

# INFORM

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# CHINA AND ITS NEIGHBOURS.



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Dear Readers,

When the Far East is discussed in Western society, one usually means China. The population of this country is of a size which we Europeans find difficult to comprehend. Looking at the economy, the feeling is similar. The immense demand for everyday consumer goods results in impressive growth rates. A continuation of this growth appears to be guaranteed, although it might be at a slightly slower pace in the future.

We've already been supplying our injection moulds to China for more than 20 years. Numerous customers decide in favour of our products because high failure rates or quality problems in production would be very critical in a mass market of this category. Typically Swiss characteristics such as reliability, quality, durability and engagement provide these enterprises with the urgently required stability.

However, in this part of the world one can also find countries which aren't permanently in the headlines when it comes to growth and economic power. Among them are Indonesia, Malaysia, Vietnam, Thailand and South Korea. About 500 million people live in these five countries alone. An enormous potential, in our view, and the reason why we shall also promote our products more intensively in these markets. In this context we invite you to read the report on Indonesia's most important producer of PET preforms.

In line with the focal theme of this issue, we present you our Service Centre in Shenzhen. We opened this subsidiary nearly three years ago and the closeness to the customers enables us to markedly increase the amount of direct contact we have with them and provide improved on-site support.

We wish you an interesting and enjoyable read.

**Stefan Zatti**

Member of the management of Otto Hofstetter AG



# BUILT ON WATER.

The headquarters of **PT Namasindo Plas** is located in Bandung in Indonesia. The enterprise in its present alignment was founded in 2001 and now supplies customers from east to west and north to south of the state made up of countless big and small islands. **Yanto Widodo, owner and chairman**, tells us how he became Indonesia's most important producer of PET preforms and bottles.

Yanto Widodo, owner and chief executive of PT Namasindo Plas, with Rolf Blaser, regional sales manager, and Otto Hofstetter, owner and CEO of Otto Hofstetter AG.

## “OUR OBJECTIVE WAS TO BECOME INDONESIA’S MOST IMPORTANT PARTNER FOR WATER CONTAINERS.”

Yanto Widodo, owner and chief executive of PT Namasindo Plas.

### **Mr Widodo, PT Namasindo Plas today is a very impressive enterprise. What was the idea you started with in 2001?**

My vision was simple and the start very modest: I wanted to produce packaging products for mineral water, especially one-gallon containers. And the reason was perfectly obvious, too: my father had produced closures for such containers since 1984. On this basis I decided to start making one-gallon bottles.

### **How much plant and machinery did you have at the outset?**

At the start we only blew the bottles and hadn't yet started making preforms. There was only one single machine in our factory and, with 30 employees, we had plenty of personnel. The blowing machine, by the way, came from Europe. It was a Bekum from Germany.

### **Today Namasindo Plas is Indonesia's most important producer of preforms. What were your reasons for this upstream extension of the value creation chain?**

It was one of the important milestones in the development of our company. Our aim was to be the best integrated partner for water packaging in Indonesia. Anyone in pursuit of such plans is forced to take up the production of PET preforms. Specialised in this field, we can integrate our production lines into the beverages production process.

### **Customer focus is one of your entrepreneurial principles.**

#### **How is this evident to your customers?**

We're nothing without our customers. The key to success in our trade is to satisfy the customers' requirements with a fast and suitable service of constant quality. We guarantee our customers top-grade products and a first-class service.

### **What products make up the range of Namasindo Plas?**

The PC gallon was the product of the first hour. We then extended the range with screw closures and, in a next step, started to use recycled PET. The last addition was cups made by thermoforming. With a 40% share of our total sales, the PET preforms are the most productive segment.

### **What is the share of recycled PET?**

So far we use almost exclusively virgin material. Only one major customer insists on a 10% portion of recycled PET. In principle we would be able to make bottles from 100% recycled material.

