

WHAT DOES QUALITY MEAN?



The topic of quality comes up sooner or later whenever we talk to partners or interested clients anywhere in the world. Working for a Swiss industrial enterprise, one is used to this and able to submit detailed evidence. Characteristics such as precision, long useful life, punctual deliveries and other aspects can be presented plausibly. The fact that our products are known the world over for exactly these properties is not the success of our marketing personnel. They reflect the character of people in Switzerland. The logical conclusion from this would be: our products will remain in demand for as long as we are true to ourselves. Only – doesn't quality comprise more than a highly precisely manufactured part or mould?

We believe that the foundation stone for quality is laid in the first contact with the customer. It takes an in-depth discussion with an experienced specialist to find out which solution brings the optimal benefit to the client. Perhaps it is exactly this quality which makes the difference. The quality of the product itself may rightly be expected from us. If an exchange of ideas takes place at eye level in the very first discussion, a load-bearing basis is already provided for a promising partnership. The subsequent steps in the project are typically Swiss again. Deadlines are adhered to, agreements are met and everything is delivered as desired. Let's leap forward, therefore, to a quality characteristic which becomes relevant later on: customer care after delivery. Even the best mould needs competent and flexible support when it comes to spare parts, service interventions or assistance in production. To guarantee this to our customers at all times is also an essential quality characteristic as we see it. If we speak of quality, we always think beyond the typically Swiss characteristics. Quality comprises numerous individual factors which are defined and assessed individually by every customer. This is why we at Otto Hofstetter AG differentiate between two qualities: the one looking at precision, durability and reliability, and the one comprising attention, personal esteem and understanding. Qualities which, as pointed out, start with the first contact and end at the earliest many years later when the mould is taken out of service. Without fluctuations of form in between.



Member of the management of Otto Hofstetter AG





Title page.

Welding engineering for the highest demands as regards precision and strength is one of the fortes of Unimec Fabrikations AG in Wetzikon, a partner company of Otto Hofstetter AG.

Imprint.

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The plastics industry is an important part of the Austrian economy. Varioform PET, an enterprise domiciled in Reichersdorf, is one of the significant actors in this segment. General Manager Werner Maurer, eng. grad., gives us an insight into the characteristics of this innovative market and explains the strategy and attributes of the company he runs in the interview below.



Austria, even more so than Switzerland, is associated with natural materials such as timber, rock and wool. What, then, is the role of plastics in this country?

One of Europe's most important producers of plastic products is established in Austria. We rank among the country's biggest plastics processors and are very intensively engaged in the plastics industry. The first non-returnable PET bottle was introduced in Austria already back in the early 1980s. Mineral water was already sold in PET bottles in our country before it was even spoken of in Germany, for example. In the early 1990s, we also started to develop collection systems, i.e. at a time when nobody else did this in any other place. Here in Austria we have three recycling operations which reprocess PET for the beverage industry. Sustainability has already been a topic in our country for a long time. We were one of the first operations in Europe to start recycling and effectively reduce the use of virgin resin. In other words, Austria is right at the front in all matters to do with plastics.

How is the packaging market set up in Austria?

As far as general consumer goods are concerned, there are basically only two major producers in the whole of Austria. With a view to the population and therefore the potential of the overall market, there wouldn't be sufficient production volume for additional suppliers, either.

"GROWTH IS MORE LIKELY WITH THE NUMBER OF PIECES RATHER THAN THE TONNAGE."

Werner Maurer, General Manager, eng. grad., Varioform PET

Austria has a packaging regulation. What is the influence of this government decree on the plastics market?

The state has a very moderate influence. The Altstoff (waste) Recycling Austria (ARA) was initiated in 1993. It is a non-profit organisation whose revenues return to the customers – who are at the same time the owners. Moreover, well-known beverage producers joined forces in 2006 to found the PET to PET Recycling Österreich GmbH. Thanks to these measures, more than 90 per cent of the packaging materials can be reused within the country and are thus available again to the local industry as valuable raw materials. More than 70 per cent of the quantities produced by us contain at least 50 per cent of recycling material. This is a substantial quota for Austria.

What is the role of Varioform PET in the Austrian packaging market?

While we are deliberately inactive in certain markets, we enjoy a leadership position in others. In the beverages market, for instance, we hold a share of approx. 30 per cent. This, however, is our own assessment, which is why the number must be considered with caution. Varioform PET is very strong in the detergents market and also produces preforms and bottles for wine.

What capacities and quantities are we talking about?

Eleven lines are currently in operation at Varioform PET. We work around the clock on 360 days and run 35 different moulds. This brings us to a total production quantity of 35,000 to 37,000 tonnes per year. Our strategic aim is to supply medium-sized factories which rely on our speed and flexibility. Based on their feedback we are coping quite well – not least also thanks to our well-trained personnel.

Varioform PET produces almost exclusively preforms. What application areas and product ranges do you focus on?

Quantity-wise, water and carbonated soft drinks (CSD) are our main segments. Apart from these, we produce preforms for detergents and home-care packaging as well as special products such as wine and beer. Mind you, the beer trade in Austria is rather conservative and relies increasingly on the can. Which is why this particular market doesn't develop as it could. As regards the Austrian milk producers, laminated cardboard is still the preferred choice.

