EXECUTIVE INTERVIEW

Harald Knechtel, Managing Director - Sales & Marketing,
GOEBEL IMS

Mr. Harald Knechtel is a Certified Mechanical Technician for engineering and has been with GOEBEL IMS since 2009. Prior to this, he worked at the University of Technology Hamburg Harburg (TUHH) and at the French Research Institute Laue-Langevin (ILL) in Grenoble, the largest international centre for neutron research. He then moved into industry joining LPKF Laser & Electronics AG in Garbsen, Germany, which develops and manufactures laser cutting systems for the electronics industry, where he held various positions including that of Sales Director for its Hong Kong subsidiary. In 2009 he joined GOEBEL IMS as Area Sales Manager responsible for sales activities in Asia, before becoming Head of Sales responsible for international sales channels and playing a significant role in tapping new sales markets. He was appointed Managing Director Sales and Marketing at GOEBEL IMS in January 2016.

OR: Mr Knechtel, how has your background and experience prepared you for your current role?

HK: Today I’m Managing Director Sales and Marketing at GOEBEL IMS, a member of IMS Deltamatic Group. When I first started working for the company in 2009, I was in charge of Sales for the Asian market and then in 2011, I became Head of Sales. With my background, I am a qualified Mechanical Technician for Engineering, I have a deep understanding of the industry. I have worked both in academia and in industry, I have a strong technical background in addition to a broad sales background of domestic sales, international sales and expanding into new markets. All this experience gained in former employment and my technical background have prepared me well for my current position at GOEBEL IMS.

OR: What are the main challenges you face in your current role?

HK: The manufacturing environment is changing dramatically. As technology advances, it becomes harder to find employees that are not only talented but also know how to use their talent in an efficient way. Like many other manufacturing companies, we are facing a gap between the need for well-trained, skilled employees and their availability – especially in Germany and the Rhine-Main area. This is a key problem within machine manufacturing. We are fully aware that the success of our business is founded on the commitment and expertise of our employees. Therefore, we have hired a larger number of apprentices, increasing their number to over 10 percent of our entire workforce. Despite our engagement in training future experts, the demand for qualified, well trained and motivated employees is still very high and is intensified by the high production capacity we are expecting until 2020 and beyond.

OR: GOEBEL IMS is a leading provider of slitting and winding machines. Could you provide our readers with a brief outline of the capabilities, markets and reach of the company and an overview of the products you provide for the biax film industry?

HK: GOEBEL IMS provides best-in-class slitting and winding solutions worldwide. Technological leadership and a deep understanding of the industry and its needs enables us to stay ahead of the competition and develop cutting-edge machinery. We are not only known for the high performance of our machines but also for our diversified portfolio that provides the perfect solution for every slitting and winding challenge within converting – whether it be in the film, paper and board, tobacco paper, alufoil or the aseptic packaging industry.

Regarding the film industry, we know that innovation and outstanding performance in research and development are essential in successfully maintaining and expanding our market position in the long run. We look to consistently improve the performance of our machines and not only fulfil but also exceed the expectations of our customers. We are a strong player in the primary and secondary markets for film applications such as packaging films, metallised films, battery separator, capacitor and optical films.
For film suppliers, we offer a comprehensive portfolio of slitting and winding machines: MONOSLIT series, INTERSLIT and XTRASLIT 2 covering web widths from 1,800 to 12,000 mm, setting standards in film converting. The MONOSLIT series is designed for converting a broad spectrum of films, including BOPP, BOPET, OPP, CPP, BOPA and other special films. This series has further strengthened its market position due to constant technological changes and developments, where we have worked with customers to provide ground breaking solutions to their problems. We pride ourselves on our technological creativity and ability to address both a customer’s current and future needs.

**OR:** What is your strategy to further expand your sales in other markets around the world?

**HK:** GOEBEL IMS is one of the leading manufacturers of slitting and winding machines. For us leadership in technology means to already know today what is needed tomorrow. Due to the great cooperation we have with our customers and our deep understanding of the industry, we identify needs and upcoming requirements to consistently advance our technology. Over the course of our company’s 165-year history, we have constantly expanded our innovative potential and transferred our technologies into new fields of application. This knowledge transfer and our consistent high quality and efficiency are the result of our inhouse production technology as well as our leading competence in research and development.