### **Will recycled PET become more important in the years ahead?**

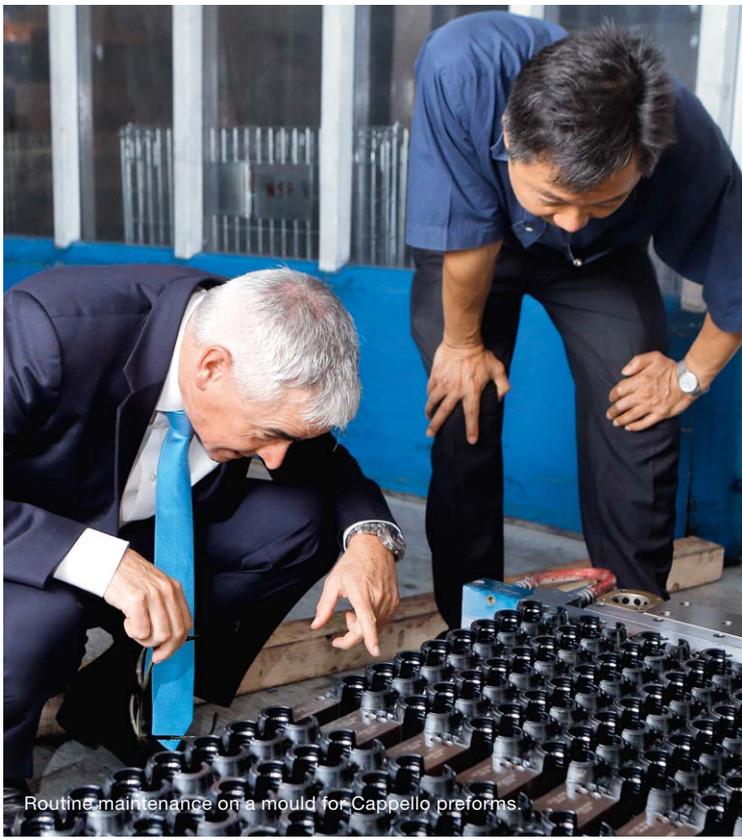
For Namasindo Plas, recycling PET is a topic by all means. Regrettably, the material is still a little expensive at this time. We try to recycle as much as possible ourselves. We operate six of our own recycling centres and collect bottles ourselves, which isn't easy. Unlike in Europe, PET recycling isn't yet very widely practised here. Moreover, there are people here who finance their life by collecting PET bottles.

### **What future do you foresee for the raw material market?**

The raw material market suffered from the pressures of the strong dollar. The prices fell about six months ago, but climbed to the high level again recently. Purchasing raw material is definitely a delicate task for us. While all quotations for raw material come in dollars, we sell our products mostly in Indonesian rupiahs.

### **Who are the most important customers of Namasindo Plas?**

Danone is our most important customer. Their Aqua is the



Routine maintenance on a mould for Cappello preforms.



Yanto Widodo currently operates 25 moulds made by Otto Hofstetter AG.



absolute leader in the mineral water market. Coca-Cola also ranks among our top customers, followed by leading local brands like Club, Sosro and Viro.

**Global brands specify international quality standards. What is the situation in this respect at Namasindo Plas?**

We certainly believe in quality and invest heavily in first-class machinery, injection moulds and infrastructure. Danone and Coke are very demanding, which is why we comply with standards such as ISO 9001 and FSSC as well as other international certificates. However, we don't stand still and keep developing further in all matters of quality.

**NAMASINDO PLAS**  
Beverage Plastic Packaging Companies

PT Namasindo Plas, Bandung, Indonesia

Founded by Yanto Widodo in 2001

Approx. 2200 employees

15 production sites

Main products: PET bottles, preforms, screw caps, cap gallons (jugs), closures and gallon bottles

**You generate a part of your income with finished PET bottles. For how long will this remain profitable?**

It varies from customer to customer. Many of our clients don't have the required blowing machines. Indonesia's geography means that transport is very difficult and correspondingly expensive. Carrying products within our country costs more than sending the same consignment to Singapore. The transport issue is one of the reasons why we want to set up a production location on each major island.

**The development of your company has been very remarkable. How do you explain the success?**

We have the right machines, first-class injection moulds and high-performance periphery, plus excellent partners. This is one side of the coin. The other side is the market. It is basically enormous and growing very quickly. Being partners of our customers, we keep in step and develop together with them.

**Why have you decided in favour of moulds from Otto Hofstetter AG?**

We are convinced that the moulds of Otto Hofstetter enable us to achieve the high quality we strive for. The choice also has a strategic component, however, since it secures our steady growth. This is why we haven't bought anything but Hofstetter moulds since 2007.

**In what area could the moulds be improved further?**

Swiss quality in general and that of Otto Hofstetter in particular are at a very high level. It would be fantastic if the service life of the moulds could be made longer still. Highly welcome, of course, would be further raw material savings, whereby it is clear to us that the preforms from the OHAG moulds are already very light. Less weight means less material, however, which in turn means a cheaper price for the customer.

**Is co-injection a topic at Namasindo?**

I am in fact quite fascinated by this technique, although I regard its potential in Indonesia as rather small. Right now I can't think of an application which could benefit from co-injection. Moreover, it is rather expensive, which further reduces its possible usage spectrum. As exciting as the method is, I don't think that it will gain a foothold in the Indonesian market.

