

Blow molding machinery market adjusts to changing packaging sector

By Bill Bregar
Plastics News Staff

The U.S. blow molding machinery market remained healthy in 2018, with some manufacturers reporting strong growth and others a spotty year with some sluggishness.

Industrial blow molding faced tougher sledding with a slow-down in the automotive sector. But packaging remains strong, most executives said.

Gary Carr, vice president of sales at Bekum America Corp., said customers this year seem to be doing more strategic planning about investments in blow molding machinery.

"In years past, companies would make purchase decisions when they had programs in hand. Now they're investing in future business opportunity," he said. "There's more long-range business planning."

For the first time, Bekum America had two booths at NPE in May: a main booth in the West Hall and a stand in the South Hall's Bottle Zone.

Carr said 2018 "will go down as a banner year."

"We went into NPE2018, and normally business tails off before a major trade show. We didn't see that this year, it just continued and it hasn't slowed since," he said.

The brisk machinery business has led to longer lead times, however, out to six months or longer. Carr said the supply chain is full for key machinery components like motors, pumps, barrels and

screws.

Based in Williamston, Mich., Bekum America has a solid backlog.

"We'll be busy well into 2019," Carr said.

Jamie Pace, who got promoted to president and CEO of Nissei ASB Co., said 2017 was the best year in the company's history, both globally for the Japanese parent company and in the United States. That's hard to repeat a second year. Business in 2018 was not as strong good as forecasted, but it still was good, he said.

Pace said Nissei ASB said business did slow before NPE2018, as customers waited for the big show in Orlando. But it didn't really pick up after NPE.

"But now, Q4 is very strong," he said.

Nissei ASB's technical center at its 2-year-old U.S. headquarters in Smyrna, Ga., is busy, as the company can help customers develop projects.

"And the mold modification capability is getting very good utilization," Pace said.

Pace said the strong fourth quarter means "we have high expectations for 2019, and we've got a number of large projects that are in the fold," he said.

W. Amsler Equipment Inc., which moved into a larger headquarters and factory this year, in Bolton, Ontario, continues to target the market for wine and beer in PET bottles. Beer was the theme of Amsler's booth at the Bottle Zone during NPE2018, and the company has been exhibiting at craft brewer conferences.

"We're going to promote the



From left, Gary Carr, vice president of sales, and Steven London, president and chief operating officer at Bekum America Corp. at the company's booth at NPE2018. Carr said companies are investing in future business opportunities and are doing more long-range planning.

plastic bottle alternative, both the large-size and the keg-size bottles," said Heidi Amsler, sales and marketing manager for the machinery maker. At the Ontario Craft Brewers Conference, the company supported a distributor currently in glass bottles but now adding plastic wine bottles and working to expand into PET beer bottles.

"We've developed a preform. Now we have two different bottle shapes," she said.

The 34,000-square-foot plant Bolton gives Amsler Equipment enough space to do more bottle design projects, including conversion. Heidi Amsler said the company also has more room to do limited production for customers.

"We're adding more equipment so we can help people out," she said.

Krones Inc. of Franklin, Wis., had an up-and-down year, said Dave Raabe, director of blow molding technology.

"It's been an odd year. With the economy picking up the way it's been, we thought we'd be in better shape and everything. It's been on the sluggish side," he said.

The U.S. operation's German parent company, Krones AG, made news this year when it bought PET preform mold maker MHT Holding AG in Hochheim, Germany. Krones supplies complete beverage lines, and the pick-up of molds closed a gap in the equipment maker's value chain, officials said.

In another preform-mold deal, Tech-Long Packaging Machinery Co. Ltd., the Chinese maker of PET stretch blow molding machines and beverage packaging lines, announced at NPE2018 it was partnering with Chinese mold maker Unique Injection Molding Systems. The two firms launched joint efforts in the Americas and much of Europe. Tech-Long Amer-

icas is based in Duluth, Ga.

Kautex Machines Inc., well-known for its automotive fuel tank blow molding systems, is targeting a bigger share of the packaging market as a way to keep growing, President Bill Farrant said. German parent company Kautex Maschinenbau GmbH has built a 54,000-square-foot production hall in Bonn to build packaging machinery in higher volumes.

Of course, Kautex still plays in industrial blow molding. Farrant said automotive has slowed down a bit. But Kautex has seen growth in machines for specialty markets such as kayaks, garden sheds and industrial drums.

"We're still very positive for the packaging market. We have a healthy backorder, and our challenges are to reduce our lead times," Farrant said. All machinery producers are facing supply chain issues to get components such as linear bearings, proportional valves and gear boxes, he said.

Business has been stable this year for Rocheleau Tool and Die Co., which makes extrusion blow molding machines in Fitchburg, Mass.

"It's been OK. It's been a steady business but very spotty. Things tend to come in clusters now, it seems," President Steve Rocheleau said.

Food packaging is the company's largest market, an area that is steady but not explosive. "It's almost recession-proof," he said.

At NPE2018, Rocheleau rolled out its largest reciprocating-screw machine to blow mold containers for the dairy, industrial and consumer markets. The RS-90 produced gallon sizes in six cavities or smaller items in up to 16 cavities.

The RS-90 is a hybrid machine, using both hydraulics and electric drive technology — a first for Rocheleau. Customers want the

best overall solution, Steve Rocheleau said: "It's not like people crave all-electric machines; what they want is energy-efficiency."

The new equipment should open some new markets, he said.

All-electric systems gain steam

The movement to all-electric blow molders continues, although some companies use hybrid systems, like the new Rocheleau machine, instead. Bekum offers both types of technology.