After about 30 years of marked growth, the water market in Austria is stagnating. Where do you see growth potential?

The trend develops in the direction of smaller available units. In my opinion, this is due to the growing number of single households and the tendency towards smaller flats. The demand for still and flavoured waters is expected to grow in future. Still water is very popular with the younger generation. Drinks are bought under way and increasingly at dispensers. From an overall point of view, growth is more likely with the number of pieces rather than the tonnage.

At Varioform PET, the machines never come to a standstill – that's your claim on your website. How high is the productivity rate in fact?

We currently achieve a net production output of 85 per cent in winter and 100 per cent in summer, which is a good utilisation as I see it. The strategy of Varioform PET has always



been that our customers must have their products available in impeccable quality within the shortest possible time.

Varioform PET supplies customers with finished bottles. What is the share of preforms against that of bottles?

In the overall context the bottle production is less significant. Its economic efficiency is clearly limited because we basically transport air around the countryside.

When doesn't the "supply of bottles" pay any more?

The limits are clearly exceeded in case of a transport distance of more than 300 kilometres. The costs would be in no relation to the effort required. The situation is a little better when it comes to special products. Here the general conditions are somewhat more positive.

To the history: Varioform PET was founded in 1987. What were the important development steps of the enterprise?

Up until 1999, we were an important partner in the bottle production for the Austrian market. The Egger family sold the business in 2007, which had a very positive effect on the spectrum of products. Three years later, i.e. in 2010, there was another change of ownership: the Bartenstein family took over. This gave Varioform PET new impetus and developed ambitions to expand the operation.

In spite of considerable changes in its shareholder base, the company managed to grow and strengthen its position in the market. How is this possible?

Our credo was and is to be a direct contact partner for our customers at all times. Whatever they desire from us, we are always available to them with solid advice and help. Our comprehensive experience enables us to contribute to any solution. A further decisive factor for our stability are our ethical standards which focus entirely on our customers' satisfaction.

You rely on "Made in Austria" in your advertising. Varioform PET has been operating a subsidiary in Serbia since 2012. What conclusions may be drawn from this?

Our subsidiary serves mainly customers in the local Serbian market. One advantage is that both companies count on identical suppliers, for example Otto Hofstetter AG. Apart from this, the mentality is very similar to ours in Serbia and the attitudes as regards work and quality highly professional. This means that we get on very well together and can benefit from each other.

Quality takes top priority with Varioform PET. Next to the international standard FSSC 22000, you refer to various products covered by a RAL certificate. What does this mean?



The RAL certificate concerns the ecological properties of our products. We have joined the registered association by name of Wertstoffkette PET-Getränkeverpackungen e.V. (Materials chain of PET beverage packaging products). With its initiative, this quality organisation aims at contributing to a better use of raw materials in the interest of environment and climate protection. As holders of the RAL quality mark "PET material", we buy our recycling products almost exclusively from other certified operations.

Quality association for the materials chain of PET beverage packaging products implies recycling. A topic which Varioform PET appears to have at heart. The packaging regulation applicable to Austria strives for a recycling quota of 75 per cent. Varioform PET currently uses approximately 50 per cent R-PET. How can you increase the share?

To be able to raise the current quota, the general conditions must improve in some areas. Firstly, some measures are still needed as regards the collection of empties. Austria is already a very good example compared with its neighbours, but there is room for improvement. Secondly, the right quality must be available in sufficient quantities and at a price you can calculate with.

As an engineer, you have undoubtedly a marked understanding of all mechanical things. To what extent has

your expert knowledge influenced the choice of moulds from Otto Hofstetter AG?

In my first two years as General Manager of Varioform PET, I travelled through Europe, visited many potential suppliers and compared them. Otto Hofstetter AG always left the best impression. This is why we bought our first mould in 1986 and have remained loyal to OHAG ever since. We appreciate the good service, the direct line to our contact partners and their short reaction times. These virtues, by the way, are also the ones for which our customers like us.

According to insiders, you rank among the technically leading producers. What matters to you in the cooperation with OHAG?

A big plus is that we can run the moulds for years and have them always available when we need them. The high technical availability is very important to us. The compatibility from mould to mould is an additional advantage of the products from Otto Hofstetter AG.

Where do you see potential for optimisation?

Based on their properties and the applied technology, the moulds are of a certain size. I would welcome it very much if the specialists of our Swiss partners kept working on the compatibility. Flexibility is of the utmost importance to us and it would be great to get yet more support for this on the side of the moulds.

"FLEXIBILITY OF THE MOULDS IS OF THE UTMOST IMPORTANCE TO US."

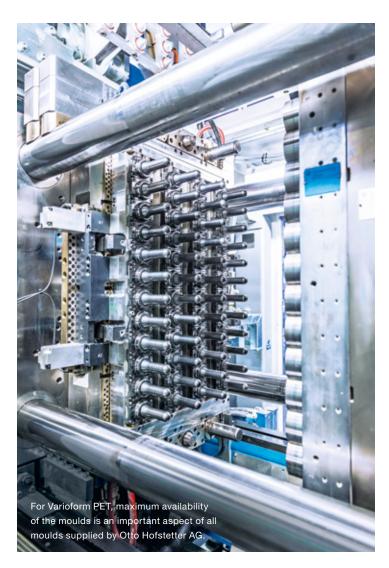
Werner Maurer, General Manager, eng. grad., Varioform PET

What services or other performances should Otto Hofstetter AG offer in future?

