

Omani glassworks invests to meet market demand

Oman's Majan Glass is investing heavily in production-related machinery, representing a historic high in terms of investment for the glass container specialist. Speaking exclusively to *Glass Worldwide*, Chief Executive Officer of Majan Glass, Gerry Varvias confirmed that Majan is a well-established player in the Middle East, with significant opportunities for growth.



According to Gerry Varvias, Chief Executive Officer, Majan Glass has a distinct opportunity to grow.

Celebrating its 20th anniversary in 2017, Majan Glass Co SAOG focuses on accommodating the demand for glass packaging within the Sultanate of Oman and the Gulf region. One of the Sultanate's leading and most advanced manufacturing enterprises, the facility occupies an area of 100,000m² on the Sohar Industrial Estate. It was one of the first businesses to have been established in the area, which is strategically

located 5km away from Sohar deep sea port. Additionally, nearby port Jebel-Ali in Dubai is just 200km away. Both ports are positioned at the heart of global trade routes between Europe, Africa and Asia. The company supplies glass container requirements in the Sultanate and exports throughout the Middle East, Asia and Australasia, even as far as the Caribbean.

GROWTH OPPORTUNITIES ADDRESSED

According to Gerry Varvias, Chief Executive Officer, Majan Glass has a distinct opportunity to grow but also, an imperative need for the business model to be restructured and the production facility modernised. "Majan needed to find itself in the marketplace and create a distinct and longstanding identity" he contends. The company has strong financing backing and a very supportive Board of Directors. "The Board of Directors' composition is armoured with a substantial diversity level of Directors who seamlessly provide valuable, strategic input. Drawing on their expertise and varied background and

their effective process and corporate governance management, each and every member of the Board safeguards a solid strategic counsel and direction alignment, creating a whole that is literally greater than the sum of its parts" he adds.

Gerry Varvias is well-qualified to deliver their expectations, having been responsible during much of his career for restructuring and expanding organisations and teams around the world to drive profitability and market share growth. He holds an electrical and electronics engineering degree from the University of East London and an MBA. Furthermore, he has worked as an Executive Director, Managing Director and Commercial Director. In each of these roles, Mr Varvias is understood to have achieved or outperformed objectives, delivering results that skyrocketed performance (up to 300% through organic growth and acquisitions) for public and private companies.

Most of his career has been associated with the glass and packaging industries, where he has led and inspired international operations (focusing on the Middle East and Africa over the past 12 years) and managed relationships with such blue chip customers and bottlers as Coca-Cola, PepsiCo, Aujan, Agthia and RC Cola. "I understand the complexities of this business and I am able to identify and capitalise on opportunities for organisational change and expansion in a variety of competitive fields" he says.

FLEXIBLE PRODUCTION

Two furnaces are currently operated at the Sohar glassworks, although the potential exists to accommodate up to four furnaces on the same site. The plant is designed to produce glass containers from 88ml to 1250ml in flint, green and amber and in various sizes for carbonated soft drinks, juices, food products, malt beverages etc. The facility is set up to produce NNPB, BB and PB ware, either as high speed production runs or in smaller, more flexible quantities. Over the years, the company has invested in such added value features as on-line labelling, full body sleeving and ACL printing.

Gerry Varvias confirms that the motivation behind this year's plant renovation is the desire to provide increased customer satisfaction. "Glass nowadays is a commodity, where the global supply is known to everybody, technology is easily accessible and cost optimisation is the main focus for all manufacturing facilities" he says. "We are gearing the plant towards uniquely pursuing the specific requirements of our customers."

As well as spending a significant amount on manufacturing equipment this year, the company is also investing in training, recruiting specialists, advanced >



Two furnaces are currently operated at the Sohar glassworks, although the potential exists to accommodate up to four furnaces on the same site.



Majan Glass is set up to produce NNPB, BB and PB ware, either as high speed production runs or in smaller, more flexible quantities.

mould designs and manufacture, material specifications (optimisation and upgrades), improved packaging and talent acquisition. "Since joining Majan Glass late last year, I have formulated a clear road map for 2017, which was approved by the BODs at the start of this year. Majan Glass has always been associated with the best machine suppliers in the world. All established equipment suppliers have been invited and agreements have been signed."

