

PRESS ARTICLE

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Master Kong's aseptic PET lines' cost predictability and efficiency improved with Sidel's maintenance services



In 2019, Master Kong beverage (Master Kong) in China opted to sign a two-year fixed price maintenance contract with Sidel for four of their aseptic complete PET lines producing ready-to-drink (RTD) teas in their plants in Langfang and Baotou. Sidel's proactive maintenance and on-site support have contributed to Master Kong's business during the peak season by better controlling maintenance costs while improving the lines' efficiency by 6%.

Master Kong are a part of Ting Hsin International Group. The company are particularly active in non-alcoholic beverage segment being one of the top three players in China and leading the RTD tea segment in the country with a 45% market share.¹

The beginning of Master Kong's and Sidel's partnership dates back more than 15 years when the first of several packaging lines for Water, CSD, and JNSDIT were installed by Sidel. After several years of operation of the aseptic PET packaging lines, the leading RTD tea producer in China were considering maintenance services. The objective was to keep the maintenance costs predictable for two lines running in the Baotou plant since 2012 and for two others in the Langfang plant since 2013.

¹ Nielsen Retail, 2019.

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Shift to a proactive maintenance pays off

Service-wise Master Kong in the past were doing reactive maintenance, buying spare parts only when needed, which generated unplanned downtime and costs. “The new maintenance contract straight-forward showed the advantages to the customer of shifting to a more proactive maintenance. Moreover, they trusted in our ability, as their Original Equipment Manufacturer (OEM), to do the required maintenance in order to extend aseptic PET lines’ lifetime, running at 48,000 bottles per hour. We also ensured the continuity of their product safety,” points out Christina XU, Services Account Director for Greater China at Sidel.

“We have trusted in Sidel’s professional expertise since the beginning of our cooperation. They have been a reliable partner, convincingly demonstrating an in-depth knowledge of aseptic PET packaging. Not least, it remains important to us to have them as our OEM, providing us with consistent equipment and services as well as advice on demand,” says Mr Wang WEI, Head of Product Planning Supply Chain Management – Operation Department at Master Kong. “The service contract definitely answers all our needs,” he assures.

Control costs and increase uptime

To define the most appropriate maintenance service solution for the customer from the onset, Sidel experts compared Master Kong’s yearly average maintenance and spare parts storage expenses with the traditional expenses related to the effective operation of the aseptic lines. Therefore, the contract fundamentally ensures better cost control, providing a clearer view of maintenance expenses with specified fixed costs based on the number of running hours. Additionally, the tailored spare part orders, stipulated in the contract, helped to optimise cash flow by reducing inventory costs for spare parts.

Sidel have been providing proper scheduling and execution of preventive and corrective maintenance. Their analysis and reports enabled Master Kong to accurately monitor the lines and maximise their uptime. The aseptic validation process, included in the contract and passed right after the maintenance, secured product safety Master Kong were aiming for.

Close and successful partnership with long-term ambitions

“Thanks to the great support from Master Kong and our strong aseptic knowledge, we accomplished the first year of maintenance execution by the end of 2019. Smooth project management and close collaboration between both sides allowed to refill the spare parts stock and to run the necessary diagnostics in less than two months, just in time for the yearly overhaul,” says Christina XU.

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The partnership during the maintenance process was organised in quarterly and monthly on-site meetings as well as regular follow-up. Furthermore, Sidel provided on-site technical coaching to optimise operations. “From a production point of view, we are really happy that Sidel’s local technicians were able to continuously train our employees on-site to optimise operations on our machines. Additionally, we could also rely on a key safety stock of 100% original Sidel spare parts, securing machine uptime and generating further savings,” adds Mr Wang WEI.

As the maintenance contract brought great value to the company, in December 2019 Master Kong signed another maintenance contract with Sidel for additional five aseptic PET packaging lines and four blowers in their Chengdu plant, and now are thinking to extend Sidel’s maintenance services also across other plants.



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Sidel is a leading provider of equipment and services solutions for packaging beverage, food, home and personal care products in PET, can, glass and other materials.

With over 40,000 machines installed in more than 190 countries, we have nearly 170 years of proven experience, with a strong focus on the factory of tomorrow with advanced systems, line engineering and innovation. Our 5,500+ employees worldwide are passionate about providing solutions that fulfil customer needs and boost the **performance** of their lines, products and businesses.

Delivering this level of performance requires that we stay flexible. We continuously ensure we **understand** our customers' changing challenges and commit to meeting their unique performance and sustainability goals. We do this through dialogue and by understanding the needs of their markets, production and value chains. In turn, we apply our solid technical knowledge and smart data analytics to ensure lifetime productivity reaches its full potential.

We call it **Performance through Understanding**.

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