I can't think of anything I miss right now. This is probably the case because arising problems or new issues are always discussed directly and immediately with our contact partners. However, it is undoubtedly of benefit that Otto Hofstetter AG is a family enterprise.

What route will Varioform PET take in future?

Our immediate next projects concern the internal logistics and process optimisation. Our strategic focus is on looking well after the Austrian market and continuing to care for our customers in the neighbouring countries. Rather than striv-



ing for offensive growth, we want to expand in a sustained and sensible manner. We also want to act responsibly towards the environment and be a fair and reliable partner to our employees.

Many thanks for this discussion, Mr Maurer. We wish you every success in the implementation of your plans.

VARIOFORM PET

Varioform PET Verpackung Ges.m.b.H

Industriestrasse 5, 3134 Reichersdorf, Austria

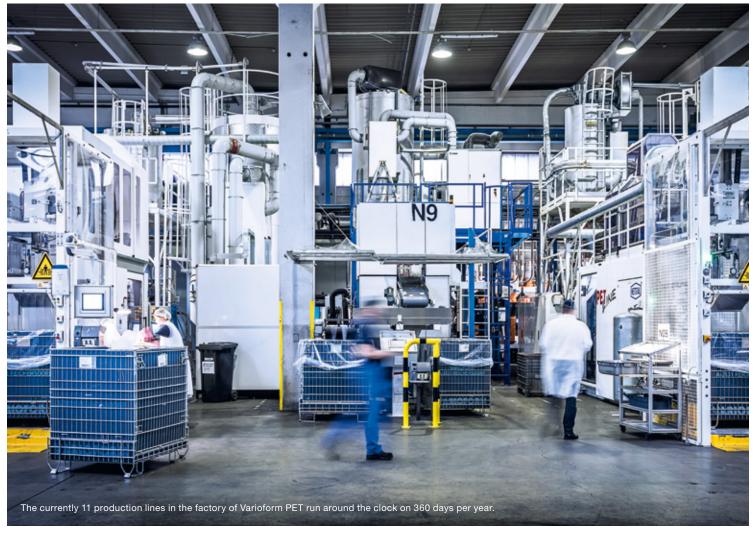
Products: PET preforms for mineral water and soft drinks, home care as well as wine and beer; bottles for special applications

Year of establishment: 1987

Headcount: 40

Production plant: 11 lines

www.varioform.at



OH-XTRA®— THE SUPERIOR SURFACE.

The quality of the preforms, along with other aspects, is decisive for the efficiency of the downstream production. Highly influential factors here are the properties of moulds and especially core surfaces. With OH-Xtra®, Otto Hofstetter AG has developed a new technology which is way ahead of all conventional surface treatments of mould cores.

The core of quality.

In the case of a PET injection mould, the surfaces exposed to the processed plastic material are decisive in many respects because they eventually determine not only the shape, but also a big part of the quality of a preform. On the one hand, we strive to achieve a perfect surface structure on the steel parts to provide the actual preform with a regular, smooth surface. On the other, a structure in the direction of ejection is an essential advantage for onward processing, so that ejection from the mould takes place very smoothly and the plastic part is protected from any deformation. Here, particular attention is paid to the cores. During production – as we know – the preform remains in contact with this mould component for the longest part of the cycle, and is also steadily cooled there.

The search for the ideal surface.

Looking at the development history of PET moulds, it is clear that many different surface treatments and coatings have already been applied to steel cores for PET: high-gloss polish, chrome-plated surface, the golden TiN coating and many more. The objectives of these surface treatments and coatings were and still are always to attain the above-described smoothest possible surface that allows to eject the preforms without resistance.

Cycle time and material are decisive too.

The specified cycle times and the materials to be processed also have a major influence on the quality of the preforms.

Both factors must be taken up accordingly in the overall consideration of the preform quality. While the marked pressure of costs leads to ever shorter cycle times, the wish for a more ecological production causes the portion of recycled material to rise considerably. The two aspects must be taken into account but are not allowed to deteriorate the preforms' quality properties.

OH-Xtra® sets new benchmarks.

The developers of Otto Hofstetter AG have met this challenge and set out to develop an entirely new surface treatment for the mould cores. Through intensive research they discovered a method which appeared to satisfy all requirements. In the subsequent trials and test series, the newly developed technique confirmed the predictions of the experts.

OH-Xtra® is the name of the new surface treatment for cores. The method is applied directly to the mould part using a special process which results in striking advantages for both the preforms and the mould:

- No micro-scratches on the preforms any more, especially in the mouth section in direction of ejection
- Less deposits of dirt particles on the actual moulding surfaces (lotus flower effect) and thereby a reduced cleaning effort
- Lower ejection forces are required in the mould

OH-Xtra® has been used in all moulds manufactured by Otto Hofstetter AG since January 2017. Cores of earlier generations of Hofstetter moulds can be retrofitted with OH-Xtra® without restriction, of course.