We have also sought to expand our global market share and grow the business continuously. Since 2016 the IMS Deltamatic Group is part of Coeclerici S.p.A., an Italian multinational focused on raw material supply chain management for the steel, energy and metallurgic industries, and now looking to diversify and grow in industrial machinery. The acquisition of the IMS Deltamatic Group fits in with the business diversification strategy carried out by Coeclerici and represents a long-term investment in an Italian company with significant future development opportunities both on the national and international markets.

With over 120 years of experience and an established global presence in the USA, Western and Eastern Europe as well as Asia and the Far East, Coeclerici opens up further possibilities for GOEBEL IMS. For example, we are currently looking at strengthening our US activities including investing in new staff and premises, in addition to further investments in R&D. Together, Coeclerici and GOEBEL IMS will mutually benefit from each other’s expertise, structure and strong knowledge of international markets. The joint growth potential is high, but we are also motivated to identify further new development opportunities.

**OR:** GOEBEL IMS became part of the IMS Deltamatic Group in 2013. Tell me a bit about IMS and what are the benefits of being part of the IMS Group? Have your capabilities been enhanced?

**HK:** The IMS Deltamatic Group designs, develops and sells high-tech automatic industrial machinery for the converting, flexible packaging and automotive sectors. With several acquisitions over the last few years, the group has become a leading player in industrial machinery and has experienced a solid growth rate on a global scale. Being part of this strong group GOEBEL IMS benefits from joint growth and enhanced capabilities. The IMS Deltamatic Group invested in vertical production, with reliably supplied, high quality components and semi-finished products. The group expanded its current production capacity with a new 9,000 m² manufacturing facility housing the manufacturing of various small and big parts for GOEBEL IMS and other brands within the Group, and helping to prevent bottlenecks.

As part of the group, we have enhanced our sales force to strengthen our market presence and leverage the cooperation with our many partners worldwide.

**OR:** GOEBEL IMS also supplies other industries outside biax film – does the equipment differ between the different industries served? Do you see different trends taking place within the various industries? Have there been any transferable lessons from other industries that you have successfully applied to the film industry?

**HK:** Yes, the equipment does differ between the different industries served. Every industry has its unique set of challenges and requirements. Therefore, we provide bespoke solutions and tailor-made machines for each customer in each industry.
Our wide portfolio of slitting and winding machines shows many good examples of transferred technologies and applications that have led to innovative solutions. From our experience in handling sensitive paper with special coatings or sensitive films, we know that they need to be processed very carefully. A single mistake in pressure or winding can ruin the whole production. We transferred this knowledge to ultra-sensitive battery separator film and were able to find the perfect solution for this special application. One good example is the recently launched slitter rewinder for the production of battery separator films. The INTERSLIT BSF offers many technical features such as individual web guidance, pressure control systems and precise web tension.

In general, we benefit significantly from the experience we have gained throughout our 165-year history and know very well that this is one of our main competitive advantages.

**OR:** Could you briefly explain the different types of competing slitting and winding technologies available on the market today and the relative strengths and weaknesses of each?

**HK:** At GOEBEL IMS we always set our goals apart from market standards or competitors. We aim to increase the efficiency and performance for our customers by suppling cutting-edge technology and tailor-made solutions. Unlike others, we do not provide off the shelf solutions, we have a strong understanding of all the different options available and we combine this with a focus on innovation, performance and the best solution for each of our customers.

**OR:** How does the Asian market compare – are Asian manufacturers able to compete with European manufacturers for slitters that have equivalent speed and consistent quality?

**HK:** First of all, GOEBEL IMS provides its customers with a high quality and service Asian manufactures can hardly compete with. We see some Asian competitors for widths up to 6,000 mm, but only on the Asian market itself. Especially in applications for widths over 7,000 mm, reliable precision and combined advanced features are essential for film production and converting and in this sector, we remain ahead of our Asian competitors.

We are also seeing a shift in the Asian market. In 2014, a Chinese manufacturer for BOPET thick technical film, who ordered most of his equipment locally, turned to GOEBEL IMS to avoid further expensive mistakes, deciding to rely on the quality of GOEBEL IMS. This shows that our outstanding quality and expert knowledge is a huge competitive advantage, and is valued even in Asia.

