

THEEGARTEN PACTEC

Cover Story

From the Kings of Saxony to the kings of packaging

Kennedy's Editor receives the Theegarten-Pactec experience.

By Angus Kennedy



ine what it would be like to buy from then and we were clearly off to a flying start. It was immediately certain to me that this company's key strengths lie in the fact that Mr Rustler really cares about the way his company operates and receives customers. It really creates a refreshingly unique 'Theegarten-Pactec experience'.

"I like to bring my customers here if they have time," he said, as we headed towards the old Church



I arrived to find this amazing site opposite my hotel, The Church of Our Lady, that Mr Rustler showed me around that evening.

25 years ago to this day, in the time when there was no Channel Tunnel or the single Euro currency my late mother, Margaret Lang (then Editor of this journal), drove to Germany to see a company which was then called Rose-Theegarten. I took a copy of her writing from our 1985 edition on the plane to see what she wrote about them. I felt acutely nostalgic as I read her piece; she interviewed the parents of the son that I was to interview (who was six years old when she went!). And now, 25 years later, the sons of both companies, myself and my interviewee Markus Rustler, Managing Director of Theegarten-Pactec, were to meet in the company headquarters in Dresden.

and spends valuable time with you during the 'evening before' to explore the architectural treasures of Dresden, it's a sure sign of a passionate company with strong values and standards of etiquette that are sadly being lost. Mr Rustler's knowledge of the history of Dresden was extraordinarily good, considering he is from Cologne, where the company was founded in 1934 by Justus Theegarten, it remained there until it was relocated to Dresden in 1997 when the company bought Pactec (formerly known as Nagema) after reunification in 1990.

I was enjoying my history lesson with Mr Rustler as we walked out of my hotel into the ancient cobbled streets of Dresden. This kind unique personal courtesy of a business owner, I was thinking, could only come from a family business. Mr Rustler explained all about Augustus the Strong, the King of Saxony, who had built a remarkable amount of striking palaces in Dresden, that, even more remarkably, had also survived the war. When I visit suppliers, I like to imag-

I like Mr Rustler. He is a fine, honest and fair gentleman and I personally experienced the standards of hospitality that all his customers have come to enjoy. When the owner of a business escorts you to your hotel



THEEGARTEN PACTEC

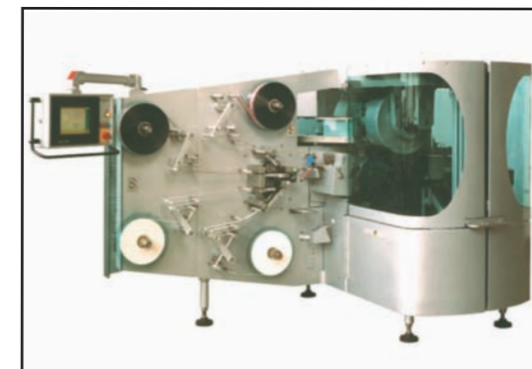
Cover Story

What do Theegarten Offer?

Theegarten can pack just about any hard or soft candy or chocolate product from: chewing gum to the foiling of mini eggs at speeds of 300 a minute right up to 2300 on twist wrap with their EK4. As well as offering packaging machines, Theegarten-Pactec offer advice on the whole system and line including feeding and distribution conveyors, buffering systems and discharge conveyors. They are also able to offer technology in non-food areas and offer expertise in wafer cutting, robotics and more recently pick and place through their partners Elau via a collaboration which started 5 years ago.

Hard Candies

There are 10 machines in the range for hard candy and preformed products. Their equipment in the hard candy range can pack anything including: lollipops, ball and disc shaped candies, with traditional twist wrap, double twist, side twist, flow packs, envelope fold (tablets and cubes), stick wraps (edge and flat), double twist Vienna fruitfold, wraps at a wide range of styles and sizes.



Soft Candies

There are 12 machines in the range for packaging for caramels, toffees, chewy candies and bubble gum/chewing gum products up to 1800 per minute offering a very wide range of pack sizes and styles including: double twist, fold wrap, double twist (face cut), double point- end fold, Vienna fruitfold, and stick pack (edge and flat).



Chocolate products, jellies, cereal bars and other bar shaped products

There are another 10 machines in the range which process from 300 to 1500 products per minute offering double twist, side twist, top twist, top clip and bunch wrap, envelope, foil wrap and flow pack.



Continued >>

THEEGARTEN PACTEC

Cover Story



<< Continued

the company at the age of 28, and married Erhardt Rustler (Markus' father) who joined the company in 1973. The opportunity came up to buy Pactec of Dresden in 1994 and it was at that point that the company not only changed its name to Theegarten-Pactec, but also moved the entire operation to Dresden from their older site in Cologne. Today, the company employs some 300 people and has a turnover of over 50 million Euro, a positive increase on last year due Mr Rustler's new approach.

Today, the company is still privately owned by the Theegarten family and it was only in 2006 that Markus Rustler took over the reins of the company as managing director. Since then he has been making some very positive and subtle changes to the business operations, whilst at the same time, maintaining the high level of quality of their world renown confectionery packaging equipment. I headed straight to the top of their five story offices (the



Mr Rustler (right) on the factory floor with one of his design engineers

original Pactec site) where I received another warm greeting from Mr Rustler in his office with views over Dresden. We started our interview as we looked out over the church-spired view of the city where we were the night before. We immediately started talking as we headed off to the factory.