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HAWITA technoplant is one of the leading producers of plastic plant containers. The company in Vechta (Germany) develops and produces articles for professional and private gardeners and has been counting on moulds from Otto Hofstetter AG for the last 20 years. Factory Manager Jens Berkensträter explains the benefits of this choice and throws some light on the peculiarities of horticulture in the interview.



Technoplant is a part of the HAWITA Group. What is the main field of activity of this group of companies?

The HAWITA Group is active in various areas of horticulture. The mother company HAWITA produces soil substrates and runs different operations in Eastern Europe and Germany. At a first glance, maybe, plastics don't fit in. Looking at the distribution structure, however, they make sense. The customers to be approached are the same, and the wider the range, the more points of contact come up. If you don't get a foot in the door with soil substrates, you might succeed with the plastic articles or vice versa. HAWITA is an old-established enterprise. Last year the group celebrated 25 years of existence, but some of the companies within the group are 80 years old.

What are your markets and where do the customers come from?

Germany is clearly our main market, but we also pushed exports quite considerably in the last years. At present, the HAWITA Group supplies even to customers in China and technoplant has been securing orders from the United States for 15 years. Europe, however, is clearly our core area.

How is technoplant set up organisationally within the **HAWITA Group?**

In principle, HAWITA is always sitting in the boat as well. technoplant hardly ever appears on its own and doesn't have own distribution channels. Marketing and distribution are centrally organised over corresponding offices within the group.

"WE SPEND CONSIDERABLE ENERGY ON FINDING INNOVATIVE WAYS."

Jens Berkensträter, Factory Manager

How many people does technoplant employ?

Our permanent staff is 25 people. However, our business is subject to strong seasonal fluctuations, which is why we employ up to 45 people in peak periods. We usually generate about 80 per cent of our annual sales in the first half of the year. Temporary workers pack and load our products during the busy phase when the new gardening season slowly starts to announce itself.

What is the biggest challenge in the production of pots?

We cope with this to a major extent also thanks to Otto Hofstetter AG. It is decisive for the top quality of our products that the wall thicknesses remain constant and that the moulds stand up to the high pressures and strains. A further challenge is the machine's engineering to guarantee that the cavities for the thin walls are correctly filled with the suitable plastic material.

Which are your key products?

The hanging baskets of HAWITA technoplant are very well known and popular in the market. The plant pot business, on the other hand, is still relatively new for us. We only got a foothold in this segment three years ago. Our range comprises, among other articles, balcony boxes, herbal boxes, decorative pots for indoor applications, trimming aids and the cultivating and transport pallet "Palettino", which is a returnable transport and cultivating system for horticulturists.



Which technical speciality within your product range would you call the absolute innovation?

In view of the very high share of material cost in our products, we attach the greatest importance to the lightest possible weight of each article. The thinner the wall - without impairment of the stability - the cheaper we can produce. This is why we spend considerable energy on finding innovative ways to further reduce the wall sections in order to save plastic material.

How do such innovations materialise?

It's best if I explain this with an example. Some time ago we had the replacement of an injection mould on the agenda. The question was whether an overhaul or a new procurement would be more sensible. While a comprehensive overhaul of the mould costs less, the properties of the articles



produced with it stay the same. With our goal of constant improvement we decided in favour of the, at first sight, perhaps more expensive solution. The result is that we can now produce with a new mould which allows us to decisively reduce the wall thickness once more.

Assuming that time to market is a success aspect also in your business, how long is the process from the first idea until serial production starts?

This always depends on the circumstances at Otto Hofstetter AG. The better the availability of the development specialists, the shorter the implementation process. We reckon with a total duration of about half a year on average.

In what direction will the market develop?

Easy-care products enjoy an ever higher demand and the colour spectrum is widening. So far, we produced in 60 different colours, from classic ones such as white, terracotta, green, anthracite and black right to fashion tones of blue, purple, pink, red and orange. Orange alone comes in 10 shades. We are very flexible and react quickly to any of our customers' wishes.

You satisfy individual requirements. How much design freedom do you allow your customers?

Our supplies comprise primarily the articles we market and distribute. We do market research to keep the range up to date. In this way we find out what is already in demand and what the customers want in future. On this basis we develop new articles all the time and introduce them to the market. If the reactions to our new creations are positive, we invest in the design and manufacture of new moulds.

The ecology and active protection of the environment matter to the HAWITA Group. This is evident, for example, in the returnable transport and cultivating system you have developed. What further measures have you taken in this direction?

A careful use of resources is very important to us. Before we invest in machines, we check their energy consumption. We also devote ourselves to returnable solutions in horticulture. We already launched a pioneering product with our "Palettino" 20 years ago. Such solutions are highly interesting from an ecological point of view. The capital effort, on the other



hand, is clearly higher, which explains the somewhat hesitant acceptance in the market.

Plant-based plastic materials have been a current topic recently. What are your experiences in this respect?

We watch the developments in the area of alternative materials carefully. To date there exists no genuine substitute for the traditional materials for plant containers. The prices for near-natural raw materials are clearly higher, which affects the end price negatively. A trend which the market is unlikely to accept in spite of the increasing environmental consciousness.

Where do you foresee possible applications of such plastics and in which direction are developments going?

Alternative materials have a certain potential, by all means. In this regard too, we try to be very flexible and close to the customer. We discuss all developments with the market participants and determine whether or not a change or extension of our range of products makes sense. We then act depending on the feedback.

