closing Address by Chairman of the Board Linley Retirado**

I have served Philsutech for five consecutive years, two years as VP-Director, Convention Chairman, President and now as Chairman of the Board. I am informed that I still have two or three remaining years to serve as trustee but not as functional as the previous years.

I find those years serving Philsutech as one of the fulfilling chapters of my professional life, not only serving the organization but also the sugar industry.



helped me realized the success of the events in the past and present years, THANK YOU VERY MUCH!

To the incoming officers, I congratulate you for being chosen as the bearers of the name of our prestigious organization and hoping that you will carry with you at all times the good example in implementing the objective of PHILSUTECH and will be challenged and surpass the achievements that has been done before.

For all those years that I have served this organization, I may have not done it without the support of my family, my wife Juvy, my children who gave their understanding when I am away from home and from them sharing my time to serve as I have committed. The support of my peers and higher ups in our company, the encouragement and understanding of people like Ms. Haydee, our angel, guiding light, the mother to all of us.

And to all the past and present officers and committee members who shared their precious time and talents who Our Industry is now at the front door of integration, through PHILSUTECH as technology provider, the venue of technical discussion and innovation, this integration should not be considered a major threat because we find a strength among us, we find a dynamic and cohesive group that have been there for six decades of existence that unite every one of us.

That is PHILSUTECH!

# **New Officers and General Membership Meeting**



PP Mario Palma administers the oath of office to the 2014-2015 Philsutech Officers and Board of Directors.



The 2014-2015 Philsutech Officers and Board of Directors hold their first special meeting right after the General Membership Meeting.



PP Mario Palma awards the plaque of appreciation to Terence Uygongco for services rendered to the association as Philsutech President for 2013-2014.



PP Mario Palma awards the plaque of appreciation and medallion to Linley Retirado for services rendered to the association as Chairman of the Philsutech Board of Directors for 2013-2014. With them is the ever-supportive Mrs. Juvy Retirado.



Anthony Gerald Marañon, with his wife Ana, receives his plaque of appreciation for services rendered to Philsutech as Convention Chairman of the 61st Philsutech Annual National Convention. Giving him the award are Board Chairman Linley Retirado (left) and President Terence Uygongco.









Juliana Jinah T. Cuenca – Chairperson of Proceedings and Academe

Anthony Gerald Marañon, with his wife Ana, receives his plaque of appreciation for services rendered to Philsutech as Convention Chairman of the 61st Philsutech Annual National Convention. Giving him the award are Board Chairman Linley Retirado (left) and President Terence Uygongco.



Committee on Resolutions Florencio Mamauag with Corp. Sec. & Admin Manager Haydee V. Rivera



Election Committee Chairman Giovanni Kilayko



Technical Papers C o m m i t t e e Chairman Pastor Esmeris

# **Fellowship Night & Exhibitors Talent Competition**



Dir. Almira Rey and Frank Bernabe were adjudged the "Best in Cowgirl and Cowboy Costume". Flanking them are Convention Chairman Anthony Gerald Marañon (left) and President Terence Uygongco.



Finalists for the Best in Cowgirl Costume



Finalists in the Best in Cowboy Costume



Johay Malyn Castillo of Guill-Bern was the champion in the singing contest while Benjie Villacorta of Yukugawa Philippines placed second.



Hall of Famer in Dance Contest - United Bearing



2nd Place in Dance Contest - Hydrophil Industrial Corporation



3rd Place in Dance Contest - Sagrex Corporation



The Philsutech Convention Organizers proved to the delegates that they can also light up the stage with their dance moves.



Moto Industrial Corporation emerged champion in the dance contest.

# **Sportsfest**



Philsutech Chairman of the Board Linley Retirado leads the ceremonial tee-off of the golf tournament as part of the annual sportsfest at the Cebu Country Club on the first day, August 12, of the 61st Philsutech Annual National Convention.



Philsutech officers and members of the tournament committee pose with the tennis players at the tennis court of the Cebu Country Club.



