

# Bevcan Rossllyn site visit

September 2019



# Bevcan Overview

Erik Smuts



50  
1969  
2019



**Nampak**  
packaging excellence

# Modern asset base offers...

...solid base for continued growth



## Agbara, Nigeria

Alu cans 900m (1 line)



## Viana, Angola

Alu cans 1 000m (1 line)  
Steel cans 700m (1 line)



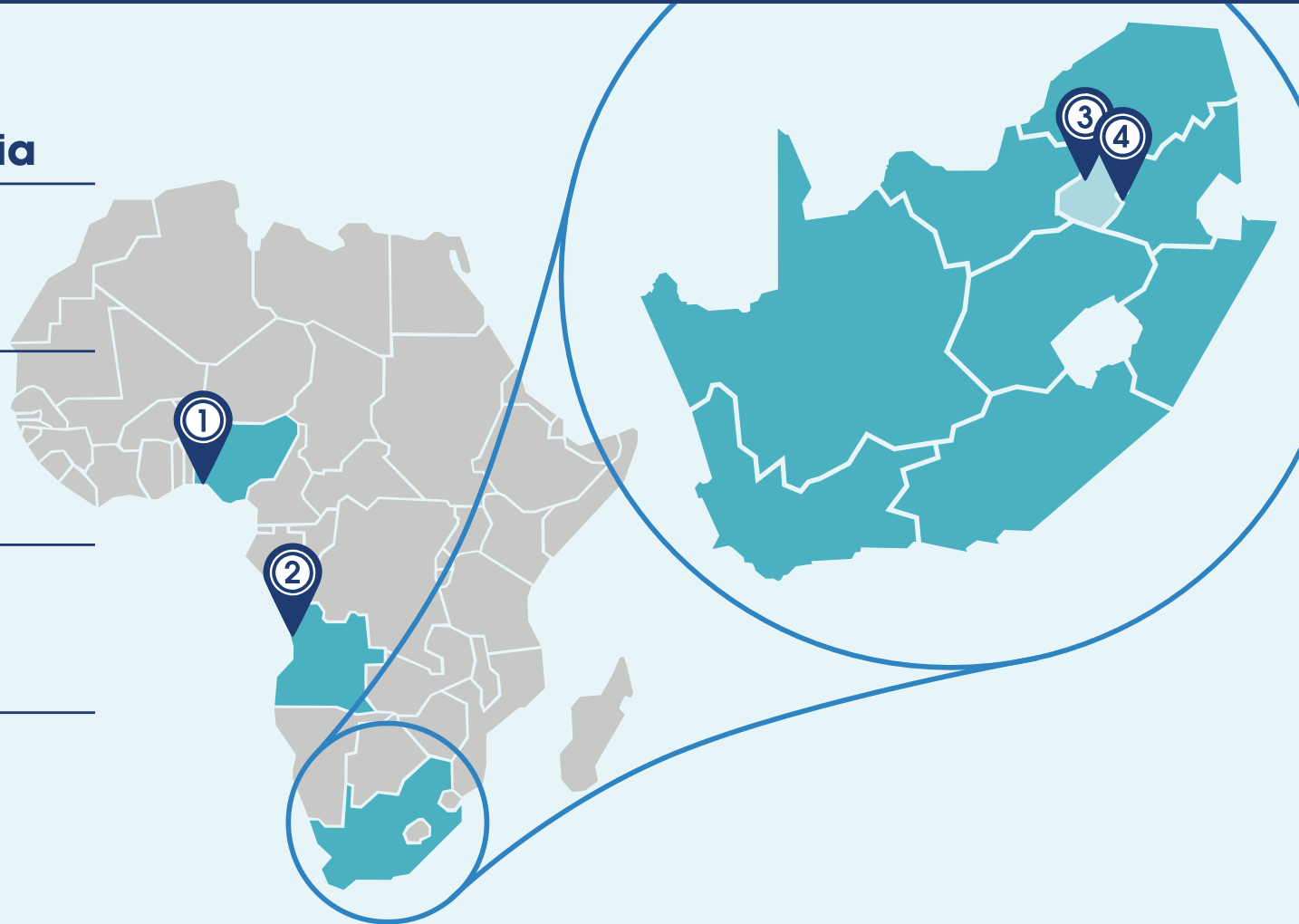
## Roslyn

Alu cans 1 900m (2 lines)



## Springs

Alu cans 2 900m (3 lines)  
Can ends 6 500m (8 lines)



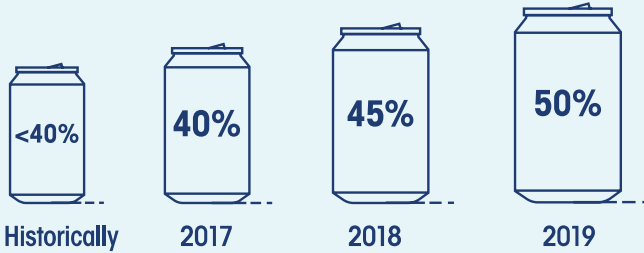
- › Size changes on swing lines reduce available time
- › Dedicated lines allow for efficient production

# Changing competitive landscape

## Estimated market shares

### ① Nigeria

50%  
Competitor – GZI



### ② Angola

100%

### ③ South Africa

75% – 85%  
Rest of market serviced by competitors

- › In the medium term a domestic competitor will give customers a realistic reference point for price and service
- › Allocations to competitors as anticipated



