

Beach view canmaking

Denmark's only specialist manufacturer of high-performance industrial pails is in an enviable location. John Nutting talked to Baltic's managing director Johan Strandberg

Few, if any, canmaking factories have a view of a beach where families relax on the sand and the only noise is that of water sports.

But in Denmark, that's the enviable position of general line manufacturer Baltic, a family-owned company that finds itself in the midst of seaside property development. Land values have risen and developers have invested in the man-made beach.

It means that Baltic may have to be on the move again as speculators eye its land for conversion to housing.

Baltic's managing director Johan Strandberg is, however, relaxed about the prospect. Sitting under an awning outside the factory's canteen, he opened a can of water and gazed out to sea.

It may be expensive to live in Denmark, he says, but then it is easy to commute to the factory in what is now a Copenhagen suburb across the eight-kilometre Øresund bridge from his Swedish homeland and Malmö, where he lives.

Metalvarefabriken Baltic A/S, to give the canmaker its full name, moved to what was an industrial estate in 1960 from a location close to the former oil harbour where it had been established 44 years earlier in 1916. "It was the logistically correct location," says Strandberg, "because it was near to paint manufacturers who were its customers for cans."

Since then the market has changed in Denmark and from what was a group of eight companies competing there are just three local manufacturers of three-piece cans: Denmark's Glud & Marstrand, Netherlands-based Impress, and Baltic. Now only Baltic is a specialist producer of industrial pails and paint cans.

The company may have big competitors. "But we have an important niche," says Strandberg, "and that is UN-approved containers for paints and varnishes."

The technical requirements for these large – up to six litres or more – pails are particularly demanding but in 1991 the company took out a number of patents that cover the need to ensure that the lids are secure when dropped. Today these patents are owned by Baltic's sister company, Consafe ApS.

Strandberg lights up when describing the container, called 'Consafe', which looks like many a cylindrical pail. But the pail is in fact tapered and patents cover the clever use of a seamed on top ring and a flush-fitting lid, with some designs using a gasket material to provide the final edge in security to meet the UN drop test. They look impregnable.



High-performance pail manufacturing is just as competitive as any other canmaking activity. Baltic's managing director Johan Strandberg shows off the features of one of his UN-spec containers

"Some say that these cans are hard to open, but I don't see it," as he produces a one-Krona coin and proceeds to flip open the lid. With a key that Baltic has made for customers it's even easier. "And hear how it can be resecured with a good click," says Strandberg. Indeed it does.

He reluctantly admits that until recently Baltic could have been better at promoting its products, which are a traditional but necessary form of packaging for coatings and varnish manufacturers. "But after tinplate prices pushed up costs and some customers substituted their

packaging with alternatives we had to promote what was good about our cans," he says, such as performance, logistical advantages, recyclability, quality of decoration and special offerings.

Using canmaking equipment from suppliers such as Soudronic, SMAG, Sabatier and Klinghammer, Baltic offers a range of pail sizes and specifications, from basic uncoated through to highly-decorated versions with special finishes to provide a marketing edge using printed tinplate from Italy's Giorgio Fanti near Bologna, or Metropak, the Danish printer that is part of Glud & Marstrand.

Recent experience in having to compete more effectively draws upon Strandberg's experience. In the late 1980s and early 1990s he worked as an agent for welding machine manufacturers Soudronic and Frei.

"I first worked for Baltic from 1993 to 1999 and then studied for a mechanical engineering degree at Malmö," he recalls. "Then I went to [equipment manufacturer] Bertil Ohlsson and later left to set up a consultancy in new product development. We had seven people and grew to 24 very quickly. We were developing new products in mechanical design and software, such as a special valve for stopping spillage at petrol stations."

He returned to Baltic early in 2008, after being contacted by the company. "I think my new product development mindset is still very strong," says Strandberg, suggesting that was what clinched his return to the company.

But he finds no difficulty in promoting the benefits of metal. "The can is the best packaging in the world so it is easy to talk about and sell the can," he says. "I didn't need to be persuaded to start here again."

Even though Baltic's manufacture of high-performance pails are outside the public's gaze, their marketing is no less sophisticated. For example, Bondex wanted a larger six-litre pail as part of a '20 per-

cent extra' promotion. "We ordered a tool – with soft material – for one-off use to produce the cans, but then when a competitor saw the cans they ordered them as well, so now it is part of the range.

"Now we have a 7.5-litre pail that we are making for AkzoNobel which contains 50 percent more as part of the company's 50th anniversary."

Baltic sounds like a tough supplier when Strandberg says that it only produces cans against an order, rather than making them for warehouse stock. "That's always been a policy of the company. But we have high quality cans and short lead times, sometimes as short as five days. That's how we compete – not on price which can be seen in the quality of the cans."

Touring the plant it's evident that Baltic is typical in that it adapts familiar canmaking equipment to its needs. But the extruded aluminium enclosures of a new item stand out.

It is a system, developed by Switzerland's Can Man with Baltic, that is reckoned to be the first to use a process that eliminates the use of a thermal oven to cure the necessary repair spray coat on the inside of the can body after handle ears have been welded on, to prevent corrosion.



Latest development at Baltic is this system developed with Can Man for induction curing ear-weld repair spray coatings


The pails are orientated, and nozzles spray the coat after which the cans pass through a novel induction curing system that's barely a meter long. It saves a huge amount of energy and space.

So Baltic is not unaware of the need for cost savings in manufacturing. Never-

theless it must have been discomforting for Strandberg to hear one of his customers, Nis Petersen of paint maker Dyrup, publicly complaining about the volatility of tinsplate prices at the recent Empac AGM in Copenhagen.

For Baltic, which has products designed to meet strict specifications, downgauging to save costs is not an easy option. "Baltic uses a lot of tinsplate for its cans, and thus has been vulnerable to the price increases. But you can't downgauge UN approved cans to save material costs just overnight, it takes product development and the carrying out lots of expensive tests," says Strandberg. "And you cannot save money on raw material at the expense of safety. Environmental awareness is delicate subject."

There are other ways to meet customer needs, he says, and that's to respond quickly when they call for special designs. "That's the advantage of being of Baltic's size," says Strandberg. "We can go to the production people and in two weeks we have a sample. Larger companies can't do that."

Neither could they be located with a view across the sand to the sea. Sometimes there's more to canmaking than the manufacturing of cans. 

the **filling** business

Business intelligence & quality news for the global food & drinks filling industry

The Filling Business Online News pages are part of a specialist information service for packaging and filling professionals.

Along with full online access to breaking news, membership also offers valuable discounts to relevant conferences and publications.

Visit **www.thefillingbusiness.com** and explore what is on offer.