(Standing L-R)\_\_\_\_\_, Corporate Secretary and Admin Manager Haydee V. Rivera, Dir. Susan C. Benitez, VP & Dir. Eduardo J. Deocadez, VP & Dir. Ireneo L. Tangon, Jr., \_\_\_\_\_, Tennis Tournament Chairman \_\_\_\_\_ and Past President Primitivo Rivera (Seated L-R) VP & Dir. Jocelyn S. Sorrilla, Dir. Almira G. Rey and Golf Tournament Chairman Philip

### **Golf Tournament Winners**

Overall Champion Lowest Gross

Roger Arato
Lynsey Salilig

Division A Division B Division C Champion Romeo Sanchez Mario Pilones Wennie Mabitad Runner-Up Paul Knock Joey Navarro Arnel Amparo

## Lawn Tennis (Doubles) Results

Champion James Michael R. Cumagub (First Farmers)

Fernando Hernandez (Jalasig Sugarcane Planters)

1st Runner-Up Arturo Calao (SGABI-SFB-MPC)

Francis Derrick Alcantara (SGABI-SFB-MPC)

2<sup>nd</sup> Runner-Up **Raffy Mundo** (SRA)

Jerry de la Cruz (SRA)



Philsutech officers with some sportsfest staff (L-R) Golf Tournament Chairman Philip Vecino, President Terence S. Uygongco, Convention Chairman Anthony Gerald S. Marañon, VP & Dir. Eduardo J. Deocadez, VP & Dir. James Michael M. Cumagun and Chairman of the Board Linley A. Retirado

# **Sponsors, Patrons and Donors**

### **MAJOR SPONSORS:**

DU PONT FAR EAST, INC.
DYNAMIC CASTINGS
ISHAN INTERNATIONAL PVT. LTD.
SHIN NIPPON MACHINERY LTD.
UNIVERSAL HARVESTER, INC.

### **BRONZE SPONSORS:**

INTEGRATED CASETECH CONSULTANTS PVT. LTD.

PETRON CORPORATION

PILIPINAS SHELL PETROLEUM CORPORATION

SCHNEIDER ELECTRIC PHILIPPINES UNILOX FAR EAST RESOURCES INC. VICTORIAS MILLING COMPANY, INC.

### **SPONSORS:**

ASIA PACIFIC ENERGY RESOURCES
VENTURES

BUSCO SUGAR MILLING COMPANY, INC.

CALGON CARBON ASIA PTE. LTD. CAPIZ SUGAR CENTRAL, INC.

CENTRAL AZUCARERA DE TARLAC

CRYSTAL SUGAR COMPANY, INC. F & E

ENTERPRISES, INC./JAPNAR TRAK CORP.

GRUNDFOS PUMPS (PHILIPPINES), INC.

HAWAIIAN PHILIPPINE COMPANY, INC.

KERRY ATS LOGISTICS INC.

NCH PHILIPPINES, INC.

SUPER SORGHUM CORPORATION LTD.

TAI & CHYUN ASSOCIATES INDUSTRIES, INC.

**URC- SUGAR DIVISION** 

### PATRONS:

CENTRAL AZUCARERA DE LA CARLOTA, INC.

CENTRAL AZUCARERA DON PEDRO, INC. CONFEDERATION OF SUGAR PRODUCERS

ASSN., INC. (CONFED)

DAVAO SUGAR CENTRAL COMPANY

FABCON PHILIPPINES, INC.

HEXA THAILAND CORPORATION LTD.

LOPEZ SUGAR CORPORATION

MOTOINDUSTRIALTRADERSCORPORATION

PHILBELT MANUFACTURING CORPORATION

PHILIPPINE SUGAR MILLERS ASSOCIATION

(PSMA)

REIGN-NAN SALES INDUSTRY & GEN.

CONTRACTOR, INC.

RTH MARKETING

SAGAY CENTRAL, INC.

SAN CARLOS BIO-ENERGY, INC.

SEALAND INDUSTRIAL SUPPLY

SILVER HORIZON CONSTRUCTION

TRIGON MANAGEMENT & INDUSTRIAL

CORPORATION

JARDINE DISTRIBUTION, INC.

### Donors:

BISCOM, INC.

Davao MDDCFI

Batangas Sugar Central, Inc.

Cotabato MDDCFI

Excel Trend Marketing & Services Corp.

Glowing Motor Parts Corp.

Mr. Reynaldo Ang Rabanes/Bukidnon Planters

Assn.

Mr. Teodoro Tagaro/Bukidnon Planters Assn.

TWA, Inc.

Pilar Sugar Planters Assn.

Unifarm

Asociacion Agricola de Bais Y Tanjay, Inc.

Eastern Batangas Sugar Pltrs. Coop.

Kabilog Planters Assn., Inc.

Samahang Sugarcane Pltrs. Assn., In c.

Cougar Industries Sales

BAP-MPC

Chemtrust Industrial Sales, Inc-Cebu

Mainframe Industrial Sales

Mindanao Sugar Workers Union

Hi-Tek Electro Mechanical Sales

Nexus Industrial Prime Solutions Corp.