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Top yield from an ancient seed

Banana tree fibre is bearing fruit for an innovative Australian firm

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RAMY Azer readily admits that he is a tree hugger from way back, and when he was “younger and more foolish” he used to chain himself to trees in an attempt to save forests from being cut down.

It was words of wisdom from his grandmother, however, that one cannot save a whole forest by chaining themselves to a single tree, that helped shape Azer’s attitude to environmental sustainability and undoubtedly led him along his current business path.

Now managing director of

Adelaide-based stock exchange-listed company Papyrus Australia, Azer is helping to save the forests in a different way through the use of revolutionary technology he has developed and patented to turn the trunks of banana palms into veneers, fibreboards and other products.

“I discovered that if you want to save the forests you need to understand why people cut them down and you have to provide them with a viable alternative,” says the Egyptian-born engineer. “Change comes through science, technology, hard work and solutions.”

After completing his engineering degree, Azer came up with the idea of mechanising ancient Egyptian papyrus-making technology for commercial purposes.

In 1994 he established Papyrus Australia to develop machines that could produce papyrus, and then sought out environmentally sustainable sources

of raw fibre material.

“The banana tree trunk was perfect,” he says. “The growers harvest them every six months to a year and there are huge amounts of it: very long, beautiful white fibre that no one was using for anything else.”

Commercialising the processing technology was relatively easy, as was selling the concept to banana plantation owners and potential customers. The hard part was adapting the technology to existing processes in the banana growing industry.

“Any technology like ours is not just a core machine. It’s an industry that we’re trying to create where no industry existed, so we needed to integrate the harvesting and transport and technology inside an existing industry, the fruit-producing industry.”

Papyrus listed in 2004, raising a

small amount of capital, and in 2006 secured a \$1.2 million government grant towards its first banana-fibre processing plant.

Much of the hard work is now done, and Papyrus is producing raw material from its recently commissioned factory on a banana plantation in Queensland's Atherton Tablelands. The company has found a ready export market to Europe through a distribution agreement with Monaco-based 3W Tout Bois.

Azer says the possibilities for banana-fibre products are virtually endless, with strong offshore demand and a worldwide resource of banana tree trunks totalling 2.5 billion tonnes a year. Banana fibre processing is regarded as an innovative, low cost and environmentally sustainable solution that can be used by the timber and paper industries.

The company's factory started processing last November and has the capacity to process 20,000 tonnes of raw material a year. Papyrus has a second factory in Brisbane, which is being

modified to produce chipboard and medium-density fibreboard and is expected to be in production by June.

Azer says Papyrus has offshore orders for the full capacity of both factories for the next 12 months.

The company reported a loss of \$1.8 million last year, after a similar loss in 2008, but full commercialisation should help the company move to a profitable position.

Five years ago, Papyrus intended to use its technology to turn banana-tree fibre into shopping bags that could be sold to supermarket operators. However, Papyrus is now focused on higher-margin products such as furniture veneers, MDF and chipboard for the furniture and building industries.

The company, through 3W Tout Bois, is in discussions to supply raw veneer product to luxury car maker Jaguar for use in wooden dashboards and other trimmings. Papyrus also hopes to supply veneer products to luxury European boat builders.

"We have been to the Monaco boat show, the Hanover exhibition for fur-

niture and flooring, and are going to the Milan exhibition for furniture as well," Azer says "These markets have no barrier to entry. You can start with a small quantity and increase it as you wish. And they tend to pay a lot more than supermarket bags."

He says banana fibre can also be processed into white photocopy paper, bags, corrugated boxes and other products. Raw production from the factory produces veneer that can be sold without further modification.

"It's the simplest product we have and yet we get an absolute premium price for it," Azer says.

The banana product is waterproof, fire retardant, stronger and cheaper than other alternatives, as well as being significantly more environmentally friendly because the production process does not require the use of hazardous chemicals.

"We are continually refining the technology. The future of this project will be to build more factories and to make new products. Wherever there are bananas, we'll be there."

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