
Thermal Energy plans to make permanent mark in China

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Thermal Energy International Inc. is planning to set up a permanent office and assembly facility in China, and has teamed up with two companies as the first step to making it happen.

The Ottawa-based energy and emissions reduction solutions maker said it has entered into a joint venture with Guangzhou, China's Oriental-Unicorn Sales and Marketing Co. and E5 Enterprises LLC of Markham, Ont. to sell Thermal's products in China, with a permanent office to open in the country by year-end. Thermal Energy is the majority owner of the joint venture company.

The partnership will allow Thermal to work more closely with Oriental-Unicorn, which helped Thermal sell the GEM steam trap technology to major Chinese paper manufacturing company Lee and Man Paper Co. in August, as well as with E5 Enterprises head Dr. You-Zhi Tang, who is a partner with the Canadian Cleantech Fund and Ottawa-based Venture Coaches. Dr. Tang has also served as Thermal's technology and government relations adviser on the Chinese market.



Thermal Energy's Tim Angus. (Darren Brown, OBJ)

"This joint venture provides an excellent anchor in China for Thermal Energy to accelerate its sales efforts with a permanent presence in the China market and demonstrates a commitment to the market which we know is important for customers there," stated Thermal CEO Tim Angus, who will also serve as general manager of the new partnership.

Thermal has been working hard to court the Chinese market this year, partnering with several firms throughout the country to market its various technologies and also with the South China University of Technology for research and development work, receiving funding from the Chinese government in the process.

The new joint venture between the three companies will operate from a recently established office in Guangzhou which will have up to five staff for sales and marketing and administration by the end of 2007.

The company also said it may open an engineering and assembly facility in the Guangzhou Special Energy and Technology Zone by the end of the partnership's second year of operations. The zone provides special tax incentives for foreign investment and are designed to encourage international trade between China and other countries.

Thermal said it would be focusing on promoting and selling the GEM Condensate Return System in China, with a minor focus on selling its FLU-ACE waste heat recovery technology.

The company is the exclusive provider of the steam trap technology in the Canadian, U.S. and Chinese markets on behalf of its U.K.-based partner Gardner Energy Management, and FLU-ACE is Thermal's own product which captures steam waste heat and converts it into usable energy.