Once the latest upgrade has been completed, multiple major improvements will have been realised. This includes a cold repair for one of the two natural gas-fired furnaces, resulting in enhanced sustainability and reduced energy consumption. Managed by BDF Industries SpA, this project has involved increasing nominal melting capacity of the furnace by 15% to 20% with electrical boosting. The batch house and furnace control systems have been upgraded and forehearth have been replaced, plus upgrades to the combustion and auxiliary systems all undertaken by BDF.

Investments in forming technology have enhanced the range of products and flexibility offered to customers, with Majan Glass now able to produce lightweight NNPB containers on four of its five production lines. The factory's smallest forming line incorporates a 6-section double gob machine, while its largest is a 12-section triple gob machine. The glassworks can offer high speed, consistently high quality glass on the larger triple gob lines and smaller runs on the smaller lines, in a wide range of sizes.

A state-of-the-art 12-section triple gob AIS forming line has also been acquired from Bucher Emhart Glass. This equipment has been specially designed for the production



Investments in forming technology have enhanced the range of products and flexibility offered to customers.

of bottles using the latest NNPB technology, incorporating PPC control, vacuum etc.

Pneumofore SpA has delivered vacuum pumps for the four NNPB lines, while Antonini srl modified one of its lehrs, at the same time upgrading the control system and installing a new cold end coating and dosing system.

Existing XPAR Vision BV hot end inspection machines were subjected to thorough maintenance during the cold repair.

Cold end investments include the acquisition of the latest Multi-4 inspection equipment from Tiamo for the new NNPB line, plus upgrades for existing inspection equipment like Tiamo and Emhart/Veritas to SCOUT technology. Separately, similar important maintenance and upgrade routines to the site's existing ACL printing machines have been performed by Rosario c2c BV, among other equipment.

"Of course, the scope of the investment doesn't end here, bearing in mind that enhancing customers' satisfaction is an on-going process" Mr Varvias reports. "Both short- and long-term objectives are on my agenda. The completion of these projects will bring Majan Glass to the next level, the place where we want and deserve to be. But we will continue improving. Our focus is and always will be customer satisfaction" he confirms.

SAFEGUARDING QUALITY

"Collectively, these upgrades will further safeguard our quality standards, while such added-value capabilities as labelling and printing will be enriched" Gerry Varvias suggests. "We will be at the forefront of lightweight technology within the region, offering attractive, flexible and augmented solutions to all customers."

When the latest investment phase has been completed, Majan Glass will continue to focus on output optimisation, quality and flexibility. The plant is also equipped with three fully secured warehouses, with a total covered and enclosed area of 11,000m². Future plans include further capacity growth and investments, potentially additional furnaces, as well as carefully assessing other business opportunities that have or may arise.

The glassmaker also aims to leverage its established relationships with leading international equipment manufacturers to ensure it has

the right technology in place. "The spot-on talent acquisition and management, together with having highly trained staff will ensure we meet the needs of our customers."

The lightweighting of food containers is a subject of special interest to Majan Glass, representing an area where product innovation can reduce the total packaging cost incurred by customers. The company's CEO also believes that at the heart of good customer relationships is trust, derived from frequent, clear and open communication. "In a B2B environment, a manufacturer needs to understand thoroughly the requirements, priorities and challenges faced by the other party so that a win-win situation can be established."

Over the years, many strong customer relationships have been created, built on the company's important geographical location, proximity to a major port, its production flexibility, sector focus, competitive cost base and added value services (eg labelling, sleeving and ACL decoration).

Faced with the challenges of recent escalating freight costs, the possible introduction of regional VAT and excise tax for carbonated beverages and lower consumer demand, the glassmaker is preparing to tackle the pressure drawing from within, while also observing opportunities such as a shift from PET to glass packaging for water bottles and business growth from African markets. "Growth will come hand-in-hand with our customers and while regional demand is strong, our objective is to increase our geographic footprint further" the CEO comments.

Majan Glass is one of the leading and most advanced manufacturing companies in the Sultanate of Oman. The company is certified to ISO 9001:2008 quality management and ISO 22000:2011 food safety management systems. It is proud to be an Omani company with international standards, successfully competing in international markets, with good opportunities for business growth. ■

FURTHER INFORMATION:

Majan Glass Co SAOG, Sohar Industrial Estate, Sultanate of Oman

tel: +968 26751654/5/6

email: info@majanglass.com

web: www.majanglass.com