# Operating leverage from previous capital expenditure

No major new capex envisaged in medium term

5



## South Africa

- › **No major capital spend planned**
  - » Small capex only to drive continuous improvement and cost efficiencies
- › **Focus on cost reductions**
  - » Flexible labour and potentially crew reductions

## Angola

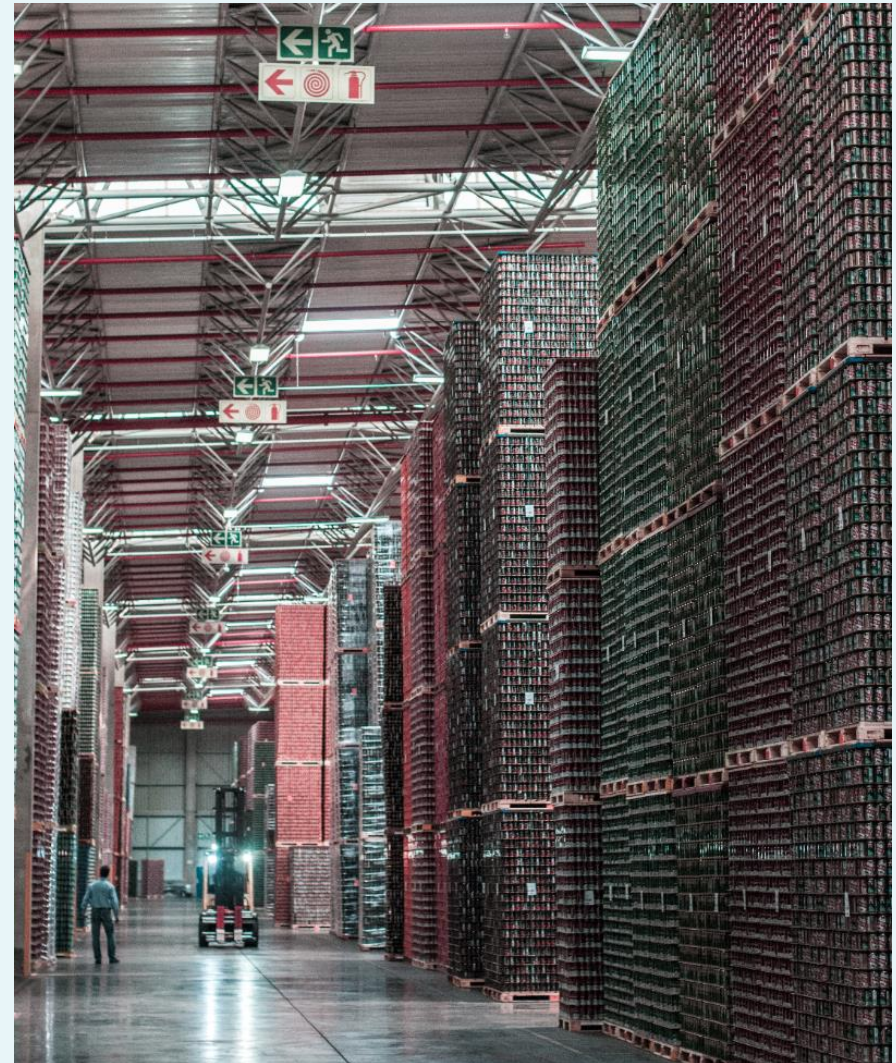
- › **Line 1 conversion to aluminium with slender capability**
  - » To be fully funded out of local cash balances
- › **Reduced labour by 32% in response to reduced market demand**

## Nigeria

- › **Capital spend planned**
- › **Line 2 dependent on demand**
- › **Small capex only to drive continuous improvement and cost efficiencies**

