

"WE WILL PRODUCE ABOUT 6 TO 7 MILLION SQM OF SINGLE FACE SHEETS PER MONTH, FOR SALE TO LOCAL SHEET PLANTS AND PRINTERS WHO PRODUCE LITHO LAMINATED PACKAGING. WE CAN OFFER ALL TYPES OF CORRUGATED - SINGLEWALL, DOUBLEWALL, TRIPLEWALL AND SINGLE FACE."

ZHENG AN GUO, GENERAL MANAGER OF SHANGHAI TAIGU QINGFENG INDUSTRY CO LTD

Taigu have been upgrading their equipment during the past two years to meeting changing market requirements for higher quality boxes. Demand for corrugated packaging is growing as manufacturing investment grows in many areas.

"Consolidation has been going on in the region, especially during the past two years," Zheng remarked. "A lot of new equipment have been installed in this area, companies are phasing out their old machines and replacing with newer, more sophisticated lines. The corrugated packaging market is still good; new equipment is being installed because of this market's requirement for more efficient production lines."



Single Face

In addition to finding new customers for the company's increased production capacity, plans to extend the geographical sales area is intended to support the imminent addition of single face corrugated production. According to Zheng, production of single face will soon begin at the original factory where a new single face corrugator is being installed, due to start up in April 2018.

Covering 6,000 sqm, Taigu's old factory has space for a single corrugating line, Zheng explained. "We will produce about 6 to 7 million sqm of single face sheets per month, for sale to local sheet plants and printers who produce litho laminated packaging. Adding single face sheets means we can offer all types of corrugated - singlewall, doublewall, triplewall and single face"

Expansion in Converting

Meanwhile, Taigu is also planning to expand its converting operations, as it anticipated significant growth in box demand for the home delivery companies.

"We are planning to install two flexo die-cutters in 2018. We are optimistic about the corrugated packaging market; we believe the market will grow, especially for home delivery and online shopping."

The introduction of the Fosber S/Line means we can produce the best quality sheets, so the addition of new flexo converting lines to the factory this year will certainly help set us apart from our competitors."

Customer Service Centre at Taigu

Fosber Asia has confirmed it will open its third customer service centre in China in mid-2018, using space provided by Shanghai Taigu Qingfeng Industry Co Ltd, in its new plant in Shanghai's Jinshan district.

Planned to cover Shanghai and East China, the new service centre will complement Fosber Asia's other existing service centres in Tianjin, North China and in Foshan in Guangdong Province, South China (this is where Fosber Asia's manufacturing plant and Asian regional headquarters also are located).

Fosber Asia's Shanghai and East Asia service centres will include office space and a parts storage warehouse to provide round the clock support to customers in East China. "We wanted to have a service centre in Shanghai and this is a good chance to showcase the S/Line corrugator as well at the same site," said Marco Bertola, General Manager of Guangdong Fosber Intelligent Equipment Co Ltd.

"Our target is to bring our customer-orientated Fosber philosophy to China. We believe the market here is ready for this after sales service philosophy as each corrugator has a long working life."

Taigu is happy to support the regional service centre for which the company is providing office and parts storage space. "Before we bought the S/Line, we thought about service and so we offered to help Fosber set up their Shanghai and East China service centre," said Zheng An Guo, General Manager of Shanghai Taigu Qingfeng Industry Co Ltd. "It really is a win-win scenario for both companies and we are happy to be associated with Fosber as they grow in this territory."