## “BEING PARTNERS OF OUR CUSTOMERS, WE KEEP IN STEP AND DEVELOP TOGETHER WITH THEM.”

Yanto Widodo, owner and chief executive of PT Namasindo Plas.

### What’s next in the beverages packaging market?

The industry is growing, especially in Indonesia and Asia. This development is taking place in parallel with the growth in population, the gross national product and the per capita income. As a result of this we see a two-digit growth rate year after year. Indonesia can be termed the growth market by all means.

### How will Namasindo Plas look in 25 years?

Namasindo will be Indonesia’s biggest integrated plastics company.

### Let’s leave the PET business. You collect classic cars, primarily Volkswagen. Why this make?

Volkswagen is an old traditional brand which hasn’t lost any of its attractiveness and radiance. The model ranges, variety and the classical shapes of the vehicles are a real challenge in terms of restoration. The satisfaction I experience on completion of the job is something I appreciate more than anything.

**Mr Widodo, we wish you every success and hope that you achieve all your goals. Many thanks for this interview.**



Having started with the gallon, PT Namasindo Plas now serves the market with all common bottle sizes.



# STEPPING ON IT.

Tubes are among **the most common packaging products** used in the cosmetics industry. Otto Hofstetter AG participated in the development of **injection-moulded tubes**, which, in many areas, clearly beat the conventionally made types. In the foreground are **the favourable eco-balance and the nearly limitless design possibilities**. With the currently available injection moulds the tube provides the basis for a new success story.

#### Current, but outdated.

Although elaborate, the conventional method of making tubes is still widely applied. It relies on big, complex equipment of dimensions which fill whole factory halls. Production takes place in several steps and requires not only much experience, but also trouble-free procedures. The tube bodies and lids must be brought together. Also restricted are the possibilities as regards design, and even the printing quality is subject to limitations. On the whole, the currently most widespread tube production technique is expensive, inflexible and unfavourable from an ecological point of view.

**THE TUBE IS LIKELY TO HAVE A VERY PROMISING FUTURE IN VARIOUS BRANCHES OF THE INDUSTRY.**

#### Growing demand.

Tubes are a significant type of packaging in the market. Taking the figures from the USA in 2013 for reference, two-thirds of the total demand for packaging products are covered by tubes. According to the Tube & Stick Packaging study of the US market research institute Freedonia, the demand is likely

to grow by almost 4% annually to USD 1.3 billion by 2018. If one adds to this the dynamics of the Asian markets in general and the increasing significance of the cosmetics trade, one of the decisive fields of application, one can safely predict a great future for the tube.

#### Recognising the mood of the times.

Zestron Research of Australia invested in the early 1990s in the search for simpler production methods for tubes. In cooperation with Otto Hofstetter AG, the Zestron engineers developed the first injection mould for tubes. They succeeded in replacing the complicated and costly extrusion and downstream processes by a single unique working step. This innovation was presented to the general public for the first time at the international trade fair Interpack in 2005. After three years of further development an integrated system resulted in cooperation with the mechanical engineering company Beck Automation AG.

#### Presentation at the K 2010.

The packaging industry celebrated the new tube production technology at the Düsseldorf plastics exhibition in 2010. Plasticum, now the Weener Plastic Packaging Group, Beck

Automation AG and Otto Hofstetter AG introduced the Clube. The tube with integrated flip-top cover was produced in one piece by 2-C injection moulding. The system configuration consisted of a machine featuring a rotary plate and a cube mould equipped with in-mould labelling (IML).

## TUBE PRODUCTION BY INJECTION MOULDING OFFERS CLEAR ADVANTAGES IN MANY AREAS.

### Known brands on board.

A well-known manufacturer of cosmetics was behind the first injection-moulded tube launched on the market. According to the brand's own statement it was primarily the multitude of design possibilities which impressed, apart from other lasting advantages and lower production costs. Injection moulding in combination with IML and the wide design spectrum offered by it means freedom from the many restrictions of conventional production methods.

### Two chambers in one tube.

The development group which presented the Clube surprised the professional public with a second novelty: the two-chamber tube. Also injection-moulded in one production step and featuring an effective design, this packaging product is suitable for two components of, for example, an ointment. This is a long-awaited, user-friendly solution for cosmetic products when two ingredients need to be mixed immediately before the application.

### Experience at the basis of innovation.

In the development of moulds for the injection-moulded tube, the experts of Otto Hofstetter AG drew from their long experience in the production of cartridges. The different wall thicknesses and the solid execution of the tube cover represented the biggest challenges. The solution was eventually found in several gates which provide the prerequisites to fill the mould in a better way and at the same time achieve shorter cycle times.