As an innovative producer, you are undoubtedly open to support in the translation of your projects. To what extent can your mould partner Otto Hofstetter AG assist you in this area?

We can count on supportive contact partners in Uznach if something ever happens. Our cooperation with Otto Hofstetter AG goes back to 1998. There are good reasons for this. Moulds offering a high availability are essential to us. This is guaranteed with the injection moulds of Otto Hofstetter

"WE WOULDN'T HAVE BEEN A CUSTOMER OF OTTO HOFSTETTER AG FOR TWO DECADES IF THE OVERALL PACKAGE WASN'T RIGHT."

Jens Berkensträter, Factory Manager

AG. The price could be in another segment, of course, but we wouldn't have been a customer of Otto Hofstetter AG for two decades if the overall package wasn't right.

The total number of moulds has grown to 20 since your first order. What do you like about Otto Hofstetter AG?

Roughly speaking, we buy a mould each year. Reliable, durable and robust moulds are essential for a specialised sup-



plier of injection-moulded products like us. We must be able to count on a strong performance at all times. Moulds manufactured by Otto Hofstetter AG provide us with exactly this quality.

In what areas could the people in Uznach improve?

It would be great if they could eliminate the customs barriers and halve the prices and delivery times. But, joking apart, I don't have any concrete advice. They should do what is a must for any operation, of course: advance constantly. On the technological side, Otto Hofstetter AG has already caught up substantially in the last years.

HAWITA

HAWITA technoplant Kunststofftechnik GmbH

Wilhelm-Bunsen-Strasse 16, 49685 Emstek, Germany

Products: plastic plant containers for commercial growers and hobby gardeners

Year of establishment: 1990

Headcount: 25, up to 45 during the busiest time

www.hawita.de

A brief outlook: What is the biggest challenge to be met in the years ahead by HAWITA technoplant on the one hand and the branch of the industry on the other?

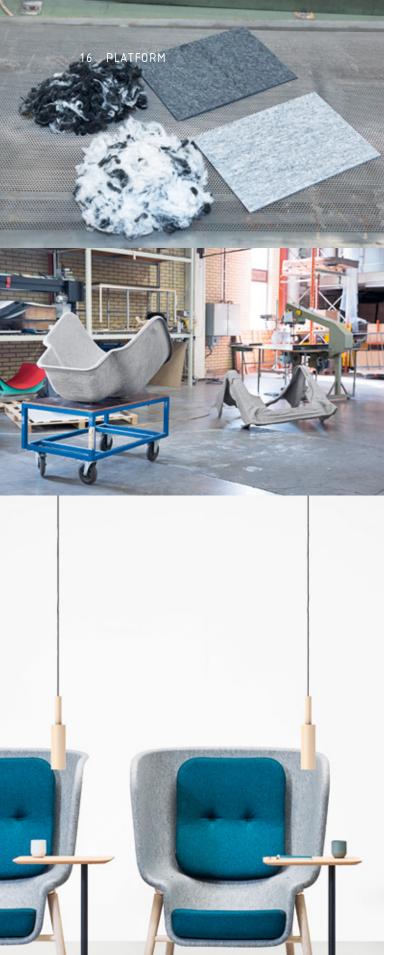
There are several challenges: The cost of electricity, the bureaucracy and the administrative effort are increasing all the time. Competition is becoming stiffer, too. We are increasingly facing questions of material, and the returnability issue will stay with us. Protection of the environment in general will remain a topic. Peat is a constant discussion point in the production of soil substrates. For years already, we've been relying increasingly on alternative basic substrate materials such as green compost, bark humus, wood and coconut fibres, and we keep testing further alternatives to save the valuable peat. As you can see, we're unlikely to run out of tasks in the near future.

Many thanks for the discussion, Mr Berkensträter, and best wishes for your continued success.



BOTTLE BECOMES CHAIR.

The Dutch furniture manufacturer De Vorm has developed a new ecological material based on felt of PET. It is made from recycled plastic and suitable to be returned to the material cycle. The properties of the PET felt open up a wide application spectrum and offer much design freedom.



De Vorm goes its own way when it comes to design. On the one hand, the company cultivates exceptional forms, and on the other, it processes a material which it developed for its own purposes. No wonder, since De Vorm's philosophy is to reduce waste in every possible way. It is this attitude that led to the development of PET felt, a material which lends itself to a great variety of applications, convinces as regards haptic and has a very positive effect on a room's acoustics.

PET felt is made from used plastic and, in particular, recycled bottles. A multistage process converts the raw material to thin felty layers. Depending on the application purpose, more or less layers of felt are compressed to a plate. Discarded plastic thus becomes a strong, robust and UV-resistant material. Its acoustic characteristics and the aesthetic effect open up numerous application and design possibilities to the innovative Dutch designers.

THE PHILOSOPHY OF DE VORM IS TO REDUCE WASTE IN EVERY POSSIBLE WAY.