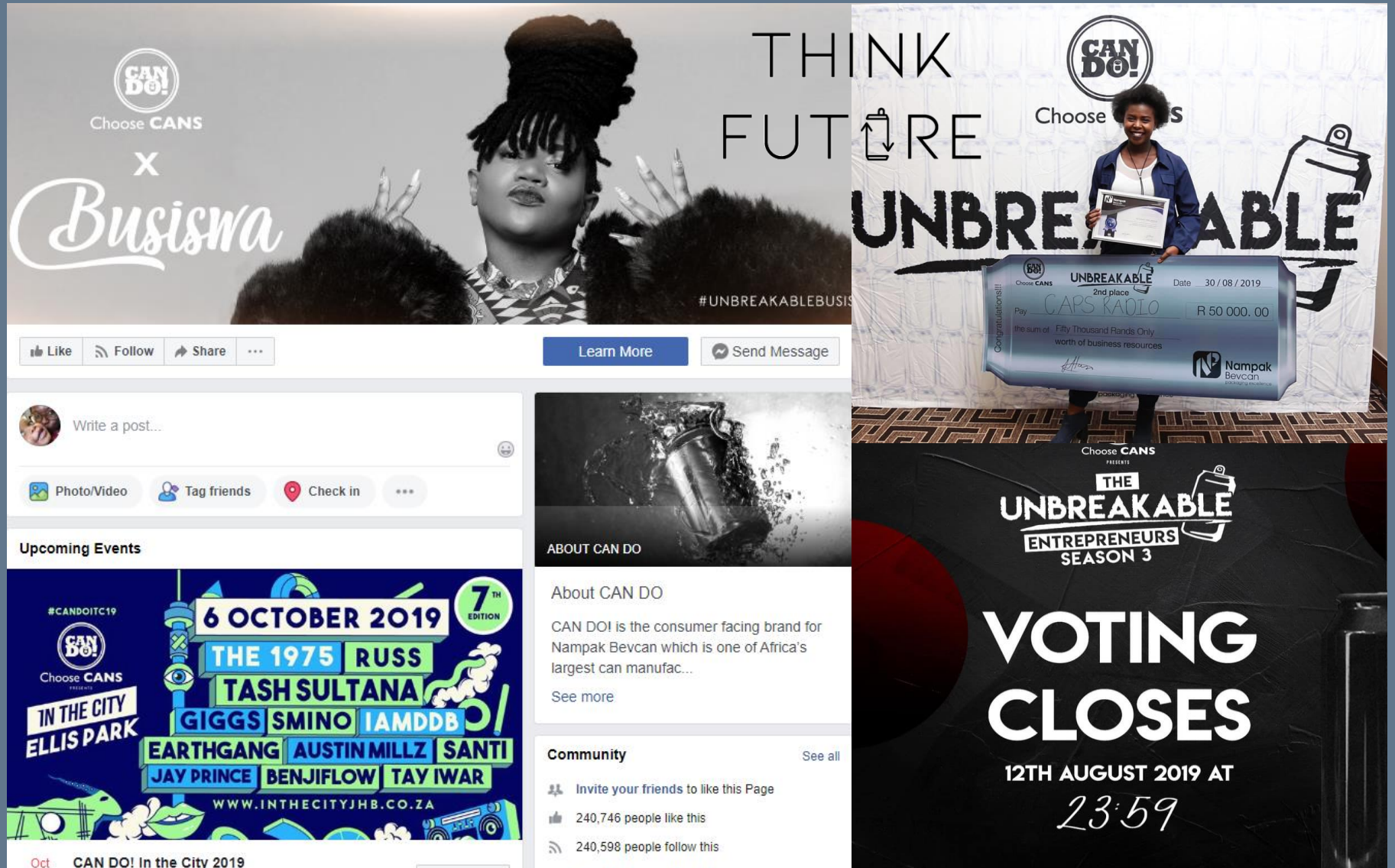
# Key focus areas

- › **Defending market share**
- › **Customer service**
- › **Leverage existing asset base**
- › **Continuous improvement programmes**
  - › Exceptional safety performance
  - › Can DO! excellence
  - › Technical skills
  - › Maintenance practices
  - › Process improvements
- › **Overhead costs**
  - › Reduction of complexity
  - › Capacity optimisation



# Can DO! Marketing

Think future, choose cans



**CAN DO!**  
Choose CANS  
X  
*Busiswa*  
#UNBREAKABLEBUSISWA

THINK  
FUTURE  
UNBREAKABLE

Choose CANS  
UNBREAKABLE  
2nd place  
Date: 30 / 08 / 2019  
Play: CAPS KAOLO  
R 50 000. 00  
the sum of Fifty Thousand Rands Only  
worth of business resources  
Nampak Bevcan

Write a post...

Photo/Video Tag friends Check in

Upcoming Events

**#CANDOITC19**  
**6 OCTOBER 2019** 7<sup>TH</sup> EDITION  
Choose CANS PRESENTS  
**IN THE CITY ELLIS PARK**  
**THE 1975 RUSS TASH SULTANA**  
**GIGGS SMINO IAMDDB**  
**EARTHGANG AUSTIN MILLZ SANTI**  
**JAY PRINCE BENJIFLOW TAY IWAR**  
WWW.INTHECITYJHB.CO.ZA

Oct CAN DO! In the City 2019

ABOUT CAN DO

About CAN DO

CAN DO! is the consumer facing brand for Nampak Bevcan which is one of Africa's largest can manufac...

See more

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**THE UNBREAKABLE ENTREPRENEURS SEASON 3**