### Benefits from the tube.

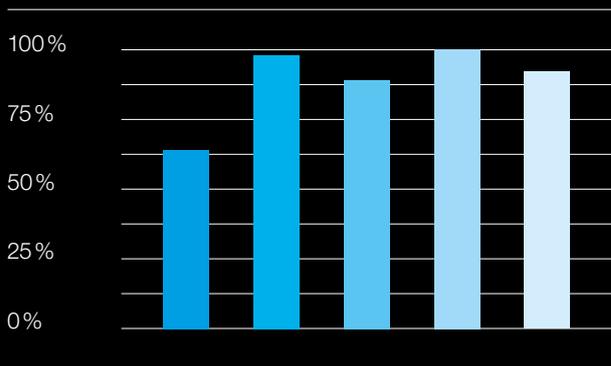
The superiority of injection moulding over the conventional production method for tubes is impressive: lower investment, reduced personnel costs and less occupied floor space are only three of many calculatory advantages. Apart from this, the new technique clearly offers more freedom of design and

a better quality. Also significant are the ecological pluses. A weight reduction of up to 40 %, a lower energy consumption and shorter cycle times result in a marked improvement as regards the ecological footprint. What's more, tubes made from polymer can be fully recycled.

### What is available today?

Otto Hofstetter AG develops and designs different types of injection moulds for tubes. The most widely used configuration is with eight cavities and laid out for screw closures. Designs for 16-cavity moulds, two-chamber tubes and other closure systems such as flip-top and similar exist as well. All of them are suitable for the integration of IML and able to process different polymers. There's no doubt about it: Otto Hofstetter AG is well prepared for the tube generations of the future.

### Emissions into the environment per tube.



- Viva's 100% recyclable polypropylene tube
- Laminate tube with 32% PCR\* plastic (by weight, excluding cap)
- Extruded tube with 32% PCR\* plastic (by weight, excluding cap)
- Virgin laminate tube with no PCR\* plastic
- Virgin extruded tube with no PCR\* plastic

\* Post-consumer recycled.

Source: Viva Healthcare (ed.) (2013) Polypropylene Tube Analysis LCA Summary, 22 January 2013.



## CHINA AND BEYOND.

**Kam Yip Silicone Sealant (HK) Ltd. is one of those young and successful enterprises which are driving the economic upswing in China. Liming Yip founded the company a little more than 20 years ago and has developed it into an important producer of silicone cartridges. On the occasion of our visit to Foshan, he explains how he has achieved so much within such a short time.**

## “WITH THE EUROPEAN TECHNOLOGY WE’RE TWO-THIRDS FASTER THAN WITH OUR LOCAL EQUIPMENT.”

Liming Yip, founder and CEO of Kam Yip Silicone Sealant (HK) Ltd.

### **Mr Yip, please tell us about the progress of Kam Yip.**

I set up the company in 1991 and traded initially in silicone sealing compounds. Three years later, i.e. in 1994, I developed our own brand Kam Yip and bought the material from other producers. We’ve been making our own cartridges since 1996 and also produce our own silicone. In this manner the business prospered until 2005.

### **What did Kam Yip look like originally?**

The company was very little, about the size of my office today. We produced on a very small scale. If I remember rightly, our daily output amounted to between 100 and 200 cartons.

### **You said that everything went well until 2005. What changed then?**

The building trade in China boomed more and more and the demand for silicone increased dramatically. A great situation to be in, basically. However, our production equipment was already running at full capacity at this point in time. And we

were unable to buy the urgently needed quantities on the market because the same happened to the other producers. They, too, pushed their machinery to the limit and achieved maximum outputs. This shortage of products characterised our business until 2010.

### **How did you improve the situation?**

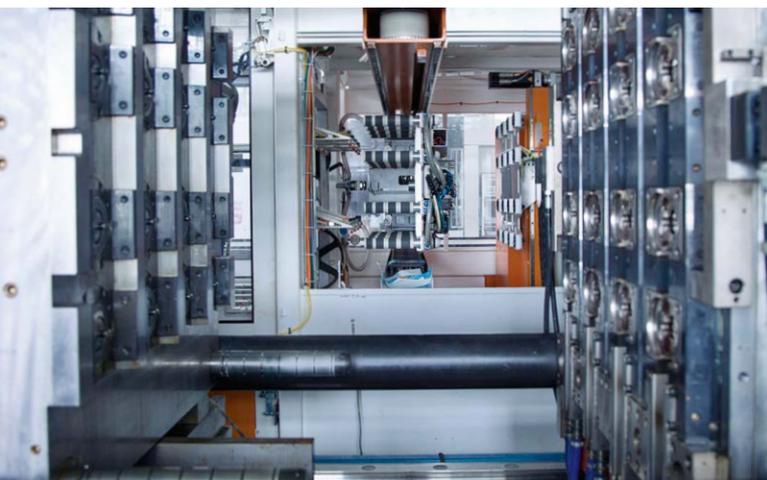
Everybody agreed that things couldn’t go on in this way. Kam Yip had to find new approaches to take advantage of the market demand in order to grow further. We examined different options and eventually came upon Otto Hofstetter AG. Convinced of the quality of the Swiss company, we started with four of its injection moulds.