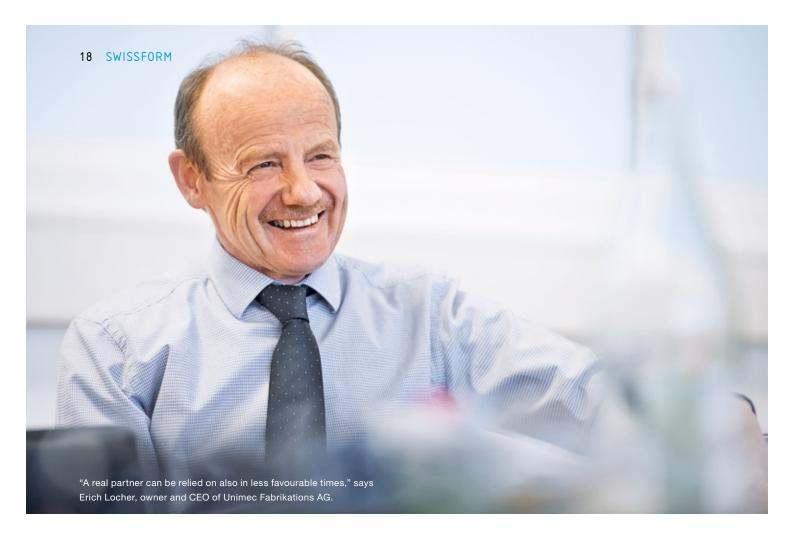
De Vorm has already translated some of its novel ideas and come up with the Pod PET Felt Privacy Chair, the LJ 1 PET Felt Arm Chair and the LJ 2 PET Stack Chair. To this end, the PET felt is brought into its final shape by means of a compression moulding process. The versatile felt is not only used for armchairs and ordinary chairs. Thanks to the material's particular acoustic properties, the production programme of the Dutch company also includes sound-absorbing plates for the interior and elements for the partitioning of job stations.

De Vorm's expertise in product design is borne out by different prizes it has been awarded in design contests. The AK 2 Workplace Divider Lamp and the Nook PET Felt Lounge Chair, for example, won this year's IF Design Award, and the Pod PET Felt Privacy Chair won a Red Dot Design Award. "We are convinced that our material is a good answer to the call for sustainability in contemporary interior architecture."

www.devorm.nl



In its production of injection moulds, Otto Hofstetter AG has been relying on the dedicated support of Unimec Fabrikations AG for the last 20 years. The specialists domiciled in the Zurich Oberland process all kinds of metal and are widely known for their precision and dependability. Erich Locher, owner and CEO, and Peter Bühlmann, member of the management of Unimec, explain what the two family-managed Swiss enterprises have in common.



Continuation of history.

The town of Wetzikon and the Aatal (Aa river valley) have been the home of spinning mills, mechanical engineering companies and foundries since the second half of the ninetheenth century. In the 1960s, the site of today's Unimec works was occupied by the lorry and bus factory Franz Brozincevic & Cie. Wetzikon, FBW for short. The companies presently domiciled there are clearly marked by the spirit of the pioneers of those times. At the forefront of them all is Unimec.

"WE WORK EXCLUSIVELY ON ORDERS FROM PARTNER COMPANIES."

Erich Locher, owner and CEO

Self-responsibility and precision.

Like many industrial pioneers before him, Erich Locher founded Unimec Fabrikations AG in Wetzikon in the Zurich Oberland. It was in the year 1997. The Swiss family business offers comprehensive metal processing: machining operations, sheet processing, welding techniques and assembly. The founder developed the company further to a subcontractor. Unimec is now deeply engaged in the railway and nuclear segments as well as other areas in which safety comes first,

for example the aviation industry. Apart from suitable certifications, the company attaches high importance to own responsibility and self-inspection by the approximately 85 people making up its workforce, and it operates its own Quality Management department, of course. Swiss quality and precision are taken very seriously and the company is well known for its high-quality products.

Mutual loyalty is the basis.

The enterprise is active in various branches of the industry and works exclusively on orders from partner companies. This is their strategy. "We're strictly custom manufacturers, as they are still called in Swiss industry. We make our expertise and modern equipment available and are very flexible," explains Erich Locher. The risk of dependence is there, but the concept is well proven, as the many years of fruitful cooperation with Otto Hofstetter AG bear out. "We go together through thick and thin. It is important to be mutually successful not only on sunny days, and to avoid taking different tracks from the moment dark clouds come up," the CEO adds. The long-standing partnership between Otto Hofstetter AG and Unimec is based on information passed on from person to person. Typically Swiss.

Genuine cooperation makes us strong.

Unimec pursues a twofold strategy: specialisation in demanding parts and products that are needed quickly, plus maxi-



mum flexibility. The partnership with Otto Hofstetter AG is extremely robust, an aspect which the metal processor truly appreciates. As Erich Locher sees it, loyalty in the industry in fact in the entire economy - is steadily decreasing. He nonetheless continues to rely on this attribute with Unimec. This trust has its effect on the quality. A worker who makes parts for the moulds of the partner in Uznach is motivated and usually knows the customer personally from the long cooperation. The partnership is "fireproof" also because the inevitable crises are always tackled in a constructive way. Problems are solved in a mutual effort rather than by a suspension of the cooperation, as is often observed elsewhere.

Efficient exchange within the project.

