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# PERUVIAN BEVERAGE PRODUCER ACHIEVES SIGNIFICANT ENERGY SAVINGS THANKS TO SIDEL



Peruvian company Industrias San Miguel (ISM) currently has seven lines producing PET bottles, five of which are equipped with blow moulding machines supplied by Sidel. The most recent ISM installation is a Sidel Matrix™ Combi, bottling still water and flavoured water at a rate of 36,000 bottles per hour (bph) in the company's Dominican factory. The energy savings of around 8% achieved by the new line¹ are due to the greater efficiency of the integrated Sidel Matrix blower and the packaging lightweighting solutions proposed by Sidel.

#### A company focused on expansion and internationalisation

Industrias San Miguel produces soft drinks, fruit nectars and still water, all to the international standards ISO 9001, ISO 4001 and OHSAS 18001, demonstrating its clear commitment to high product quality and total respect for the environment.

Founded in 1988, when ISM's original product, Kola Real, took the country by storm, the company strengthened its operations in January 2000, opening another soft drink manufacturing plant in Arequipa, Peru's second biggest city. International expansion began with the appointment of two distributors in Chile in 2002 and took off three years later with the opening of two manufacturing plants overseas: one in the Dominican Republic in 2005 and the second in Brazil in 2012.

<sup>&</sup>lt;sup>1</sup> Compared to the previous ones



## Strong performance in a growing market

In the Dominican Republic, in 2016, off-trade sales for bottled water rose by 2% in volume in that year, while sales figures rose by 5% in value - to reach 1.3 billion litres and DOP (Dominican Peso) 12.4 billion, respectively. Demand for bottled water in the region is expected to remain steady in the coming years.<sup>2</sup>

Although the majority of still bottled water is typically sold in bulk, in large five-gallon containers, and often delivered to apartments and residences of the Dominican consumers by their nearby independent grocery retailer, growth in the market was particularly fuelled by single-serve products launched that year. Higher than normal temperatures also played their part, causing an increased need for water consumption among the Dominican end users. In line with rising health awareness globally, consumers in the Republic are also shifting towards healthier options, including bottled water.

Experiencing the biggest gain in market share in 2016, Industrias San Miguel continued to expand within the domestic bottled water market primarily under its Cool Heaven brand, increasing its sales in value by 17%. The organisation also continued to further consolidate its position within soft drinks. Following the sustained growth of its Kola Real brand, its Frutop brand - a refreshing drink with the combination of natural fruit flavours enriched with vitamins A and C - its 360 energy drink and the introduction of a new passion fruit flavour during the year, ISM emerged as the leader within non-cola carbonated drinks.

## Many reasons to choose Sidel

The commercial relationship between ISM and Sidel started in 2005. From the installation of the first blower, the team at the customer's site was impressed with Sidel's equipment, recognising the notable savings in utilities and the high reliability it offers.

Angel Idone, Innovation and Engineering Specialist at ISM, explains the reasons behind choosing Sidel yet again for their recent installation: "Sidel is a global pioneer in the manufacturing of PET bottles, packaging design and blow moulding equipment. Their solutions are automated, highly efficient, fast and, most importantly, consistently providing energy savings throughout the entire production process. The company's after-sales technical support is equally reliable and very professional."

He continues: "Since 2005, we have been acquiring Sidel blow moulding equipment. With the blow moulding of PET bottles being the most energy-intensive process within the whole production line, they have helped us generate considerable savings over the years. The high uptime of Sidel equipment also enables us to achieve greater efficiency from the production lines in which it is installed. Moreover, Sidel has helped us reduce our bottles' weight, that's why we have further minimised our TCO, which is key for our results."

Contact:

<sup>&</sup>lt;sup>2</sup> Euromonitor International



For the production and filling of PET bottles for ISM's Cool Heaven water and Frutop juices in 500 ml bottle format, the Sidel Matrix blow moulder was supplied to the Peruvian manufacturer in a Combi configuration, a competitive alternative to traditional lines. By integrating blowing, filling and capping, the Sidel Matrix Combi optimises line layout with a smaller, more compact footprint and ergonomic design. Additionally, by eliminating conveying, empty bottle handling, accumulation and storage, it ensures greater levels of hygiene. The solution offers an increase of up to 4% in efficiency levels compared to standalone machines - featuring fewer pieces of equipment – and contributing to a reduction in operating costs of up to 12%.

The Sidel Matrix blower offers 200 possible configurations to precisely fit all production needs; it also manages to reduce the consumption of electricity, air and materials as well as downtime. Featuring a minimal environmental footprint, the Sidel Matrix blower with its patented ECO oven technology offers the best oven efficiency on the market, reducing preform heating time, requiring fewer heating modules and lamps and thereby cutting electrical consumption by up to 45%. Furthermore, savings in compressed air of up to 30% are possible.

Production of ISM's bottled water and Frutop drinks naturally requires filling conditions of the strictest hygiene. The filler supplied to handle both water and fruit juices was a Sidel Matrix SF100 FM, which offers optimum uptime, the highest productivity, fully automatic changeovers and 30% less downtime needed for maintenance. Featuring magnetic flowmeters, this solution is able to fill still beverages with maximum precision, such as water, juices, nectars, soft drinks, isotonics and teas, delivering high filling accuracy without product loss. Covering only the space around the valves and taking up 80% less space than traditional enclosures, the solution with its compact filling environment improves food safety and reduces the need for chemical agents. The solution supplied for ISM features nitrogen dosing, reducing the amount of oxygen at the top of the bottle and thereby ensuring the bottles are evenly filled, a feature that is particularly important in the case of juices. Use of nitrogen also improves the performance of the bottle throughout the whole value chain, offering greater rigidity and enhanced resistance to stress-cracking- ultimately a better experience for the consumer.

Federico Avila, Sidel Account Manager Hispanic America and as such handling the business relationship with ISM, commented: "We started working with Industrias San Miguel in Peru more than 10 years ago, and it is particularly pleasing to help the company grow and prosper in pursuit of its business ambitions. Our Matrix blowers are perfectly established to support ISM on its journey: delivering the fastest changeover time, the highest oven efficiency, along with the longest uptime on the market, our blow moulding equipment offers customers the significant advantage of the very lowest total cost of ownership possible."







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#### **About Sidel Group**

The Sidel Group is formed by the union of two strong brands, Sidel and Gebo Cermex. Together, we are a leading provider of equipment and services for packaging liquid, food, home and personal care products in PET, can, glass and other materials.

With over 37,000 machines installed in more than 190 countries, we have nearly 170 years of proven experience, with a strong focus on advanced systems, line engineering and innovation. Our 5,000+ employees worldwide are passionate about providing complete solutions that fulfil customer needs and boost the **performance** of their lines, products and businesses.

Delivering this level of performance requires that we continuously **understand** our customers' challenges and commit to meeting their unique goals. We do this through dialogue, and by understanding the needs of their markets, production and value chains. We complement this by applying our strong technical knowledge and smart data analytics to support maximum lifetime productivity to its full potential.

We call it **Performance through Understanding**.

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