

Meralco sees opportunity in PH semicon future

Empowers subsidiaries to deliver beyond-the-meter services to industry movers



Philippine Economic Zone Authority (PEZA) Director General Lilia B. de Lima (5th from left), Meralco VP & Head of Corporate Business Group Victor S. Genuino, SEIPI President Dan Lachica, and Meralco Ambassador of Light Shamcey Supsup (2nd, 3rd, and 4th left) stand in front of Meralco's booth at the 2013 PSECE Conference. With them are (from left) General Manager of ON Semiconductors Philippines, Inc. Sunil Banwari, President & Director of Toshiba Information Equipment (Philippines) Inc. Minoru Iriko, MIESCOR President Angelito Bermudo, President & General Manager of HGST Chandra Anamirtham (partially hidden), Managing Director of EMS Components Perry Ferrer, and President of Remec Broadband Wireless Dingo Bonifacio.

Meralco, the country's leading power utility, is bullish on taking opportunities that come with the bright future in store for the semiconductor industry.

Beyond the core electricity distribution business which the company is known for, Meralco is also invested in power generation, energy solutions management, construction, engineering, logistics, and fiber optic systems through its subsidiaries.

Both parent company and its subsidiaries believe that the sustainability of the semiconductor industry lies in product demand and various mechanisms that comprise the manufacturing ecosystem.

With combined membership of 245 manufacturing and allied partner suppliers, the Semiconductor and Electronics Industry of the Philippines Inc. (SEIPI) is the largest organization of foreign and Filipino electronics companies in the Philippines.

Semiconductor design, fabrication, and export of integrated circuits, as well as electronic assemblies and other components account for 33.6% of the country's export earnings as of the first quarter.

Speaking at the 10th Philippine Semiconductor and Electronics Convention and Exhibition (PSECE) 2013 – held at the SM Mall of Asia SMX Convention Center – Dr. Dan Lachica, President of SEIPI said that, year-on-year, the industry's total projects increased from 136 in the first quarter of 2012 to 185 in the same period in 2013 in terms of investments.

Focusing on core expertise to free customers to do what they do best

Lachica welcomed the immediate action of Meralco to help enable a projected 5.6% growth rate for the semicon industry. "Meralco's traditional services focus on distribution but we realized that we had to evolve when we began receiving many inquiries and requests to be a power solutions consultant," said Victor Genuino, Meralco's Vice-President and Head of the Corporate Business Group.

"Our customers have since realized that there are certain energy solutions that Meralco can handle to complement customers' efforts in running their businesses in a more efficient manner," he added.

For semicon manufacturers, the challenge was to improve operating efficiencies and help reduce cost. Each of the Meralco subsidiaries have customized their services to deliver based on these challenges.

Meralco Industrial Engineering Services Corporation (MIESCOR) holds the highest contractor license Category AAA and specializes in construction, engineering, and maintenance activities related to power generation, transmission, and distribution. Its president, Mr. Angelito Bermudo envisions a time when MIESCOR will come in as a partner in the final investment decision of the client. "Traditionally, the approach of Meralco is to come in during the construction of a facility to advise on power, but we at MIESCOR plan to be a full-blown engineering, procurement, and construction (EPC) company, and we'd like to engage the client much earlier than that," he explains.

MServ is the country's premier energy management company delivering Meralco's promise of end to end service by providing tailored solutions to customer's electricity facilities related requirements. They are a one-stop shop that gives customers the freedom to focus on their core business by providing design, construction and installation, and maintenance and operation of electrical facilities.

Meralco PowerGen Corporation's (MGen) core competency is the development of cost-competitive and reliable power plants to ensure that power generation is sustainable, efficient and maximized. The company aims to build a portfolio of up to 2,700 megawatts (MW) from now until 2020.

Radius Telecoms, Inc. controls a wide range of fiber optic resources, is the networking partner for many big ICT companies and the biggest names in local and international



Meralco's Genuino shares a laugh with Banwari of ON Semiconductors Philippines, Inc.

telecommunications industry. Radius has been certified by the MEF (Metro Ethernet Forum), an international consortium for the standardization of Carrier Ethernet Services.

An industry on the rise

SEIPI is among the top five industry organizations that Meralco tracks according to Genuino.

An indicator of national economic prospects, he further said that, "It's a key indicator of how well our exports are doing and that of foreign direct investments."

The projected industry employment from last year increased from 22,000 to about 25,000 in 2013. In addition, semiconductors balanced the decline of exports in April after a double digit recovery of 10.6%, following three consecutive months of contraction.

As a reliable business partner, Meralco and its subsidiaries have also been actively coordinating with SEIPI. "Their assistance with our programs is a big help; we appreciate that partnership," said Lachica.

Meralco recently secured a seat in the SEIPI Board, with Senior Vice President and Head of the Customer Retail Services and Corporate Communications, Alfredo S. Panlilio representing the company.

Partnering with customers for energy solutions

Genuino believes that Meralco's energy solutions go beyond cost-cutting, as energy efficiency, reliability, and quality are its three major components.

"Our customers see real value in terms of what we're offering," said Genuino.

With over a century of expertise, Meralco and its subsidiaries can offer critical end-to-end energy services, and help businesses cut down on operating costs including CAPEX.

As a result, this frees them to focus on their area of expertise: to grow their business.

For more information or to learn more about these and other Meralco solutions, please visit www.meralco.com.ph.



Meralco EVs are used to tour the PSECE convention ground by (from left) President & General Manager of HGST Chandra Anamirtham, President of EMS Components & Assembly Inc. Francis Ferrer, and Director General of PEZA Lilia B. de Lima.