"Interest in electric machines remains fairly high," said Bekum's Carr. "We are probably seeing a bigger trend in machines going out this year that will be more hybrid. They'll have some electric features where they bring the most benefit and the reliability and simplicity of the mold movement in traditional hydraulic."

Saline, Mich.-based R&B Plastics Machinery LLC is working with blow molding equipment companies in Taiwan and South Africa to offer all-electric R&B-branded machines, both shuttle extrusion blow molding machines and accumulator-head machines.

R&B President and General Manager Fred Piercy said R&B has sold two of the all-electrics so far, to U.S. customers. R&B's agreement with the companies — Sika Machinery Co. Ltd. of Taichung, Taiwan, and Cape Town-based Seecor Blowmoulding Systems and Solutions — covers all of North America.

R&B has a demonstration machine in Saline. "They're available [for sale] now. They're being deployed as they are built," Piercy said.

Piercy said R&B did the engineering of the machine with See Blow molding, Page 9



Jamie Pace, president and CEO of Nissei ASB Co., at the company's booth at NPE2018. He said business wasn't as strong as forecasted in 2018, but the fourth quarter has been very strong.

MACHINERY OUTLOOK 2019

Blow molding

Continued from Page 8

Sika, and the machines are fully U.S.-specific, R&B-branded blow molders. Seecor is R&B's technology partner. Sika builds components and does some pre-assembly, and R&B technicians do the complete assembly in Saline, which also handles parts and service.

The target is European blow molding machines, he said.

Piercy said R&B is "pretty bullish" on the U.S. market for new blow molding machinery in 2019, as customers refresh their production assets and look for new technology. "We feel pretty strongly that next year's going to be a good year," he said.

Jomar Corp. looked at all-electric but then picked servo-hydraulics for its IntelliDrive injection blow molding machine, introduced at K 2016. Jomar, of Egg Harbor Township, N.J., expanded the line at NPE2018 to 175 tons of clamping force — its largest size. The 175-ton smart-hydraulics IntelliDrive replaces the standard hydraulic press of the same size.

"The energy savings, especially on our big machines, they were just too compelling to ignore," Jomar Sales Manager Ron Gabriele said. IntelliDrive machines give the energy savings of electric presses, but still have what he called the "robust nature" of hydraulics.

Gabriele said 2018 "will probably wind up being one of the strongest years in recent history" for Jomar. IntelliDrive presses should spark the replacement of older machines with the new technology, he said.

Some machinery builders favor all-electrics above all else, including two Italian companies that make only all-electrics: Magic MP SpA and Plastiblow srl.

In January, Magic is opening a U.S. headquarters in Canton, Mich., to showcase its all-electric continuous extrusion blow molding machines, which the company started making 20 years ago. Celestino Spiga, area manager, said "the market is responding very well" to the company's equipment.

"We have some repeat orders, as the proof that the customers are very happy and appreciate the advantage of our fully electric equipment," Spiga said.

He said the U.S. headquarters in Michigan will help Magic because the company can have a faster response for current and future customers. Magic will stock parts and offer service out of the new facility, which it is subleasing from injection press supplier Negri Bossi North America.

Plastiblow is represented in North America by Hamilton Plastic Systems Ltd. in Mississauga, Ontario. President Steve Hamilton said customers understand the advantages of all-electric blow molders, including lower energy costs, quieter operations and the ability to use smaller chillers to cool only the mold, not the machine itself.

"It's been steadily growing every year since we've taken the line" about five years ago, Hamilton said. "We've seen a tremen-

'I think the industry is at a cusp where it has to decide that maintaining their equipment is what they need to go forward. The way that's not terribly expensive is to go to rebuilds, and lo and behold, we're busy rebuilding machines.'

dous amount of interest and tremendous growth." Packaging is the biggest market so far, and he said cracking the industrial and automotive blow molding markets will take longer.

Accumulator-head blow molders, used to make large parts, have been a more challenging part of the blow molding equipment sec-

tor. Graham Engineering Corp. has responded with its Mini Hercules, an affordable small-footprint machine, and the company sold the one it exhibited at NPE2018, according to Gina Haines, vice president and chief marketing officer of the company in York, Pa.

Graham also makes wheel machines and extrusion blow mold-

ing machines for packaging.

"We expect the scarcity of used equipment to bolster demand for new equipment and expect continued health the market segments we serve," Haines said.

Bob Jackson agrees that used blow molding machines are hard to find, but his company, Jackson Machinery Inc., has some in Port

Bob Jackson
Jackson Machinery Inc.

Washington, Wis. Rebuilding an accumulator-head machine takes 12-14 weeks, he said.

Here is Jackson's take on the market: Increasing private equity ownership of blow molding companies has resulted in less investment in machinery, both new and rebuilt. But that is changing, as private equity owners have approached Jackson Machinery in recent months looking to rebuild existing equipment, he said.

"I think the industry is at a cusp where it has to decide that maintaining their equipment is what they need to go forward," Jackson said. "The way that's not terribly expensive is to go to rebuilds, and lo and behold, we're busy rebuilding machines."

The World's No. 1 Trade Fair for Plastics and Rubber



2019

16-23 October
Düsseldorf
Germany

k-online.com

For show information: Messe Düsseldorf North America
Tel. (312) 781-5180 _ info@mdna.com
www.mdna.com

For hotel and travel arrangements: TTI Travel, Inc.
Tel. (866) 674-3476 _ info@ttitravel.net



Messe
Düsseldorf
North America