

Sumitomo to Form Joint Venture to Sell Agricultural Materials in China

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Sumitomo Chemical said that its Chinese subsidiary and Dalian Jingang Group would create a joint venture in China in January for the sale of agricultural materials and equipment such as the Sumitomo group's high-performance greenhouse films.

Sumitomo Chemical (China) Co. will hold 70% and Dalian Jingang will hold 30% of Sumika Jingang Sales (Dalian) Co., which will be based in Dalian, Liaoning Province, and have \$10 mn in capital. The new company will draw on the local partner's extensive knowledge of the local agricultural industry to sell the greenhouse films and other agricultural materials and equipment such as irrigation systems and fertilizers.

The polyolefin greenhouse films boast high light transmittance, due to an anti-dripping agent, and weather resistance, with durability of several years, and are stretched to cover greenhouses. The films are more expensive than regular greenhouse films, so the joint venture will approach farmers directly to better explain the advantages of using the superior films.

Sumitomo and Dalian Jingang started their collaboration in 2003 with the sale of agrochemical intermediates in China. They later formed a joint venture named Dalian Sumika Jingang Chemicals for the production of methionine and high-performance greenhouse films.

Source *The Chemical Daily*