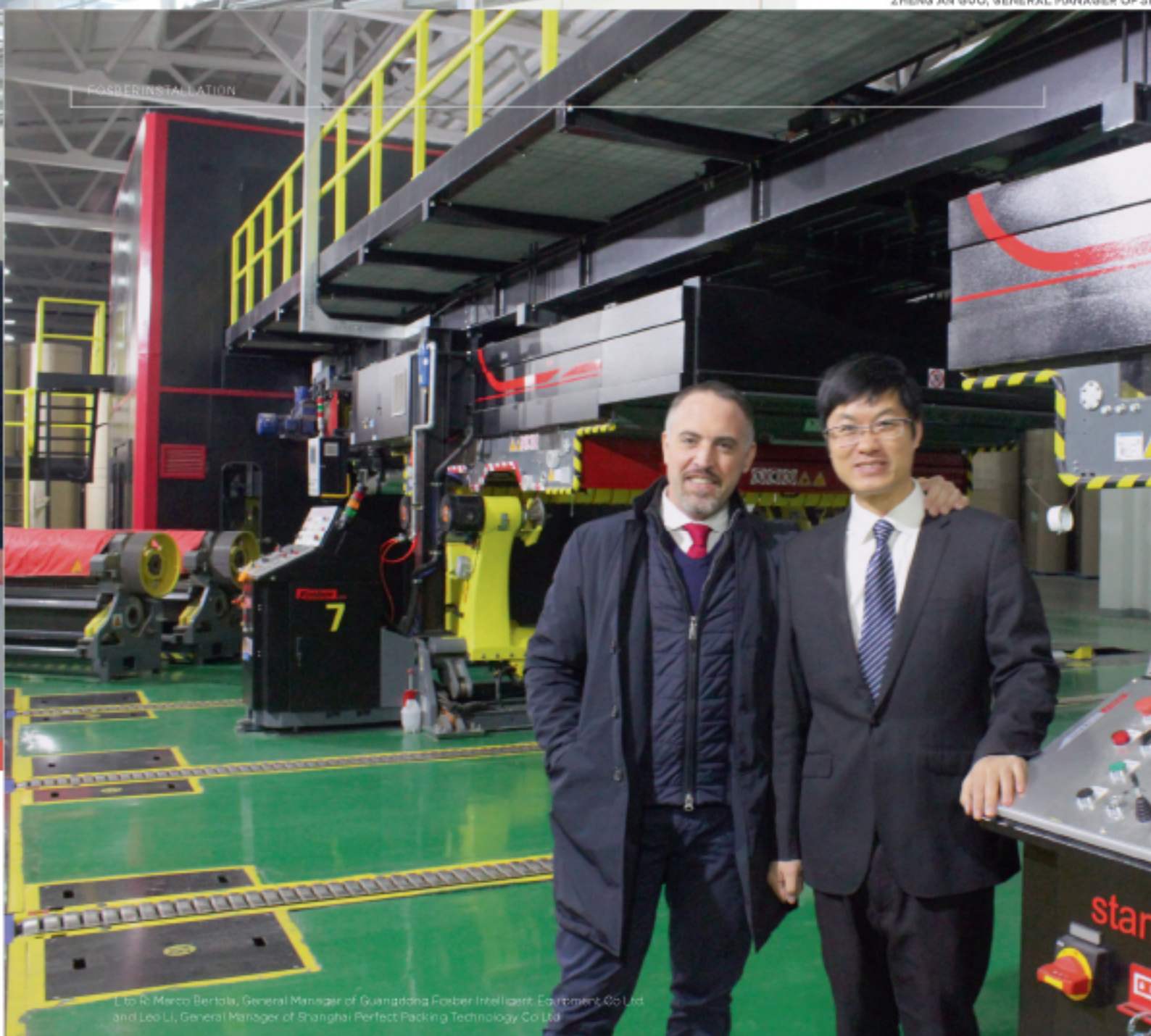


FOSSBER INSTALLATION

FOSSBER INSTALLATION

"THE MAIN REASON WE CHOOSE THE DUPLEX DRY-END WAS FOR THE HIGHER PRODUCTION VOLUME."

ZHENG AN GUO, GENERAL MANAGER OF SHANGHAI TAIGU QINGFENG INDUSTRY CO LTD



Marco Bertola, General Manager of Guangdong Fosber Intelligent Equipment Co Ltd and Leo Li, General Manager of Shanghai Perfect Packing Technology Co Ltd

Shanghai Taigu Qingfeng Industry Co Ltd. Taigu commissioned its new Fosber S/Line in June 2017. The machine was supplied from Italy, while the splicer is supplied by Fosber Asia's Foshan plant in Guangdong, South China. Designed to run at a maximum of 200m per min, the 2.5m Fosber S/Line features a duplex knife dry-end which is more common in China. The main reason we chose the duplex dry-end was for the higher production volume," Zheng explained.



www.thepackagingportal.com 27

HIGH SPEED INVESTMENT IN SHANGHAI

SHANGHAI TAIGU QINGFENG INDUSTRY INSTALLS 2.5M FOSBER S/LINE IN NEW PLANT.