### **Looking at your enterprise now, it must have been a wise decision. What do the figures look like today?**

We specialised in the production and sale of silicone cartridges. China’s monthly demand is currently approximately 150 million. About 20 to 24 million of these are produced by Kam Yip with injection moulds from Otto Hofstetter. We employ 200 persons to cope with these considerable quantities. We could in fact sell even more cartridges, but some of our customers see us as competitors because we have our own end product on the market.

### **With around 20 million silicone cartridges per year, you rank among China’s most important producers. How do you explain this great success within such a short time?**

The main reason is no doubt the enormous demand. China is developing at a very rapid pace and the building volume is increasing accordingly. And, as we all know, silicone is needed wherever buildings go up. Let me put it this way:



Liming Yip started to modernise his production with four moulds from Otto Hofstetter AG in 2010. In the meantime the number of moulds from Uznach has grown to 15.

I was in the right place at the right time and ready to develop the company uncompromisingly with very high personal engagement. Useful, surely, was also my excellent social network, without which such a development is inconceivable. The location as a third factor no doubt played a role as well. Many aluminium works are established in Foshan and need considerable quantities of silicone for their production.

**Kam Yip sells its products also to other Asian countries, the Middle East, Africa and South America. How are your sales organised?**

At this time four to five employees work in the export department. Many customers find us through our Internet page or get to know us at trade fairs. Others contact us on the recommendation of satisfied customers. Brazil, Africa, India and the Middle East are now our biggest markets outside China. However, we want to make a step ahead in this region as well. We shall expand our sales team in the near future to intensify our presence. Apart from this we are thinking about exporting empty cartridges. No taxes are imposed on plastic packaging products, which encourages overseas trading.

**What characterises your products? Why do customers choose the products of Kam Yip?**

We have full control over our costs thanks to the fact that we produce both silicone and cartridges ourselves, as well as the cardboard boxes. This means stable prices for the buyers. The quality is the second reason why our products are bought. From the moulding machines making the cartridges to the automated silicone production system, we benefit from a first-class infrastructure. It's not for nothing that we are number one or two in the Chinese market.

**What's the significance of the name Kam Yip?**

Our company name is a combination of my mother's family name Kam and my family name Yip. In the meantime it has developed to become a well-known brand and is protected by trademark law. Our products are not only sold under the brand name of Kam Yip, but other labels as well. Depending on the market and other requirements, we resort to other trademarks to increase our market share.



With 20 million cartridges per year Kam Yip ranks among China's biggest producers of silicone.

**The products of Kam Yip comply with various international standards. How do you guarantee compliance in view of this considerable production quantity?**

Kam Yip meets the specifications of ISO 9001 and ISO 14001. Three measures ensure that we comply with the defined quality standards. Firstly, we cooperate with experienced and reliable suppliers exclusively. Secondly, our production is largely automated and computer-controlled, which makes it much less prone to nonconformities. And thirdly, we operate our own test lab. Our specialists examine the quality of the silicone and the cartridges continuously.



Kam Yip Silicone Sealant (HK) Ltd., Foshan, China

Founded by Liming Yip in 1991

Production area: 60,000 square metres

Main products: silicone sealants, cartridges and accessories

Markets: China, Middle East, South-East Asia and South America

**You rely on European manufacturers for your cartridge production equipment. What is the reason for this preference?**

The quality of the machines and moulds guarantees us highly efficient production. The output of cartridges, for instance, is now 80 pieces per minute. This is six times more than local equipment would achieve. Marked differences exist also when it comes to the cycle times. With the European technology we're two-thirds faster than with our local equipment.

**Otto Hofstetter AG is your partner for injection moulds. Why?**

I trusted the company right from the start. Everything is very professional and well organised. The quality of the moulds also impressed me from the first moment. The purchase price is considerable if looked at on its own, but it is absolutely fair in relation to what one gets for the money.