The majority of communications is by e-mail, but also over the telephone or by personal discussion. Unimec likes the fact that Otto Hofstetter AG is a partner with own machining know-how and therefore capable of making suggestions for improvements. "The direct contact with those in charge on the technical side is also very pleasant for us. This allows us to clarify uncertainties quickly and effectively," continues Erich Locher.

Other things in common with Otto Hofstetter AG.

Common ground exists not only as regards manufacturing. The two companies also speak a similar language when it comes to IT. They both rely on the same production planning



and control system, which could offer interesting opportunities in future. Parallels can also be found in the entrepreneurial values. As a family business, Unimec cares for economic, professional and social aspects in a particular manner. The company attaches importance to itself being a long-term partner of its suppliers rather than viewing the price as the sole criterion for the cooperation. Moreover, Erich Locher insists on being a trustworthy partner to his employees and therefore relies on fairness and self-responsibility.

"WE'VE ALWAYS FOUND SOLUTIONS, ALSO IN DIFFICULT TIMES."

Erich Locher, owner and CEO

Quality is more than certificates.

This is how Erich Locher defines quality: An order is fulfilled as specified from A to Z and the ordered individual parts or subassemblies are delivered in perfect condition at the agreed time. If anything unplanned occurs in the course of the project, the internal and external communication is quick and open. This is why the experienced entrepreneur regards full confidence as a further important part of quality. And also why Unimec introduced the programme "I go for Quality" among its employees and trained them accordingly. The principle accepts that a mistake can happen, but demands that instead of being swept under the carpet, it is discussed in peace and suitably corrected. An understanding that must be developed in all details and enforced on a continuous basis. Measuring instruments and certifications are not enough. "The big challenge is that quality is lived," says Erich Locher.

unimec

Unimec Fabrikations AG

Motorenstrasse 100, 8620 Wetzikon, Switzerland

Activities: machining operations, sheet and plate processing, welding and assembly

Industries: aviation, rail-bound vehicles, energy and medical engineering

Year of establishment: 1997

Headcount: 80

www.unimec.ch

Challenges of the future.

The willingness to permanently develop further will also be Unimec's hallmark in future. Those in charge must reflect on the direction of development and the equipment that is required for the purpose. Motivated and qualified employees are indispensable for this. "If we're quick, have better ideas and deliver good quality, we have good chances – even in Switzerland," is Erich Locher firmly convinced. Unimec must produce parts of complex quality which satisfy high demands and are innovative. And Unimec must be able to deliver quickly. "If a customer needs a part within two days, he cannot order from a less expensive supplier in another country."

Investments in the personnel.

Apart from its strategy as regards quality, Unimec organises various information events for the employees. Twice per year, for example, the complete workforce is informed of the market environment and the company's performance. Background information is important if a fellow worker is expected to act self-responsibly, insists Erich Locher. Apart from investing in its own personnel, Unimec also trains new professionals. Not surprising, therefore, that some of Unimec's best specialists are now those trained on the company's premises. Skilled young workers are thus guaranteed.

"EVEN A CERTIFICATE CAN BE FAR FROM A GUARANTEE FOR QUALITY."

Erich Locher, owner and CEO

The future has already started.

Unimec intends to also hold on to its present strategy in the medium term, even though many things are now changing with the times. "We remain true to ourselves and continue to be an absolute top supplier. We also devote ourselves to this with full commitment in future," says Erich Locher. The company's position in this respect is also measured at the degree of machine utilisation, among other things. As regards quality, Unimec sets itself the highest targets for parts delivered in conformity with specifications. Smaller groups of employees are currently set up for higher responsibility and yet more competence. This is also connected to succession planning. While Erich Locher still bears the main responsibility, his son Jonas Locher has already been working in the enterprise for the last 10 years.



Officially, Sascha Bigler has been CFO of Otto Hofstetter AG since 2 January 2017. He takes the place of Stanislaus Spörri, who fulfilled this function for more than 18 years. Not only has the enterprise grown during this time, but also the CFO's area of responsibility. Rather than assuming a function, Sascha Bigler takes over an institution. A legacy which requires a long familiarisation and training period.

How did you come to join OHAG?

Sascha Bigler: When I started with my previous employer as financial manager, the company was of small to medium size. In the course of the years, it developed to a large concern. In consequence my functions and tasks decreased steadily. The job lost its original variety and gradually made my engagement less attractive to me. The day came when I discovered the job advertisement of Otto Hofstetter AG and decided to apply.

What did you know of OHAG?

Working for an international wholesale establishment for wines and spirits, I knew very little about the tooling and mechanical engineering industry. I therefore relied on the website of Otto Hofstetter AG and tried to gain an insight into the philosophy and my future duties. My interest in the job was heightened by the fact that they looked for a team player. I also knew that a production enterprise would be much more interesting than one engaged in trading alone.

"AS A MEMBER OF MANAGEMENT YOU MUST ALWAYS BE CONSCIOUS OF YOUR RESPONSIBILITY TOWARDS THE COMPANY'S EMPLOYEES."

Stani Spörri, former CFO Otto Hofstetter AG

Based on your experience, what skills did you focus on mostly?

Stani Spörri: His knowledge was of top importance to me. I knew that a run-of-the-mill accountant would not do in our varied operation. Sascha is very well trained in all decisive financial matters and brings along some years of experience in international business transactions. Apart from this, he appears to fit well into our team from a human point of view. Another convincing aspect for me is his dedication to quality in the job.

