

## Sapal bends over backwards for the packaging of cheese and chocolate



### **Ecublens' company has regained its identity and the path of growth – and is about to launch new machines.**

Sapal, this company of Écublens, has had a turbulent history. It was associated with trade union struggles, was put under the umbrella of the Swiss German-speaking industrial group SIG, then handed-over to the German Bosch, and has regained its identity now. Taken over in 2017 by the German industrial investment fund Navigator Capital, the company is operating in quieter waters since then. Under the leadership of a management team that asserts its independence, it can concentrate on its know-how accumulated over the past one hundred and ten years: the design and manufacture of high-end packaging machines for the food industry, mainly cheese, chocolate and confectionery as well as soup cubes and tablets.

*"When I returned to Sapal at the end of 2014," explains Claudio Manfroni, its Managing Director, "we reviewed the company's strategy with the management of Bosch Packaging Technology. We came to the conclusion that, we had to get out of the group to successfully pursue a growth strategy. It was the best solution for Sapal."*

### **A Lausanne history**

This engineer, with an MBA, did his apprenticeship in the house in the 1980s. He therefore knows his history well, even though he spent a large part of his career abroad with the Bosch Group. He explains that the company then only produced folding machines and the packaging process on site. This was just a part of the production of packaging lines, spread over various sites of the globalized German group. The activity in Ecublens could therefore hardly progress. It should be recalled that Sapal - which stands for Société anonyme des plieuses automatiques Lausanne - was founded in 1906 by a Lausanne chocolate maker who acquired the American patent for the "folding box" system, revolutionizing the way small chocolate bars are packaged. The company, which then diversified its range to pack razor blades, cigarette packs, soaps, biscuits, chewing gums, candies, soup cubes, pharmaceuticals, etc., moved to Écublens in 1964. It simply needed more space to manufacture entire production lines to replace unit machines with manual feeding whose output no longer met customer demand. These lines are between 10 and 50 m long for the longest ones.



The company, located near Renens train station, had up to 400 employees in the 1990s, after its takeover by SIG Pack (1989), before seeing this number decline to 76. Now independent, Sapal SA has 82 employees on site, including around twenty engineers and technicians responsible for the design and development of these industrial packaging equipment, which are worth between 500,000 and 5 million francs. For example, new soup cubes machines are expected to be launched soon, continuously producing four times more cubes per minute. "We invest 5% of our turnover in innovation," notes Claudio Manfroni.

The packaging principle is not very different from what it was originally, says the director. But the machines have gained a lot of speed. From 50 to 60 moulded chocolate products per minute, we have gone to more than 600 per minute. They have also evolved significantly in bending styles, material savings and sealing technologies. They are much more sophisticated, not only to ensure product preservation and food safety, but also for aesthetic reasons. In fact, producers such as Nestlé, Unilever, Mondelez (formerly Kraft), etc., want to stand out. Regarding childhood memories, Sapal sells teacakes, small PEZ bricks and other famous brands that prefer to remain anonymous.

### **Processed cheese**

On the shop-floor, complete lines are assembled and tested in all their functions before being shipped to more than 70 countries. A cheese packaging machine represents more than 3000 hours of assembly time. It should be said that Sapal, which also sells equipment for packaging cheese portions in round boxes, took over the Geneva-based brand Kustner in 2007, specialized in plastic packaging of processed cheese in individual slices. A very complex process.

This cheese segment now counts for nearly half of sales. Africa is an important market for soup cubes. There, the unit size is different to Europe. Market demands much smaller cubes because of lower purchasing power. Moreover, observes Claudio Manfroni, the markets for this type of industrial machine are highly dependent on changes in purchasing power. The two brands Sapal and Kustner, which now merge into the same logo, have sold a total of nearly 24,000 machines, a quarter of which are still in operation, according to the company, and 95% of the production is exported. The director of Sapal notes that 2018 and 2019 are years of consolidation. But he is pleased that the order targets for the current year have already been met in March. He does not expect double-digit growth, as the food industry is not in this trend. But he is optimistic for the future and thinks that the number of employees could reach the one hundred, a "good size" according to him.

In Écublens, Sapal only manufactures and assembles the lines, but it buys all the parts from subcontractors. However, notes Claudio Manfroni, 70 to 80% of the components come from suppliers located in Switzerland or neighboring France, "not from a low-cost country".  
(24 hours)