

Partnering for peak performance and increased output

For its first-ever benefit-sharing deal Bucher Emhart Glass, provider of equipment for the glass container industry, has partnered with Thai manufacturer BG Container Glass. The enterprise will see both companies collaborate as partners to improve performance and share in the rewards.

BG Container Glass (BGC) was founded in 1974. Its first plant was completed in 1980, in the district of Thanyaburi in the Pathumthani province, Thailand. In 1983, Boonrawd Brewery, maker of Singha beer, became a major shareholder of BGC Mother Company (BG). Since then, BGC has added four more plants for a total of 11 furnaces, 35 production lines and a capacity of 3,500tpd. BGC has also later diversified into other packaging businesses i.e. rigid plastic, flexible film and paper.

Empowering improvements

Emhart Empower is Bucher Emhart Glass (BEG)'s team of production specialists, helping its customers achieve higher performance, safer production, and smoother operation. The story of this deal began in early 2019, when the Empower team, led by Brian Rodger, carried out a



Bucher Emhart Glass' Matthias Kummerle (fourth from left) with (L-R): BG Container Glass' Potjanat Jangswang (Production Manager AGI-Plant B), Wisoot Kruekanok (Production Technical Support Manager), Daranee Muangyoo (Procurement Department Manager), Wisal Laorsatiangul (COO – Glass Container Supply Chain), Silparat Watthanakasetr (CEO), Jakub Ciosmak (Sales Account Manager), Surached Akasariksha (Procurement Director) and Sakda Poonphatanapreecha (Managing Director).

thorough analysis of the performance of BGC's plants in Ayutthaya and Khon Kaen.

Soon afterwards, the BEG team developed a proposal for a benefit-sharing arrangement with BGC. It was the first

time that BEG had ever considered such an arrangement with a customer.

Under this ground-breaking deal for a collaboration project, with the exception of the project fixed fee, BGC and BEG agreed to share the benefit of increased output. Unfortunately, the pandemic meant that BEG couldn't personally present the proposal to BGC until late in 2021. However, agreement quickly followed, with the final contract signed in March 2022.

Sharing benefits and gains

The deal, known as the IS Collaboration, sets out a benefit-share model, where both parties collaborate as partners to improve performance and share in the rewards. Over the one-year duration of the deal, BEG is aiming to support BGC to achieve additional targeted bottles alongside BGC's own improvement plans.

To help reach that goal, BEG has wide-ranging scope to optimise BGC's operations, working in collaboration with BGC's own team. The Empower team can make improvements by driving efficiency, increasing speed, improving maintenance standards and transferring knowledge, as well ►



L-R: Wacest Sornkwan (Assistant Production Manager AGI – Plant B), Matthias Kummerle and Wisal Laorsatiangul (COO – Glass Container Supply Chain).

as reducing consumption of energy and compressed air. Just a few weeks into the deal (at time of writing), BEG has already created seven separate improvement projects and set sub-targets in a range of areas.

All in all, BEG will provide 270

working days' support on-site. The experts involved will be a project leader, a production specialist, a mechanical engineer and a maintenance specialist. On top of that, BEG will deliver extensive training and three full mould designs.

Committing to partnership

“When we looked at BGC’s plants, we could see real potential for improvement, but we also knew we had to strike a deal that was right for both sides,” explains Mr Rodger. “So, we started exploring alternative approaches that would allow BGC to unlock exciting production gains while minimising the upfront cost. Now we’re looking forward to getting into the hands-on work.”

“I’m delighted to see our first ever benefit-sharing deal move into the action phase,” adds BEG President Matthias Kümmerle. “If we truly aspire to be a partner to our customers, we have to put our money where our mouth is and accept the risks of change along with the rewards. By signing this deal, we’ve shown that we are willing to do just that.” ●



Silparat Watthanakasetr, CEO of BG Container Glass (left) and Matthias Kummerle, President of Bucher Emhart Glass.

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