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Swedish injection molding company Rosti Group is expanding its Suzhou, China, facility in part to handle more business for the domestic China market, after shifting some work from China to its new plant in Malaysia.

Malmö, Sweden-based Rosti said it expanded the Suzhou operation by 4,000 square meters of warehouse and manufacturing space,

doubled the size of its clean room operation there and began production of caps and closures for the domestic milk and juice markets.

The company had earlier shifted about 15 percent of its China business, about 80 million yuan (\$13 million), to its new facility in Senai, Malaysia, to be closer to one of their key clients, Xerox, said Ju-Peter Seng, Rosti's business development director for China, in an interview at the Medtec China show, held Sept. 25-26 in Shanghai.

"We're just trying to free up more capacity," Seng said about the China operations. "We're still in the expansion [phase]."

The expansion frees up space for additional injection molding capacity, he said.

To fill that space, Rosti has moved some caps and closures for beverages production into the Suzhou plant, where it received approval from the U.S. Food and Drug Administration for class 2B manufacturing of plastic parts for the food industry.

"These are mainly done in Europe and due to our customer's expansion in Asia, we've also started to do that in Suzhou now in an FDA approved area," he said.

The company said the China operations are shifting focus.

"Actually what we are trying to do is just to be gearing more towards local domestic industry market needs, which is why that is one of the reasons why we're putting more emphasis on automotive and medical," Seng said. "That is basically what we believe for the next three to five years will continue to have good growth in China."

He added that the Suzhou facility is adding automated assembly machines and will have an area that is mainly for automotive production.

"We still have free space available so that could be possible expansion for more production," he said.

Privately owned Rosti also has Asian manufacturing in India, and 10 facilities globally, with 500 molding machines, 2,500 employees and 2012 revenues of about \$396 million.