**What could Otto Hofstetter AG optimise?**

We would welcome it very much if the mould service could be intensified, and this preferably at no charge. Ideal would be once per month, with follow-up training of the person-

nel at the same time. Firstly, because the moulds deserve it and, secondly, because their purchase is quite a sizeable investment from which Kam Yip wants to benefit for as long as possible. Moreover, the cooperation would benefit from a more frequent and regular exchange of views.

**Where do you foresee the most attractive future markets?**

Overseas and in India. To me, there already seems to exist an immense demand in both regions now. And India is a country in which development is only just starting, so that its attractiveness will increase yet further in future.

**In what direction will China's packaging industry develop?**

The Chinese market is very difficult and suffers from over-capacities. This inevitably affects the prices. Reduced to the packaging, this means that the other producers of silicone regard us as competitors and as a result don't buy cartridges from us. In consequence we offer our products on the other continents. I could even imagine winning new overseas customers through the Otto Hofstetter network. In return we could act as intermediaries to further mould purchasers in China who appreciate the value of outstanding performance.

**Many thanks for this informative discussion, Mr Yip, and our best wishes for continued success.**

# ROADS OF PLASTIC.

**If the invention turns out to be a success, both motorists and environmentalists can sigh with relief. Tailbacks and potholes should finally belong to the past. We're talking about roads of PET.**

The revolution in road construction starts in the Netherlands. The Dutch construction company KWS Infra wants to build roads from plastic, from PET and PET bottles. If it succeeds, this will be a moment of glory for the environment and mobility.

The raw material for the new road surface is to be fished from the world's oceans, among other places, where millions of tonnes of plastic float about and form an artificial continent of the size of Europe. KWS Infra intends to melt this plastic waste and give it a shape.

The construction elements will be prefabricated. They will be rectangular and hollow, like the frame of a matchbox. The construction company imagines that these individual road parts will be lined up in a row, plugged into each other and connected like the sections of a slot-car racing track.

#### **Fewer traffic jams. Fewer roadworks.**

The prefab method will drastically shorten the construction time on the spot. This improves the safety and reduces the traffic jams on site. Moreover, the road surface of plastic is expected to be much more robust than concrete and asphalt. This will be a big plus in countries like the Netherlands where some of the roads are below sea level, need to be built on spongy subsoil and require frequent repairs or complete renewal.

#### **Useful life 50 years. Then start anew.**

The CEO of the construction company KWS Infra, a subsidiary company of VolkerWessels Group, is pursuing the project and explains: "Road surfaces with the normal asphalt cover have to be renewed every 7 to 12 years. Our plastic parts stand up



to the influences of traffic and weather three times longer.”  
The plastic surfaces should withstand temperatures between minus 40 and plus 80 degrees Celsius. Proof of the material’s durability has already been provided by drain pipes and pallets of plastic, says de Vries. After 50 years the lot can be recycled.

#### **Whispering surface.**

With great enthusiasm KWS Infra lists further advantages of his plastic road surfaces. They can be cast in such a manner that water will flow off downwards or to the side. Pipes and measuring instruments can be installed in the empty spaces underneath the road. The danger of slipping on the plastic roads can be overcome by the addition of sand or other suitable materials in the surface.

Another plus is that traffic on the plastic will be yet more silent. According to de Vries the surface is easier to treat than concrete and asphalt in the interest of reducing the noise from rolling tyres.

#### **Utopia or a realistic endeavour?**

De Vries’s excitement about the idea of the plastic roads with less noise and lower costs for the infrastructure may not be shared by everybody. One expert in road engineering, the emeritus professor Andre Molenaar of the Delft University of Technology, asks people to consider that: “Materials for road construction must meet high requirements, one of which is fire resistance.” Burning plastic may be very harmful to the environment, and untreated plastic is sensitive to UV radiation and becomes porous. To simply throw all plastic rubbish on a heap and make a road surface from it is impossible. According to him, a clear selection is needed and this in turn makes the recycling process complicated.

#### **Plastic road in Rotterdam undergoes test.**

“All these problems can be solved”, comments KWS Infra CEO Rienus de Vries, full of confidence. And even professor Molenaar agrees that innovation in road construction is urgently needed by all means, in the interest of both the environment and the economy. No question, the more robust the road surface, the lower the amount of roadworks, congestions and accidents. Not to mention the material savings and the lower energy consumption.

Be it as that may, the plastic visions of KWS Infra will be put to the test quite soon. The city of Rotterdam has already decided on a place for the world’s first plastic road. But they will not start with an entire motorway. A bicycle track of PET will be built to find the right material mixture and gain first experiences under everyday conditions.