**VOTING CLOSES**

12TH AUGUST 2019 AT  
23:59

# Bevcan - Operations Excellence

Praveen Balgobind



# Can DO! Excellence

Bevcan Rosslyn



**Factory of the year in South Africa**

# our values



**Safety**



**Excellence**



**Responsibility**



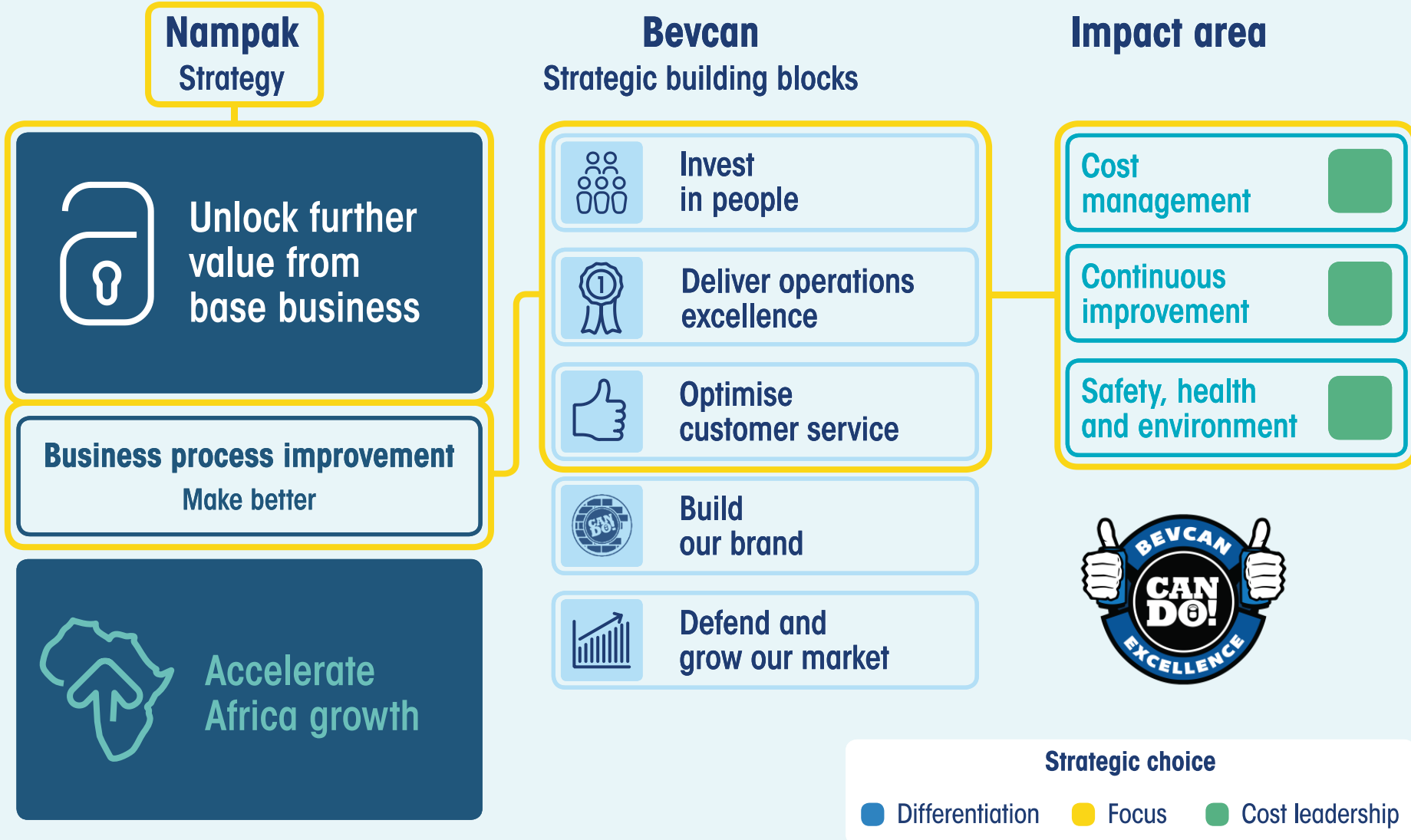
**Teamwork**



**Integrity**







- › **Bevcan recapitalised the entire business since 2012:**
  - › New can line: Angola line 1
  - › New can line: Springs line 1
  - › New can line: Nigeria line 1
  - › Can line conversions to aluminium: Springs lines 2 and 3
  - › **New can lines: Rosslyn line 1 and 2**
  - › New can line: Angola line 2
  - › New ends module: Springs ISE

One of the most modern beverage can businesses in the world



Invested over **R2.5 billion** in technology in South Africa



## Launched the **CAN DO!** Excellence Programme in all plants, including Angola and Nigeria

- ▶ Excellent progress in Nigeria
- ▶ Angola, Rosslyn and Springs showing progress



## Launched comprehensive asset management programme



## People development

- ▶ Can maker programmes
- ▶ Apprenticeships
- ▶ Graduates
- ▶ Management Development Programmes

# Bevcan Nigeria

World class facility



**Nampak**  
packaging excellence

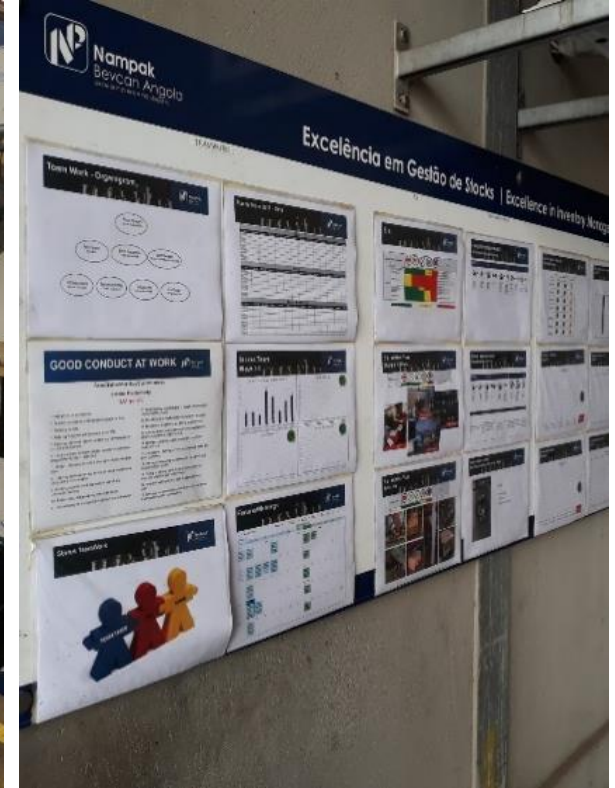




LMC



5S



VM

















- › **Improved line efficiencies:**
  - › Improved efficiencies in Rosslyn and Springs
  - › Angola showing very good improvement
  - › Nigeria performing at world class standards
- › **Line speeds have increased in Springs, Rosslyn and Angola**
- › **Asset management processes leading to better maintenance of equipment**
- › **Loss reduction projects currently underway in all plants**

