

Thai Union, CP Foods investing heavily in ‘smart factories’

It's been one of the talking points of the past two years, but with processing capacity and labor access severely impacted by COVID-19, Thailand's two largest seafood companies have each made factory automation a major focus of 2022.

“Automation is a big topic, a really big topic for us,” Prasit Boondoungprasert, CEO of Charoen Pokphand Foods, told *Undercurrent News*. “Whatever we do, can we do it automated? It's very difficult on all food, but if it's possible we'll do automation on the project. That is a key strategy direction for the whole company.”

Where automation isn't possible, CP Foods is also newly incorporating Internet of Things (IoT) software into its plants to improve the efficiency of its separate processing units, he said, adding that labor costs have grown significantly this year (see previous post).

Meanwhile, Tunyawat Kasemsuwan, global innovation director for Thai Union Group, also stressed the need for reducing the group's dependence on manual labor in the wake of COVID-19.

“I would say with the pandemic the last couple of years, you would see that being in food manufacturing luckily we don't need to shut down the factory, but we also understand that human capital in the factories plays an important role at the same time,” he told *Undercurrent*.

“So I think you can see that there is now an interest in upgrading to smarter factories,” he continued. “They're quite massive projects, as we want to make sure that we can continue to have the right product and quality, and be able to get that technology — that hasn't yet existed [in Thailand] — into the factories.”