**OR:** How have you seen slitting and winding technologies advance over the past decade or so?

**HK:** Slitting and winding technologies advance as industries require solutions to new challenges – high automatization, complexity of the production process and handling high production capacities, to name but a few. A good example of innovation based on industry needs is the MONOSLIT GIANT. The name speaks for itself. The design of the machine allows stock reels of 12,000 mm to be converted with an unwind diameter of up to 1,550 mm and a finished roll diameter of up to 1,250 mm. In 2011, MONOSLIT GIANT was launched and in 2012 we were the only manufacturer offering machinery for wide width lines. Today, this pioneering work enables us to convert stock reels of up to 1,800 mm and rewind rolls with a diameter of 1,500 mm. We are seeing that individual customer needs and tailor-made solutions are growing in importance, thus increasing the complexity and challenges of each project undertaken.

Over the years, manufacturers have looked at ways of lowering their downtime in order to increase their production capacity. One big topic is flexible automatization, which is changing the manufacturing industry, and we see huge growth in demand within this sector. We offer a comprehensive online service with remote access control and diagnostic systems, Industry 4.0 is not just a buzzword for us, we want to provide our customers with a fully integrated automation solution.

**OR:** What are GOEBEL IMS’s latest innovations for the film industry?

**HK:** In 2017, we launched a new machine for the battery separator industry. The new INTERSLIT BSF sets the highest standards for BSF applications. INTERSLIT BSF is a good example of successful cooperation with our customers. The machine was designed in close collaboration with one of our customers and demonstrates our long-term experience in handling sensitive paper with special coatings or sensitive films.
experience in special machinery manufacturing. Working with the customer, we developed the machine according to his needs and in a highly solution-oriented manner. We are proud that our experts found a perfect solution to process this extremely sensitive material and believe that our INTERSLIT BSF will play an important role in the growing market for lithium-ion batteries.

**OR:** **What are the most important features/changes that your customers are asking for in the development of slitting and winding equipment? Are there any differences according to the type of biax film being produced?**

**HK:** As mentioned before, high automation is one trend we see strongly evolving. Therefore, we create overall solutions such as the handling of finished rolls or fully automatic storage systems. Besides automatization, the demand for quality management is increasing. One feature we developed in cooperation with a customer is an integrated high-resolution camera system for our slitter rewinders able to detect and assess many diverse defects.

**OR:** **What are the key factors you believe companies should consider when assessing their current slitting and winding machinery and are looking to invest in new equipment?**

**HK:** When assessing a production line already in operation several critical aspects should be taken into consideration. Is there potential for a more efficient process and how can downtime be minimised? What is the availability of customer support, spare parts and what are response times like? With this knowledge companies can decide whether to retrofit or whether new equipment is the best option.

The commissioning of new machinery and mechanical equipment is a resource intensive process requiring significant investment and long-term commitment. Therefore, the machinery should perfectly meet technical and production requirements. Also, seamless integration into the production line should be guaranteed. And last but not least, the service and availability of spare parts should be taken into consideration to ensure fast and qualified help provided by trained employees.

With MyLab, - the new 800 sqm customer and innovation center - GOEBEL IMS provides a great service to test and verify all these crucial factors in detail. MyLab is our incubator for new applications and innovations where manufacturers and converters can meet our experts and run tests on our newest slitting and winding machines. The machine program at MyLab includes solutions for film, alufoil and paper converting. This gives our customers the chance to ensure the best integration and performance in advance of purchase. Experience has shown that it’s essential to run tests with the later used material on different machines to estimate their performance under realistic conditions. With the help of our experts they can find the perfect solution for their application. Furthermore, MyLab also introduces turnkey systems and automation concepts.

**OR:** **The economic dynamics of individual regional markets are shifting and some previously fast-growing markets including China and Brazil have slowed. As a company that serves a worldwide market, could you comment on the state of the global economy as you see it?**

**HK:** Global markets are constantly moving. Demand for our high-quality machines remains strong, but it is shifting. We are seeing fewer investments from the BOPP sector in China, but are still expecting some orders in wide mainlines for BOPP this year. Therefore, we are still optimistic that the Chinese market will increase again. Even if the BOPP market is saturated, the GOEBEL IMS business is built on diverse pillars enabling us to cope with economic fluctuation in different regions. We have recently noticed increasing capacities in the BOPA sector and higher demand in BOPET, substituting demand in BOPP.