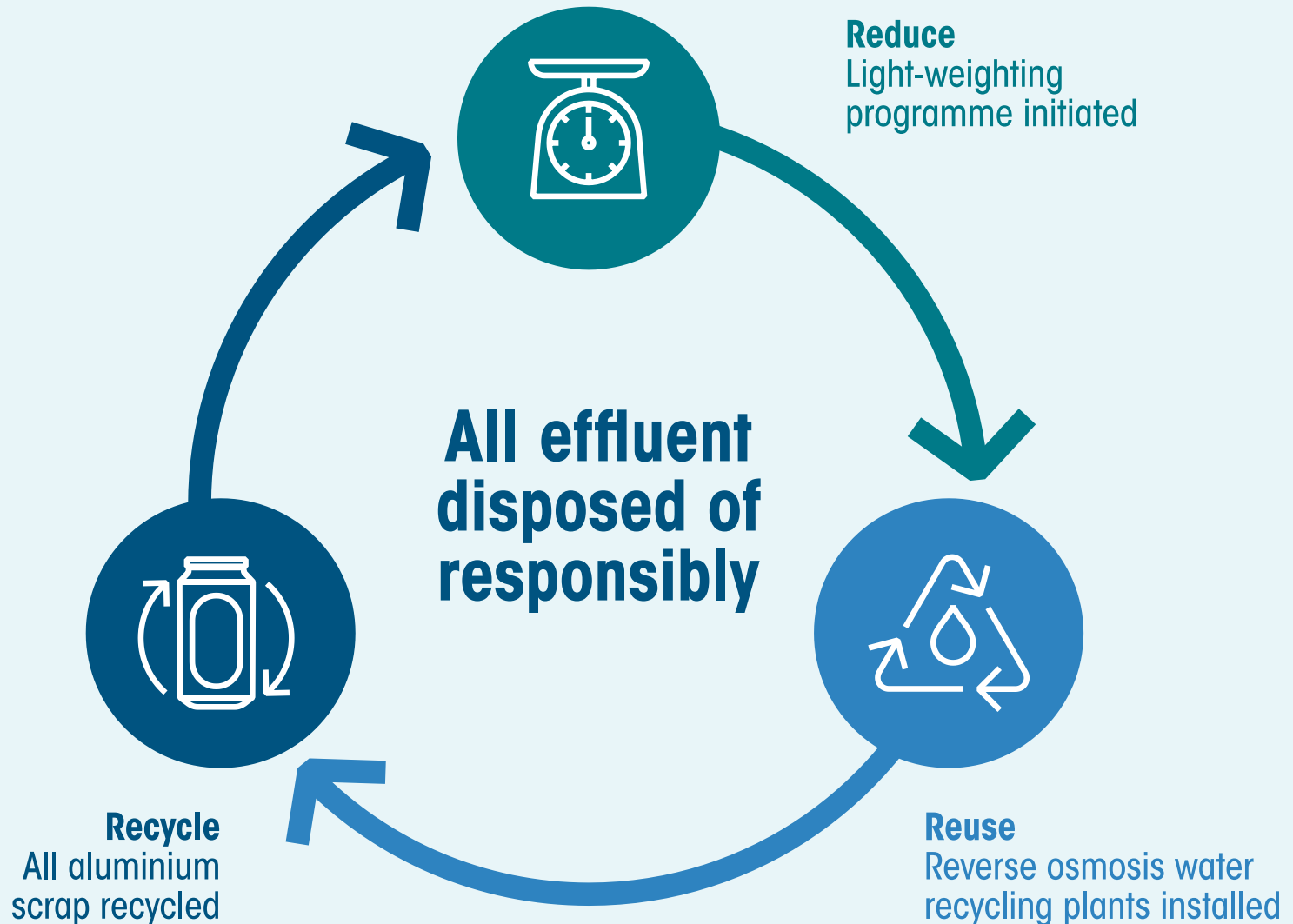
# SUSTAINABLE DEVELOPMENT GOALS



# Sustainability implementation status

## Environmental Sustainability

Actions	ES vision shared	ES baseline assessment completed	ES awareness training completed	ES committees in place and functional	ES tracker developed and active
Angola					
Nigeria					
Rosslyn					
Springs					