A REPORT BY DAVID HAYES



DAVID HAYES

A freelance business journalist who has reported on the Asia-Pacific region for more than 25 years, David covers the paper and metal packaging industries, alcoholic beverage, soft drinks and dairy industries and various other sectors. He can be contacted on dhayes88@hotmail.com

SHEET FEEDER INVESTMENT IN CHINA

SHANGHAI PERFECT PACKING TECHNOLOGY CO LTD INSTALLS 2.5M FOSBER S/LINE IN NEW SHANGHAI PLANT

A REPORT BY DAVID HAYES

FOSSBER INSTALLATION

TAIGU IS CURRENTLY OPERATING ONE AND A HALF SHIFTS PER DAY AT PRODUCTION IS 400,000 SQM AT PRESENT, EQUIVALENT TO 11 MILLION OPERATES 25 DAYS EACH MONTH.

THE COMPANY TO EXPAND V AREAS.



New Plant

Established in 2003, privately owned Taigu had been running a Chinese manufactured 2.0m corrugator, which following an upgrade, was able to run at about 200m per min.

While retaining its original factory to produce single face, the company opened its new factory in Feng Jing Industrial Park in Shanghai's Jinshan district to expand production, Zheng explained, after some refurbishment, they moved the original corrugator to the new facility in October to produce short orders, while the focus for the Fosber S/Line is for the longer production runs. With the two corrugators, production is around 16 million sqm per month this is almost three times the previous 5.8 million sqm monthly output at the original plant.

Taigu's new plant includes a 12,000 sqm covered factory area on a 59 acre site. The factory consists of two buildings, one for corrugating, the other containing office space and the converting hall.

"We opened our new plant to increase our production capacity and meet market requirements for higher quality board and larger output," Zheng said. "We chose this site as our customers are all nearby, it's convenient for transport as we are on the Shanghai-Hangzhou highway and near the Shanghai-Suzhou highway."

Taigu has installed two locally supplied flexo rotary die-cutters in the new plant. Shanghai Ding Rong has supplied a 4-colour flexo rotary die-cutter which is being used for high volume orders while Zheng Li of Hebei has supplied a 2-colour model that is used for short orders.



"Based on our experience so far, we have had a 25% production increase with the duplex dry-end compared to a single knife machine. It means we can reduce our paper roll storage. Our sheet quality has increased and paper waste has reduced, which are all cost savings for us," continued Zheng.

Taigu is currently operating one and a half shifts per day at its new plant. Daily production is 400,000 sqm at present, equivalent to 11 million sqm monthly, as the plant operates 25 days each month.

"We are very satisfied with our Fosber S/Line. It's reliable and consistent. It has helped a lot with our sheet quality and its efficiency is a great deal higher than local machines. As a result, we have reduced production costs and increased our competitiveness in the market. Also, less manpower is needed," stated Zheng. "We have been running our S/Line for six months now. We are still at learning a great deal about it, so we should be able to reduce our running costs even more in the coming months."



Expanded Portfolio

Sheet production on the new corrugator is currently divided equally between singlewall and doublewall board. However, the production ratio soon will change to 60% doublewall and 40% singlewall, Zheng explained, to maximise use of the new S/Line and because doublewall board is more profitable. Triple wall board is a new product for Taigu and one the company is looking to develop in future.

"We started producing triplewall sheets on our old machine in October; it's a request from a customer," Zheng said. "Triplewall is only 5% of the old machine's output now, but we will increase it to 30% over the coming months. We are looking to target customers for triplewall - it's more for auto parts and some heavy machinery parts."

Meanwhile, Taigu's increased sheet production capacity has encouraged the company to expand its geographical sales coverage and supply customers in new areas. Most of



the company's customers are located within a 70km radius of the new plant. The sales team currently is working on expanding the supply radius to 100km. "The area where our plant is located is in the southwest of Shanghai. We have a variety of customers, making boxes for electronics factories, FMCG customers and courier boxes for online shopping," Zheng said.

"We also sell sheet board to smaller sheet plants. There are 100km radius of our factory, there are literally thousands of sheet plants of all sizes. In terms of competition from other board plants, we believe there are at least 50 corrugators running at factories within 100km radius." Zheng commented that sheet plants in the area served by