For a novice in the trade, the entry is certainly not a walk in the park. What did your training programme comprise?

Sascha Bigler: It was a very serious undertaking and relied on a broadly based introduction programme. My "orienteering run" took me through the sales department, production planning and control, from there to development and on to production and quality control. It ended – like every one of our moulds – in the shipping department. With a view to my job as CFO, I found in Stani a patient mentor who gave valuable

answers to all my questions. As time went on, I was able to adapt my skills to the highly complex subjects of Otto Hofstetter AG and build up any expertise I was lacking. There wasn't any pressure in the entire process. My entry was considerably facilitated by the perfection with which Stani organised the department. He leaves me a superbly functioning team as regards not only professional competence, but also soft factors. This is why it has been easy for me.

How do you see Otto Hofstetter AG after about 18 months have passed?

After the first impression, one might think that Otto Hofstetter AG is a somewhat traditional company. Luckily, I know better today: It is a top modern operation. We work with the most sophisticated infrastructure, produce the highest quality and enjoy a very congenial atmosphere among all those working here. While the world discusses Industry 4.0, I feel that we are already at 6.0.

What is special about the role of CFO at Otto Hofstetter AG?

Stani Spörri: It all starts with Otto Hofstetter himself. He wants enterprising people who move things. Every employee is allowed to develop. For as long as Otto Hofstetter sees that one isn't on the wrong track, he trusts each and every one of us. If an employee doesn't contribute actively, he tries to motivate the person in this direction.

If you compare your role today with the one you played when you started, what has changed?

The spectrum of tasks and competences has grown steadily over the years. I'm one of those who are curious as well as industrious. With the result that my spectrum of activities became ever wider. A direct consequence of Otto Hofstetter's principles of managing.

Where is your main focus on right now?

Sascha Bigler: My learning process isn't complete yet. I've come to grips already with the financial topics and those concering the personnel. I shall now increasingly look into production and get a better idea of what people do there. I would like to understand the production of moulds from A to Z.

What is the focus in the medium and long term?

I intend to think further ahead and build up confidence. Apart from this, I draw from a multicultural background which helps me to speak to people and understand them. These tasks are also an ideal compensation to working with numbers.



What conclusions do you draw from 18 years at OHAG? Which highs and lows impressed you most?

Stani Spörri: On every working morning for 18 years I've been looking forward to seeing my colleagues. Emotionally, however, the course of business is what touched me most. I experienced all steps of progress as well as the intermediate phases, and I was always aware that 180 individuals stand behind them and rely on me, among others, as a member of management. Our joint successes also left their impression of course: They were fantastic and what we achieved over the years is unique. The constant growth of our company has always fascinated me.

What story do you like telling most?

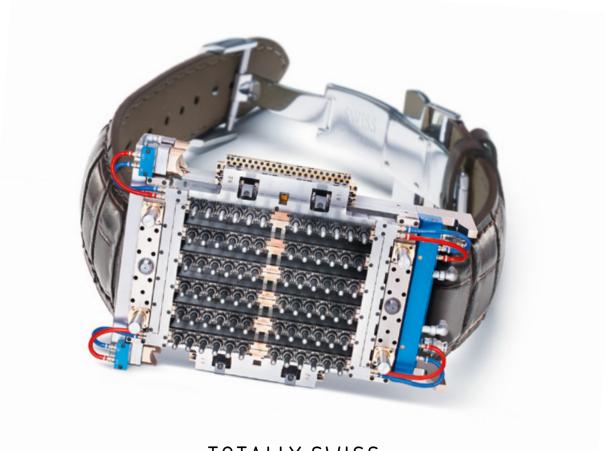
On one of my early days at the company I participated in a meeting with Otto Hofstetter for the first time. He provoked my predecessor from IT by commenting: "He only spends money." That evening I drove home under shock and said to myself: "This is the wrong place for me." In the months that followed, however, I got to know Otto Hofstetter better and learned to understand his jokes. It also became clear to me that he frequently likes to hide praise in sarcastic criticism. Eventually one understands his way of saying things and can handle it quite well. After five or six years I was promoted to management. My remarks about "not staying here for long" turned into 18 years.

OHAG holds on to you. In what form?

Together with our informatics specialist Paul Bühler and partly with Sascha Bigler I currently devote myself to the administrative infrastructure of Otto Systems AG. On completion of this, I shall reduce my work quota to 20 per cent and advance the concept and utilisation planning of the newly acquired neighbouring property. In other words, I'll be busy with projects which would demand an excessive amount of effort of my colleagues within their everyday business activities.

What will you do in the remaining 80 per cent of your time?

For the last 20 years I've been supporting our local church as treasurer. I look forward to doing this work during the day rather than in the evening hours. Apart from this, I hold a advisory mandate in the development company, where I spend about five per cent of my time at the moment. Add to this some accounting jobs I do for friends, plus my hobbies. I'll spend more time outside in the fresh air and have more exercise in order to get rid of a few surplus pounds. I shall go to the mountains more often, of course, go on holiday more often and occasionally just go away for a day or two. And enjoy skiing and playing a musical instrument again more frequently.



TOTALLY SWISS.