# Divfood 2-piece can line

Christiaan Burmeister



## 1 Rosslyn

Products 2-piece food cans

## 2 Vanderbijlpark

Products Range of cans and ends

## 5 Paarl

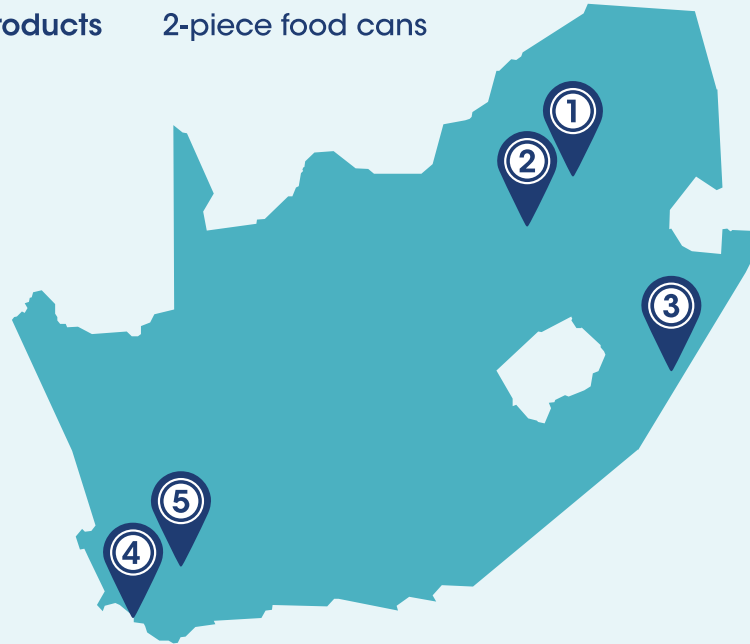
Products Food can assembly

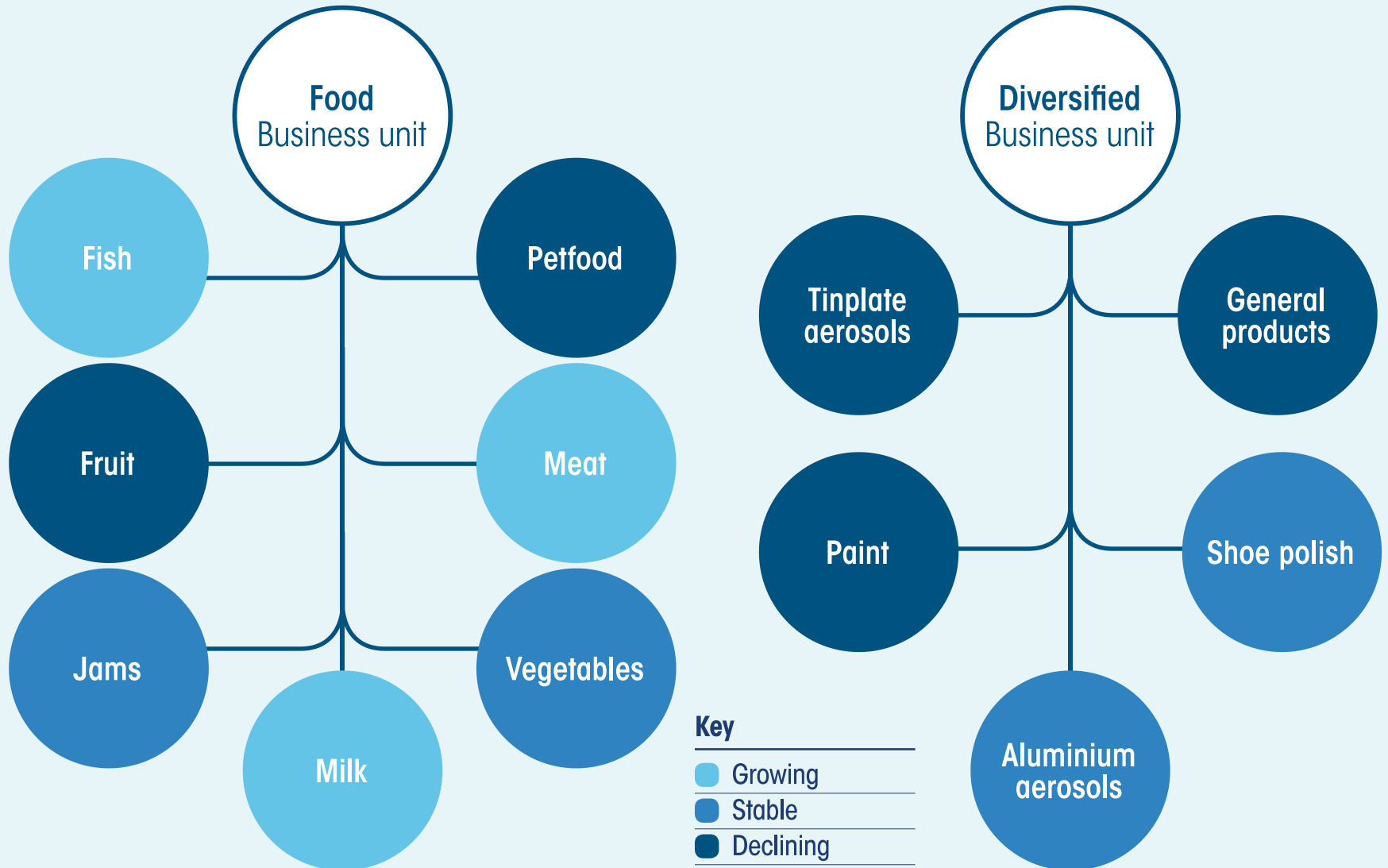
## 3 Mobeni

Products Monoblocs, paint and shoe polish cans

## 4 Epping

Products 2-piece food cans





# Metal food cans – the pack of choice

- › **After filling and processing, the product offers shelf-life storage value in excess of 3-years**
- › **Metal cans systems are impermeable to gases, UV light which may spoil the product, micro-organisms, insects, rodents, and totally tamper proof due to its strong mechanical strength**
- › **Metal is 100% recyclable with magnetic properties for ease of separation**

