

Stocking up pays off for BP Plastics

■ **By Zuraimi Abdullah**
zuraimi@nstp.com.my

MAIN-board listed BP Plastics Holding Bhd says its policy of keeping stock of up to two months helps to meet customers' orders amid rising energy prices and raw material costs.

"The move also allows us to persuade our customers to absorb any price increase since nobody can influence the market price and trend under the current global inflationary period," chairman and managing director Lim Chun Yow told Business Times.

Net profit of BP Plastics, one of the country's leading producers of industrial plastic packaging bags and stretch films, tripled to RM4.18 million in the first quarter ended March 2008. Group turnover grew 66 per cent to RM67.39 million.

"Higher export sales helped to improve the performance," Lim said.

The company ships 60 per cent to 70 per cent of its output to more than 20 countries. Overall, it has 600 to 700 customers, with players in the packaging industry being its major clients.