Almost a century after creating the first hand-operated machine, Ferrum is the world’s leading can seamer producer for the beverage and food sectors. “We go up to 2,500 cans per minute – nobody else in the world can do this,” said CEO, Vice Chairman and Delegate of the Board of Directors, Ernst Werthmueller. Report from Colin Chinery.
Ferrum machines lock up to 150,000 cans an hour, 24 hours a day, with the highest safety and hygienic standards.

“The can seal has to be very tight with small tolerances and each company has different cans with different sizes and shapes and other variations,” said Mr Werthmueller before adding that in a canning operation, components can spread across a floor space the size of a soccer pitch. But at the crowning point the seamer unit is small – “you can say the heart of the operation” – with speed and dependability critical.

“With these machines running 24 hours seven days a week, their reliability is absolutely important. You can imagine what would happen if the equipment stood still, with deliveries piling up and the warehouse soon totally full.

“I spoke to a client recently and he told me they had needed just one full service in ten years of operations. With other companies this would have to take several. Reliability, the latest technology, outstanding speed capabilities and the quality of our service are key factors in our success.”

As part of a 24 hour hotline, the Swiss-based spare parts sales division provides a personal service, with worldwide availability at the right time and place, and urgent orders ready for dispatch within hours. Critical parts are also on standby at several global locations.

Ferrum also offers technical training for individuals or groups at its Schafisheim headquarters, at Havre de Grace and Kunshan, or at a customer’s premises, tailored to needs.

Another market differentiator, noted Mr Werthmueller, is that Ferrum components are made in-house.
“Should there be a machine crash, we will have the necessary part in stock or we are positioned to produce it in relatively short time. This is another of our assets and a further reason why customers trust us.”

Ferrum in general does not deal directly with Pepsi or Coke type end-users for new installations; it mainly works with the canning line installation OEMs.

“There are three major ones in the world, and these guys don’t really like the fact that we have such a dominating position,” admitted Mr Werthmueller. “We are all friendly together, but of course they want to see there is some competition. And while we have competition – especially in the US where it is stronger – in the rest of the world, we are clearly the number one.”

In the mega line
Mr Werthmueller recently returned from Saudi Arabia where PepsiCo will shortly be starting up its largest-ever drinks production plant, a 85,000 sq ft canning and bottling line at Jeddah in which Ferrum can seamers are integral.

Saudi’s soft drink industry is the Middle East’s largest by volume and value, the hot and arid climate making rehydration a minute by minute pre-occupation. In this alcohol-prohibited country of 24 million, Pepsi is king, with a 87.5% market share.

“This is the biggest mega plant in the world, with 9,000 cans filled every minute,” said Mr Werthmueller. “When I was there, the temperature was over 40°C and humidity in some places as high as 90%.”

At the core of Ferrum, said the CEO, is a culture of workforce involvement and continuous innovation.

“To be innovative is also to question existing processes and to rethink them. Existing production processes are restructured according to the Lean philosophy and actively implemented, while lifecycle management also takes a new look at the life cycle of products. Our motto is ‘Let’s show what we can do!’”

“High productivity, efficiency, 100% on schedule and a zero failure culture are essential. And they have to be worked on every day. You are never at the end; always at the beginning.”

Price competitive challenge
Less fanciful is the impact of Swiss high costs and wage levels.

“We have to be continually competitive, and this was especially so when the Swiss franc became far stronger than the euro and the US dollar,” noted Mr Werthmueller.

“My goal was to compensate, and through our Lean management system and other methods, over the last three years we have improved productivity by more than 30% and our prices have remained stable even though we lost 20% on the currency.

“High productivity, efficiency, 100% on schedule and a zero failure culture are essential. And they have to be worked on every day. You are never at the end; always at the beginning.”