## 2-piece can – a proven concept

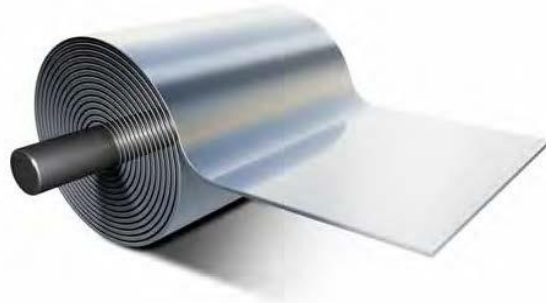
- › **Sold around 10bn 2-piece cans to RSA market over the past 20 years**
- › **2-piece Food line established in Rosslyn in 1998**
  - » Supply entire RSA market from Rosslyn for 11 years
- › **Second 2-piece Food line established in Epping in 2009**
- › **Total crewed capacity approx. 500m cans p.a.**
- › **Our 2-piece technology is able to run at 1 200 cpm**

## 2-piece cans inherently superior (1M)

<b>Properties</b>	<b>3-piece can</b>	<b>2-piece can (0.29mm)</b>
<b>Manufacturing process</b>	<b>Flat sheet welding</b>	<b>Draw and wall-ironing</b>
<b>Weight</b>	<b>44.95g</b>	<b>38.25g</b>
<b>Internal lacquer</b>	<b>Various, depending on product – roller coated</b>	<b>One universal system – sprayed post manufacture</b>
<b>Product range</b>	<b>All (with careful lacquer selection)</b>	<b>All (except fruit)</b>
<b>Double seams</b>	<b>2</b>	<b>1</b>
<b>Side seam</b>	<b>1</b>	<b>0</b>
<b>Stackability</b>	<b>Optional if required, two different size ends</b>	<b>Yes</b>

# Manufacturing of 2-piece cans

1. Steel strip arrives at the can manufacturing plant in large coils.



2. The strip is lubricated with a thin film of liquid and then fed continuously through a cupping press, which blanks and draws thousands of shallow cups every minute.



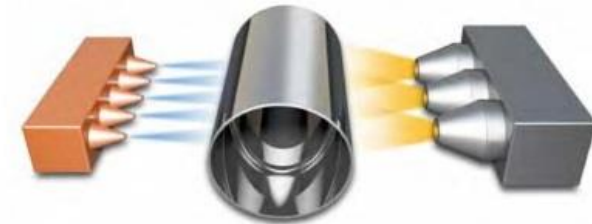
3. Each cup is rammed through a series of tungsten carbide rings. This is the drawing and ironing process which redraws the cup to a smaller diameter and thins the walls, whilst increasing the height.



4. Trimmers remove the surplus irregular edge and cut each can to a precise specified height. The surplus material is recycled.



5. The trimmed can bodies are passed through highly efficient washers and then dried. This removes all traces of lubricant in preparation for coating internally and externally.



6. The cans are coated externally by passing them under a waterfall of clear lacquer which protects the surface against corrosion.



# Manufacturing of 2-piece cans

7. Lacquered external surfaces are dried in an oven.



8. The cans are passed through a flanger, where the tops of the cans are flanged outwards to accept the ends after the cans have been filled.



9. The cans are passed through a beader, where the walls of the cans have circumferential beads formed in them to give added strength.



10. Every can is tested at each stage of manufacture. At the final stage they pass through a light tester which automatically rejects any cans with pinholes or fractures.



11. The inside of each can is sprayed with lacquer. This special lacquer is to protect the can itself from corrosion and from any possibility of interaction between the contents and the metal.



12. Lacquered internal surfaces are dried in an oven.



# Manufacturing of 2-piece cans



# Manufacturing of 3-piece cans

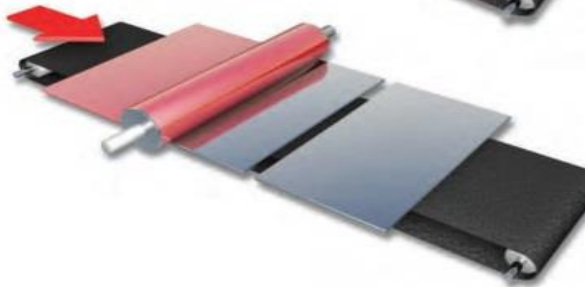
1. Steel strip arrives at the can manufacturing plant in large coils.



2. Steel strip is cut into large sheets



3. Lacquer is applied to the side of the sheets that will become the internal surfaces of the finished cans. This special lacquer is to protect the can itself from corrosion and from any possibility of interaction between the contents and the metal.



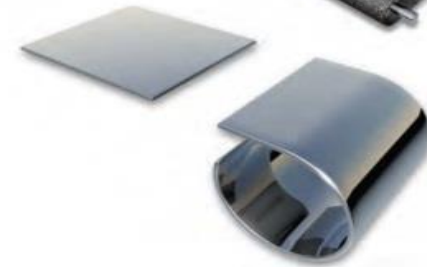
4. The lacquered sheets are dried in an oven.