# SHENZHEN IS ON THE MOVE.

**The subsidiary of Otto Hofstetter AG in Shenzhen takes positive stock after the first nearly three years. Short distances and short reaction times – the clients appreciate our good understanding of both market and culture. With the active support of the headquarters, the Service Engineers in the PET and PAC segments provide the Swiss quality which our customers expect.**

It was back in December 2012 when Otto Hofstetter personally opened the subsidiary of the Swiss enterprise in Shenzhen. Ever since, the young team has been attending to the daily business in close coordination with Rolf Blaser. In the administration, the Operations Manager Li Hong Fu relies on Angelina Tang and an assistant for financial and administrative matters. Three Service Engineers in the workshop look after the injection moulds of the customers. Two of them came to the HQ in Uznach where they received thorough training. All work is coordinated with the competent persons in Sales and Engineering, and the after-sales service specialists accompany them if necessary.

#### **Difficult start.**

Like with all European companies intending to set up a subsidiary in China, the start of Otto Hofstetter Shenzhen was affected by countless bureaucratic tasks. In the middle of the approval phase, the city of Shenzhen was assigned to a new district, a measure which caused an additional effort. To find suitable premises and talented employees was also harder than expected. "The Chinese are open towards new things, highly engaged and keen to learn more", comments Rolf Blaser. He was in charge of building up the subsidiary's infrastructure and organisation, as well as the training of the employees.

#### **Closer to the market.**

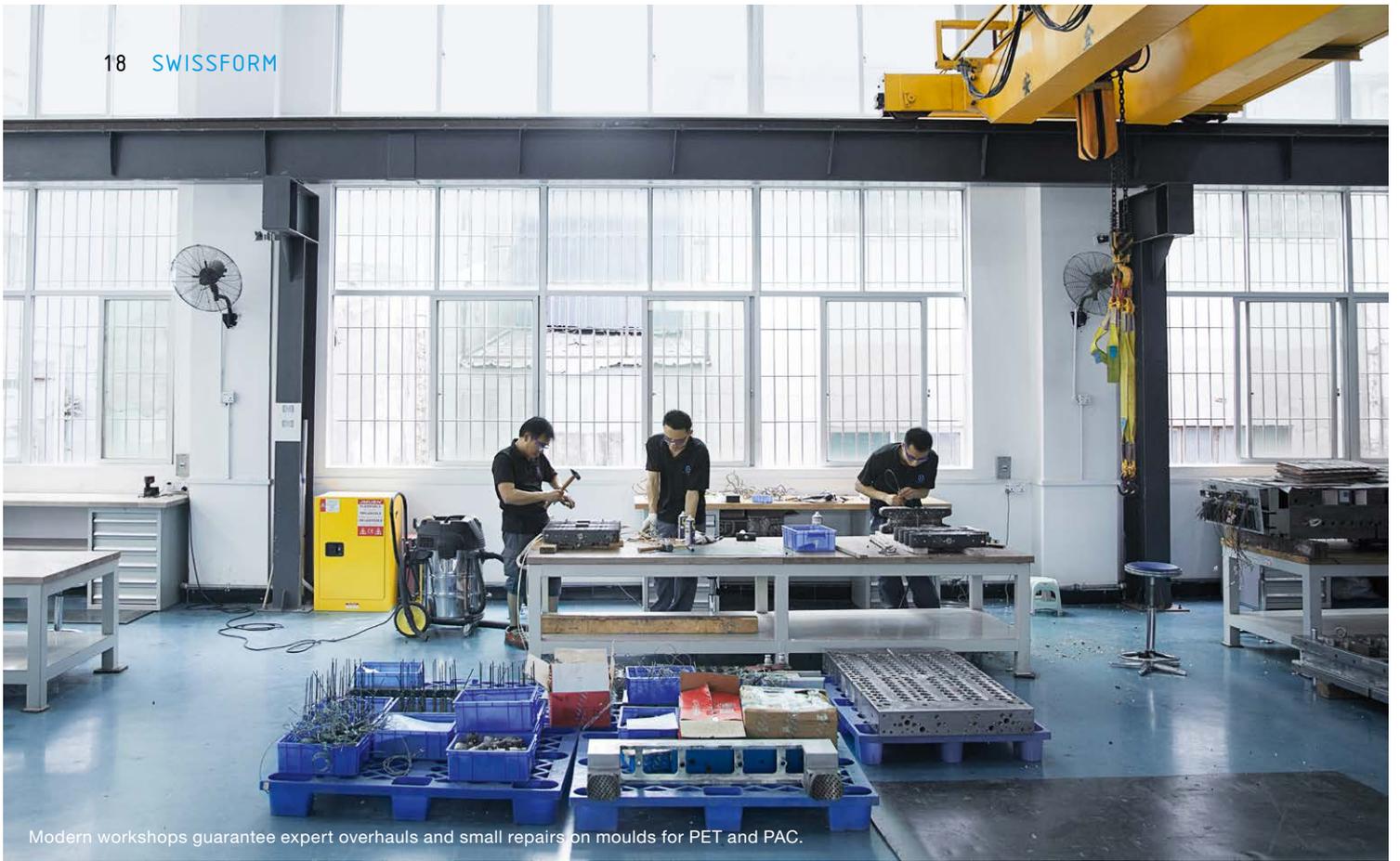
The objective of Otto Hofstetter Shenzhen is to offer the existing customers a high-quality service. The latter consists primarily of a high availability of original spare parts, short reaction times and relatively short distances. If the presence of a colleague from Switzerland is needed, the fellow workers of Shenzhen are pleased to act as interpreters. This enables a trouble-free communication between the Chinese customers and their Swiss partner, speeds up the solving of technical queries and deals with administrative issues more quickly.

