



# GREATVIEW CHOOSES MARTIN TO BOOST ITS PRODUCTION EFFICIENCY

*Gang Hong (right) of Greatview Aseptic Packaging, and Gavin Rittmeyer of Martin Automatic, in front of an artist's impression of Greatview's new facility in Halle/D. The new plant include a Martin MASB butt splicer fitted to a high-speed press.*

**THE PHENOMENAL** growth of Greatview Aseptic Packaging Company is one of the biggest success stories of 21st-century carton production. Nick Coombes takes a look behind the scenes of a company that in ten years has become the world's second largest supplier of web fed aseptic packaging, and follows a thread of automation that has been fundamental to its productivity.

When Gang Hong and Jeff Bi, two long-time industry executives hatched their plan for Greatview in 2003, few could have predicted its rapid rise to success – few that is, apart from the two founders. Jeff Bi, with his financial expertise, and Gang Hong with his sales and marketing background, joined forces in March 2003 and began to assemble a team of international talent, drawn from America, Europe and Asia.

First off, Hong and Bi took up key roles at the Chinese state-owned Tralin Pak, located in Shandong Province, in the north of the country. According to Hong: "We got off to a tricky start. In the first year, we had to postpone paying salaries so that we could use profit to invest in building the business. But the employees preferred this to working for a state-owned company because they could see the long term potential."

Still at the heart of company production, the Gaotang plant, where Tralin once began, supplies a full range of aseptic package formats for the domestic and export markets, and by continual investment in process controls, laser scanning, ink management, and print production equipment, the company has ensured it has stayed at the forefront of technological capability.

Greatview opened its Shanghai R&D Centre in 2005 with the objective of developing spare parts and filling-machine production technology. Specialist technicians and aseptic packaging experts were recruited to the company, and new equipment was developed to provide technical solutions to a fast-growing market supplied by leading dairy and fruit juice producers. During this period, the company became recognised as a reliable alternative supplier of aseptic packaging material, achieving ISO certification, and constantly improving the quality of its aseptic packaging material to match the best that the international market could offer.

In August 2008, following changes to Chinese anti-monopoly legislation, which freed up the market for competition in the supply of aseptic packaging, business began to grow rapidly. By 2009, Greatview had established a new plant in Inner Mongolia, adjacent to the giant dairy belt that supplies the world's two largest manufacturers of UHT milk. The new plant at Helingeer, which covers a site of 66,000 square metres, has an annual design capacity of eight billion packs, following the completion of a

new second production line in 2011.

Having gained the attention of foreign equity investors, CDH Investments and US Private Equity investor Bain Capital, the company's capitalisation reached US\$ 60 million, giving it sufficient financial muscle to embark on its next growth phase under the management of Hong and Bi, who remained the major shareholders.

In November 2010, Tralin Pak changed its name to Greatview Aseptic Packaging Company, and announced its intention to float on the Hong Kong Stock Exchange. The launch was a major success, with shares closing on day one at HK\$4.92, a 14.4% rise over the offer price. In all, a total of around 173 million shares were traded that day, amounting to approximately HK\$830 million.

In addition to its high volume capacity, Greatview is proud of the carbon footprint neutralising scheme that was incorporated into the Helingeer factory design, which, it claims, is one of the most modern environmental management concepts in China. The scheme is fundamental to the company management's vision for Greatview's future.

"Back in 2003 we looked closely at the market trends and spotted the huge increase in demand for dairy products. With China still an agrarian economy with restrictive government legislation, and the leading aseptic packaging supplier struggling to cope with increased demand, we saw an opportunity. The learning curve proved steeper than anticipated, and waste levels were very high to begin with, but we believe that Greatview has largely been responsible for the growth in demand for UHT milk in China, and as people's tastes changed, they moved away from the powdered product," commented Hong.

A sound environmental profile is good for building customer loyalty, and the company works hard to validate its green credentials. According to Hong, all carton board used in Europe comes from sustainable sources, whilst in China, Greatview, amongst all its competitors, uses the highest proportion from sustainable forests.

Part of the company's vision has been to invest in the best possible equipment and technology, and the American company Martin Automatic has played a key role throughout Greatview's development, according to Hong. "We inherited some Martin equipment at Tralin when we took over, and have added more since. I have no doubt it has improved our productivity and significantly reduced waste levels there, and this influenced our choice of equipment when we set up the new plant at Helingeer. Both plants are now fully Martin Automatic equipped."

Installation of Martin Automatic roll handling equipment at Tralin began in 2000 with an MTB butt splicer and turret unwinder, as well as a RMAP rewinder. According to Martin's VP Sales & Marketing

Gavin Rittmeyer: "In the 40-plus years we've been involved in designing and manufacturing bespoke technology, one common theme repeats – that reduced manual handling and machine downtime result in lower waste levels and better overall print quality, both of which improve bottom line performance. The aim is simple, even if the solution is often less so – that's why our global experience, which is second to none, provides the basis for sustainability in business."

Since Greatview took over the former Tralin plant at Gaotang, Martin has installed a further RMAP rewinder and MCBWW splicer to a second production line there. At the new Helingeer facility, the American manufacturer has installed two MTB turret unwinders and two RMAP rewinders.

Gang Hong believes firmly that the economies of skill, scale, and automation are key to the company's future success. "We operate our business with high moral ethics," he said. "We've used water based inks from the very beginning. They are more expensive, and we could have taken a cheaper route, but we know they are essential for us to succeed in the international markets like Europe. We want to be seen as a global player – one that is leading China's success," he added.

One of the company's latest investments is at Halle in Germany, situated north west of Leipzig. Construction began in July 2011, and the plant was anticipated to have an annual production capacity of approximately 4 billion packs by the end of 2012, while providing jobs for 110 skilled workers. Seen as a milestone in the company's international business development, the Halle plant is initially intended to supply Europe, the Middle East and the Americas via major seaports in Germany, Belgium, and the Netherlands. Annual output is eventually tipped to reach 16 billion packs.

Integral to the Halle plant's capacity is a Martin Automatic MASB butt splicer. One of the most sophisticated of its type in the world, it features 14 drive axes, with eight servo drives controlling the splicer and six other AC Vector drives for the material handling and unwind rolls. According to Martin's Rittmeyer: "This is a sophisticated machine that is designed to maximise the production potential of today's high speed web fed carton presses. Along with a high degree of automation, it features a closed circuit camera monitoring system with DVR capture and a large capacity hard drive for splice unit diagnostics and remote viewing capability."

According to Gang Hong, Greatview's experience with new plant investment and installation is unequalled. "We've built three new factories in 12 years, and what impresses us most about Martin is their ability to listen carefully to the briefs, all of which are different, and come up with a solution that combines efficiency and reliability with a sound return on investment. It's why they are the market leader."

With demand for cartons growing worldwide at around 5% a year, Greatview is already formulating its next development plan, which will see company operations begin to cater for growing demand from India, Brazil, and Turkey, as well as China, where in ten years it has achieved nearly half of the 30% market share to which it aspires. Ambitious? Yes, but with its track record to date, few would bet against Greatview achieving its goal.

***"Martin Automatic MTB butt splicing unwinds at Greatview Aseptic Packaging's new plant at Helingeer, Inner Mongolia. The two printing presses are also equipped with Martin nonstop rewinders for continuous roll-to-roll production."***

