

## 6. Business Times Cover Page

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# BUSINESS TIMES

S I N G A P O R E

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## Wringing water from air: the battle heats up

### US firm Excel wades in with two types of machines

By Yang Razali Kassim [SINGAPORE] The competition to make drinking water out of thin air in Singapore has just gotten fiercer.

If Sesdaq-listed Hyflux had ambitions to be the only player in the field, it's unlikely to happen. Hyflux announced in January that it had acquired a stake in a United States company, Air 2 Water, to make water out of air, using a machine called Aquosus.

But even before Aquosus could hit the streets, another US company, Liquid Air Inc, announced that it had already been producing and selling a similar water-making machine.

Now, another US company, Excel Holdings Inc, has entered the fray with its WaterFinder. And its founder, Hisham Fawzi, has the support of no less than President George Bush.

Last April, the US leader, pushing for Senate support of the White House's Trade

Promotion Authority, cited Mr Hisham and his firm as an example of how even small US companies could benefit from freer trade around the world.

Last week, Excel entered the Singapore market with a bang. It was one of a few companies showcased by the US Foreign and Commercial Service (USFCS) — a government agency — in its drive to get American SMEs to move in a bigger way into Asia.

Mr Hisham, a naturalised American, was given an Export Achievement Award at the first-ever gathering — in Singapore — of USFCS officers from the agency's various Asian offices.

In an interview with BT, Mr Hisham declined to be drawn into any discussion about Hyflux or the competition that he would face.

"In the US, we believe strongly in competition. Competition is healthy for the producers and for R&D. It's also good for the consumer," Mr Hisham said.

But his self-effacing manner masked a keen awareness that Excel's en-



**Mr Hisham:** "The air that you breathe is also the air that you drink," says the founder of Excel about his company's WaterFinder which makes potable water out of thin air

try into the Singapore market will inevitably upset the apple cart somewhat in the fledgling water resource business here.

Excel's WaterFinder is a little mean machine, the

size of a cooler, that makes water out of thin air. Yes, water out of air. "The air that you breathe is also the air that you drink," Mr Hisham said matter-of-factly about the WaterFinder.

As he spoke, he handed me a glass of cool, clean water that two hours ago was plain air from the hotel room. An air filter in the machine removed the moisture before a filtration system purified it.

I took a sip, then two, and then more. It tasted nicer than tap water, I thought, even a tad sweeter.

The WaterFinder has been approved by health authorities in the US and the Productivity and Standards Board in Singapore.

Excel's entry is yet another example of how the economic landscape in Singapore is changing, as more free trade agreements emerge.

It is true that Singapore companies will have a leg-up in the huge North American market when the US-Singapore Free Trade Agreement comes into force by early next year.

But the reverse is equally true. Hundreds, if not thousands more American SMEs like Excel would rush in, giving Singapore firms a run for their money.

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# Potable water machines

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Excel's machines are proving to be popular in the Middle East.

And back in April 2001, Mr Hisham had appointed a Singapore distributor, HLM Holdings International Pte Ltd, to penetrate the two huge Asian markets of China and India.

It won't be long before he sets his sights on Indonesia and Malaysia as well.

Mr Hisham was born and raised in Alexandria, Egypt, where life was hard, and people had to fight for a place in the queue to fetch water from the public tap.

When he grew up, he travelled around the world and saw how many countries have to struggle with their water problems.

He was convinced that water would be a big problem one day for many countries. "That's why I started selling water filters in 1988. It's more than the money. I

wanted to do something to help," he said.

He then moved to the US and settled down. In 1997, he was introduced to Richard Ehrlich, the American inventor and patent holder of a water-making machine. In September that year, Mr Hisham bought over the exclusive rights to make and distribute the machine.

With the help of the University of Maryland, Mr Hisham further developed the technology and secured additional patents. In May 2001, he signed up Whirlpool Corp, one of the world's largest appliance manufacturers, to mass produce the water-maker, which comes in two main models.

The WaterFinder is a handy, personal unit. It can make five gallons of drinking water a day.

With the help of a refrigeration system, it extracts moisture from the air and condenses it. An air filter ensures that the water is

kept dust and gas-free. The unit can last up to seven years. It can be powered by electricity, gas or diesel. Solar-powered versions are also being developed.

A bigger unit for industrial use, using the same technology, is called the Aquasphere. It can make up to 10,000 gallons of purified water a day.

## Will Cho Yε

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The Philippine Congress, which of works in a way that blends the American penchant for litigation with Spanish sense of pride, could resort to drastic action if Mr Wee decides not to appear before its committee.

"Today it's a polite request. Tomorrow it might be a subpoena to appear before court," said a Filipino lawyer.

A subpoena issued in the Philippines might have little effect in Singapore. Indeed, Mr Wee could proba-