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Sojitz Corporation Long Duc Investment Co., Ltd. Shidax Corporation Galaxy Shidax Co., Ltd.

# Vietnam's First Food Service Center in an Industrial Park Established Center Provides Meals to Park Residents

Galaxy Shidax Supplies Meals at Long Duc Industrial Park

Long Duc Investment Co., Ltd., the operator of the Long Duc Industrial Park that Sojitz Corporation is developing, is working with Galaxy Shidax Co., Ltd., a major food supplier in Vietnam and member of the Shidax Corporation Group, to launch a service that will supply meals to tenant businesses at the industrial park.

For companies that have set up operations in an overseas industrial park but don't have the scale necessary to provide meals prepared onsite at an in-company cafeteria, procuring meals has been a difficult issue. Galaxy Shidax will establish and operate a food service center in the industrial park, making it possible for companies that are unable to operate their own employee cafeterias to provide meals to employees.

The pace of companies establishing operations in Vietnam is accelerating, with 208 Japanese companies entering the Vietnamese market in 2011, a new record high.<sup>1</sup> More than one-third of these companies invest less than \$5 million<sup>2</sup>, and many of the plants are small-scale.

Providing benefits to local employees and supplying meals, particularly lunch, can have powerful positive effects including improving recruiting and lowering separation rates. There have even been cases of employees moving to companies with better food and strikes because of dissatisfaction with the quality of meals provided. In the Vietnamese food service industry, the typical pattern is to prepare meals onsite at an employee cafeteria located within the plant, and the Japanese style of using a central kitchen or food supply center is not widespread.

The plans of Long Duc Investment, which seek to distinguish the Long Duc Industrial Park and provide additional incentives for companies to establish



operations there by providing food services to tenant companies, were in agreement with Galaxy Shidax, which aims to provide meals to small-scale plants that are unable to do so themselves, leading to the business tie-up.

Galaxy Shidax will establish an employee cafeteria behind the industrial park's Management Building and deliver meals to plants inside and near the park. The initial scale of operation will be 1,000 meals per day, with plans to expand according to demand from new tenants. The facility will also supply meals to onsite construction workers and large-scale plants during the initial stages when employment levels are low.

Sojitz and Long Duc Investment offer an optimal environment for tenant companies through the food service center and various services including the following.

- Permanent Japanese staff on-site
- Superior facilities and stable supply of electricity and water and wastewater processing under 24-hour maintenance and management
- Provision of cloud computing services using optical fiber
- Construction of rental plants with complete basic infrastructure
- Construction of a centralized gas supply system in the park
- Encouraging the establishment of a custom branch office to enhance customs convenience
- Establishment of a food service center

In accordance with a fundamental principle of "Nurturing all that is valuable in life," Shidax seeks to support improvement of the health, safety and security of the Vietnamese people and continuously support the development of a sound society through the food supply business.

Galaxy Shidax aims to create systems that can supply meals to as many people as possible by operating food service centers and constructing central kitchens, which are food processing plants, in other industrial parks.

<sup>&</sup>lt;sup>1</sup> JETRO Hanoi Center, "General Conditions in Vietnam 2012: The Vietnamese Economy in Numbers" (June 2012).

<sup>&</sup>lt;sup>2</sup> JETRO Ho Chi Minh Office, "Recent Trends in Southern Vietnam" (April 2013).



### Outline of the Long Duc Industrial Park

Location: Dong Nai Province, in the outskirts of Ho Chi Minh City in southern

Vietnam

Shareholders: Long Duc Investment Pte. Ltd.: 88% (Sojitz Corporation: 50.2%,

Daiwa House Industry Co., Ltd.: 39.9%, Kobelco Eco-Solutions

Co., Ltd.: 9.9%)

Donna Foods: 12%

Total Development area: 270 ha

Subdivided area: 200 ha

Planned tenants (planned number of employees): 80–100 companies

(30,000 - 40,000 employees)

Site environment: Approximately 40 km to Cai Mep-Chi Vai Port, a major port

that can accommodate large vessels; approximately 40 min. by car to central Ho Chi Minh City (following the opening of a portion of the new southern highway in 2014); 8 km from the Long Thanh

International Airport, which is scheduled to open in 2020



Long Duc Industrial Park

## Outline of Galaxy Shidax

Name: Galaxy Shidax Co., Ltd.

Head office: Ho Chi Minh City

Shareholders: Doan Van Dung, president: 65%

Shidax Corporation: 35%

Business activities: Catering services

Investment approval: March 2013

Number of meals provided: Approximately 50,000/day

Number of employees: Approximately 600







Fujitsu Computer Products of Vietnam, Inc.

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