**"SHENZHEN PROVIDES A FIRST-CLASS SERVICE AND IS QUICKLY ON THE SPOT."**

*Rolf Blaser, in charge of the subsidiary.*

#### **Short reaction time.**

The Service Engineers of Otto Hofstetter Shenzhen support our customers in the operation of the injection moulds. This starts with the detailed instruction of the customer's technicians in the production department. They learn how to run and professionally maintain a high-tech mould. In the rare cases when a mould does not perform as planned and normal, the Service



Modern workshops guarantee expert overhauls and small repairs on moulds for PET and PAC.



The employees in Shenzhen learned their trade at the HQ in Switzerland.



Engineers from Shenzhen are soon on the spot. They clarify the cause and arrange for an immediate repair if necessary. If a routine overhaul is due, the mould is put in top condition again in the modern mould shop of Otto Hofstetter Shenzhen.

**Switzerland offering support.**

The Chinese Service Engineers were carefully trained to ensure that they attend to their tasks according to the guidelines and quality standards of the HQ. In the initial phase, Swiss specialists visited Shenzhen and instructed their colleagues on the job. To deepen their knowledge, two Chinese Service Engineers came to Uznach for individual training to suit the specific requirements of their market. Even now they can fall back on their colleagues at the Hofstetter HQ at any time. However small an uncertainty may be, they get the necessary competent answers quickly via the Internet.

**Swiss quality guaranteed.**

Complete overhauls and repairs of preform moulds can be carried out in Shenzhen. The basic quality is always guaranteed thanks to a marked standardisation of the mould components and a comprehensive stock of original spare parts. Transport of a mould back to Switzerland is hardly ever a topic. "This reduces the downtime of the machine concerned and keeps the transport costs at a reasonable level." Rolf Blaser sees advantages also for customers engaged in the packaging business, because his Service Engineers in China are the competent contact partners in many cases also when it comes to PAC moulds. In case of process engineering issues or if the production system needs to be optimised, support by a technician from Switzerland is available. If the complexity or the scope of overhauls or conversions are higher, individual components or complete subassemblies are sent to the works in Uznach, because the proverbial Swiss quality is not negotiable.

**"WE MUST BE TECHNICALLY  
A STEP OR TWO AHEAD OF OUR  
COMPETITORS AT ALL TIMES."**

*Rolf Blaser, in charge of the subsidiary.*

**Part of a family.**

The conclusion after the first 36 months is entirely positive. The Chinese customers like the closeness and the straightforward transaction of orders. The early availability of original spare parts lowers the procurement costs and the quick reaction reduces the machine downtimes and production stops. The solidly trained Service Engineers in the team increase their



**Top:** Sales support and administration in Shenzhen promote the inter-cultural understanding and shorten the reaction time.

**Bottom:** Original spare parts are always in stock in large quantities and variety.

know-how on a daily basis and ensure Swiss quality in case of overhauls and repairs. It is a fact that the subsidiary in Shenzhen is a part of Otto Hofstetter AG and its employees are members of the team.

**Ready for take-off.**

"China has 1.4 billion inhabitants, and the whole of Asia about 2.4 billion. The urge to consume is enormous and keeps growing." For Rolf Blaser, responsible at the Uznach HQ for the Shenzhen subsidiary, the future looks quite promising. He sees an immense potential for the high-tech moulds of Otto Hofstetter AG especially in the area of food packaging. Competition, however, is permanently increasing. More and more local mould makers are improving their products and achieving a higher quality. "Technically, we must be a step or two ahead of our competitors at all times, so that further success in the Chinese and Asian market is not obstructed in any way," comments Rolf Blaser with conviction. "And our Swiss quality will remain an important advantage also in future."



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