Regarding the current state of the markets, our approach is to stay agile and thereby be able to respond instantly to new market trends. A good example of the success of this approach is the new INTERSLIT which opened up new markets for GOEBEL IMS. The machine was launched in 2016 and completes GOEBEL IMS’s state-of-the-art portfolio of slitting and winding solutions with an innovative concept for film applications from 4,000 to 7,000 mm web widths. The INTERSLIT serves the BOPA market, replacing lines from the 1980s which were not working productively anymore. Another new market which GOEBEL IMS entered in 2017 is BOPE. This industry sector developed independently from traditional slitting and winding equipment and is looking for new solutions with rapid reaction times.

We are proud that our experts found a perfect solution to process this extremely sensitive material and believe that our INTERSLIT BSF will play an important role in the growing market for lithium-ion batteries.
Orientate offers opportunities and we are ready to take them.

**OR:** Where is the current growth coming from? In which regions are you seeing most interest for your slitting and winding machines?

**HK:** The demand for our high-quality slitter and rewinders is not limited to certain regions or industries. Since 2017 orders have increased internationally and across all industries.

Walking through our production site, seeing all the machines for customers from all around the world and for different industries, gives us confidence to further invest both in our capacities and in new market approaches. West Africa for example is one of these new markets we see rising. Our first BOPP project in Nigeria started in 2017 and it is a pleasure for us to be part of this pioneering project. With our primary slitter MONOSLIT and our secondary slitter XTRASLIT 2, we are part of a turnkey project that could be the start of a promising development.

**OR:** What should film manufacturers and converters be doing to ensure the optimal performance of their slitting and winding machines?

**HK:** Consistent maintenance and well-trained employees are the key to well-functioning machine parks. In detail, that means to maintain the machinery on a regular basis and keep the training of the operating and service teams up-to-date. We cannot stress enough the importance of planned preventive maintenance (PPM) to prevent and avoid machine failures and downtime. Because once a machine is down, the whole production may stop. Therefore, we offer several customisable maintenance models, a holistic service approach with remote assistance via the internet and the fast delivery of spare parts. Especially for the Chinese market we started offering training for customers and non-customers on the optimisation of their existing lines. These training courses are held by our highly qualified service engineers and offer a valuable approach for our customers’ technicians.

**OR:** What are your expectations of film suppliers such as those in the biax industry, and how can they best support your activities? If you could change or improve one aspect of how biax film producers interact with you, what would that be and why?

**HK:** GOEBEL IMS manufactures complex, state-of-the-art special machinery designs as well as customised solutions for individual requirements. We put a lot of effort into development and service. In addition, we share our expertise and provide our customers with our valuable know how. This is only possible with good cooperation and with respect for the efforts of both sides.

**OR:** With film producers and converters ever more aware of driving production efficiencies and profitability coupled with increasing focus on sustainability and waste reduction, how as an equipment manufacturer are you responding to these challenges?

**HK:** We are enabling our customers to utilise our machines to optimum effect, decreasing their energy consumption and reducing the waste caused by production failures. In addition, our machines shorten the time needed to insert and remove the converted and finished rolls. This is not only logical from a sustainable but also from an economical point of view. In addition, we build compact machines that require less space in transportation as well as at the production site.

**OR:** What do you consider to be the main long-term challenges that your business faces? Or put another way, what keeps you awake at night?

**HK:** We participate in the international growth of the film, paper, alufoil and aseptic packaging industries. Serving several industries strengthens our market position and means we are not reliant on a single sector, however it also adds more complexity to our business with regard to delivery times and different market requirements. We also need to overcome the challenge of high capacity utilisation in the medium-term, and find reliable suppliers and skilled employees which is so important to our future success. Current political changes and challenges might also have a critical impact on markets and businesses.

However, thanks to our cutting-edge innovations, tailor-made solutions and high-quality services, we are very optimistic we will continue to enjoy future growth.