"Angus, like you I was immersed in the family business from a young age so I am able to assist and understand our customers needs very easily. Admittedly, it was quite a change for the family to relocate here to Dresden, but it's truly a wonderful place to live and operate a factory from. We maintained some of our key staff from Cologne and have a really good set up now with Pactec staff too, so the best of both! Since I took over in 2006 year-on-year the turnover has gone up significantly, and that was in the very challenging year of 2009!" But exactly what did he do? I asked him, as he swung open the doors of his engineering research dept.

"Well, firstly I didn't do anything, I am younger than my parents!" he laughed, clearly enjoying the question. "I have a fresh approach to the business and especially in the area of customers values and expectations. I am, I would dare to say, more open with my customers and accountable and subsequently my approach is paying off."

The first thing I noticed about the factory was how much space there was around it and how wide, for example, staircases and the hallways were. There was a feeling of space everywhere in this (once GDR factory building). We walked into the design engineer's room. True enough, the 70 research engineers that he had told me about the night

before were researching just about every aspect of packaging technology to improve performance, costs and to seek out the next trends in the packaging sector. This is clearly a lot of engineers to have in design and research but it began to explain to me why this company continues to be at the forefront of packaging technology.

Theegarten-Pactec are able to make all the components for all their machines on site, this means that customers do not have to wait for components to be ordered in. All their components are cast in Germany. Mr Rustler pulled out his mobile phone. "Look at this Angus, anyone can call me from anywhere in the world," he said proudly. "And I can check via my phone to access our server and in seconds I see if a part is available and then it's ready to dispatch to them in hours."

As we walked to the factory floor I remembered the article my mother had written with reported speeds of up to 1300 per minute. Now, as Mr. Rustler added, the EK4 can pack up to 2300 packs per minute; we worked it out together. That's 1.1 million packs in an 8-hour day. I wondered what the speeds would be in another 25 years?

So how fast will they go in the end? I asked. "That's a great question," came a reply that was so quick it had almost come out of an EK4. "There is only so fast you really want or need to go," he said pensively. "I remember when we thought we could not go faster than the EK2 at 1500 per minute but with new materials and plastics it is now possible. Of course you need to be able to cope with the amount of capacity. In the end, packing is not only about speed, it's also about energy savings and waste savings.

THEEGARTEN PACTEC

Cover Story



For example, we have no-product-no-paper on all our machines, and there are forever tighter packing requirements. Papers are thinner now, they used to be 30 microns and now we are down to 12 microns. It's the subtle changes that make a great machine and with our 70 years of experience we know we have that fundamental quality in place to build a world performing packaging machines."

As I walked round the factory, it was clear that major investments had been made and they popped up like flowers in a spring meadow. I saw a range of brand new investments, from a brand new computerized component measuring system that measured all critical parts, to a steel cutter, installed just 2 months ago, that can cut solid steel with water at 3500 psi (the sharp edges therefore did not need smoothing). But a factory is made great by its people, explained Mr Rustler, as he greeted every member of his team as we went round the floor. And nowhere have I seen such a productive environment of some 300 workforce. Incidentally, nobody quit working at this company; there was a real building spirit warming the whole factory.

Each machine I saw was given a



This machine like all at Theegarten-Pactec was given a name, I was introduced to Doreen!

ladies name by his engineers instead of labelled with a model batch number, I liked that a lot, sure they have batch numbers, but it showed to me how much they cared about the products they were working on.

It was becoming increasingly during my day at this factory, why one would choose a Theegarten-Pactec machine and my feeling, as I absorbed the smell of freshly cut steel, was that these are very reliable high quality machines that will be built to last long after I am gone. Mr Rustler even went so far as to say that he advised some of his clients to try a Chinese 'copy'. "That's not a problem for me," he added confidently. "A Chinese machine, in my opinion, will break down and the cost of that upheaval is so expensive that a new machine from us, with the support required is the main reason why we are doing so well. We are accountable!"

I was interested in any packaging trends that Theegarten-Pactec may have noticed. Last year, 2009, Mr. Rustler has built closer relationships with the multinationals and order books are healthy for years ahead. But they are also doing well with smaller set ups in Africa, China and India. Ukraine and Russia are also proving very good markets for Theegarten-Pactec as the Russians wish to buy in state of the art equipment, something that this company is made to do. "We are always one step ahead, in terms of technology and we are still a family business that really cares too. "But nothing is easy," he admitted. "We are well placed to meet all the challenges of the future. Life cycles of products are shorter now and consumers are



Engineers in the assembly plant

forever more demanding in terms of the product. Chocolate shells can be thinner and there are now complex liquid filled hard candies and products that more delicate and therefore we have some very clever feeding systems for these new type of products.

"A good machine," he continued, "must be able to nurse a product into the pack! And it should have a fast and easy switch over. The trend used to be flow pack and now double twist is coming back in fashion. But that's fine, we can pack anything from cut and wrap to double twist Vienna style," he laughed. "And in the past, you could say that people bought a single machine but now more and more, we provide the complete line ready made, worked out to their requirements and ready to go. Oh and one last thing, we have a nice surprise for everyone at Interpack in the way of a new foil wrapping technique for chocolate eggs too."

But Mr Rustler was stoic when questioned on growth and performance. "I don't think growth is that necessary. If we make a good profit and we are all happy, we can concentrate on making efficient machines that are a step ahead and are in tune with what the market expects. It's more important for me than growth."

Like the palaces of Dresden, Theegarten-Pactec is a gem of a company to get to know. It's a beautiful city that made me feel like a king, Ok, just for one day! Kennedy's look forward to seeing them all again.