5. The large sheets are slit into small sheets, one for each can body.



6. Each small sheet is rolled into a cylinder.



# Manufacturing of 3-piece cans

7. The cylinder edges are welded by squeezing them together whilst passing an electric current through them. This heats up the metal sufficiently for a sound joint to be made.



8. The inside surface of the weld is sprayed with lacquer and then cured by blowing heated air on to the outside of the cans.



9. The cans are passed through a flanger where the top and bottom of the can are flanged outwards to accept the ends.



10. Plain ends are seamed to the can bodies to close one end of every can.



11. The cans are passed through a beader where the walls of the cans have circumferential beads formed in them to give added strength.



12. Every can is tested at each stage of manufacture. At the final stage they pass through a pressure tester, which automatically rejects any cans with pinholes or fractures



# 2-piece can manufacturing process simple and high speed

## 2-piece Food can

Manufactured by cupping and draw and wall ironing

Design of bottom enables a stacking feature for nesting

Universal internal coating compatible with most products

No separate bottom component required

No welded side-seam and protection required

High speed manufacturing – 1 200cpm

**Material optimisation**

– thinner gauge in beaded area

## 3-piece Food can

Manufactured by cutting blanks from flat sheet, rolling and welding

Optional in 3-Piece with necking station  
(different size ends)

Individual coating systems for groups of products

Separate bottom component requiring double seaming construction

Welded cylinder with weld protection required

Same – 800cpm

**Material gauge consistent from top to bottom**

# Rosslyn plant overview

Braam Cloete



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1969  
2019



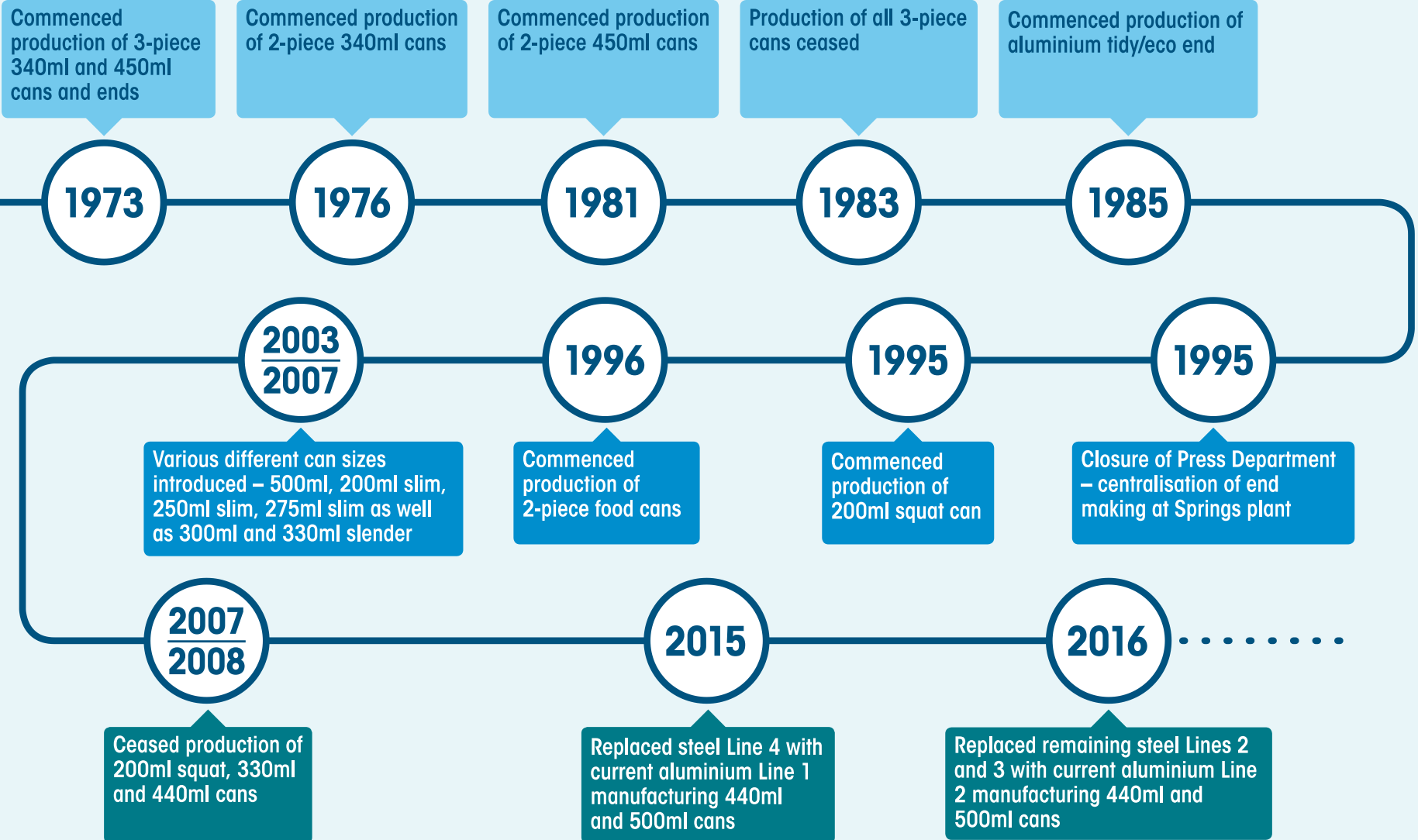
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# Rosslyn site overview

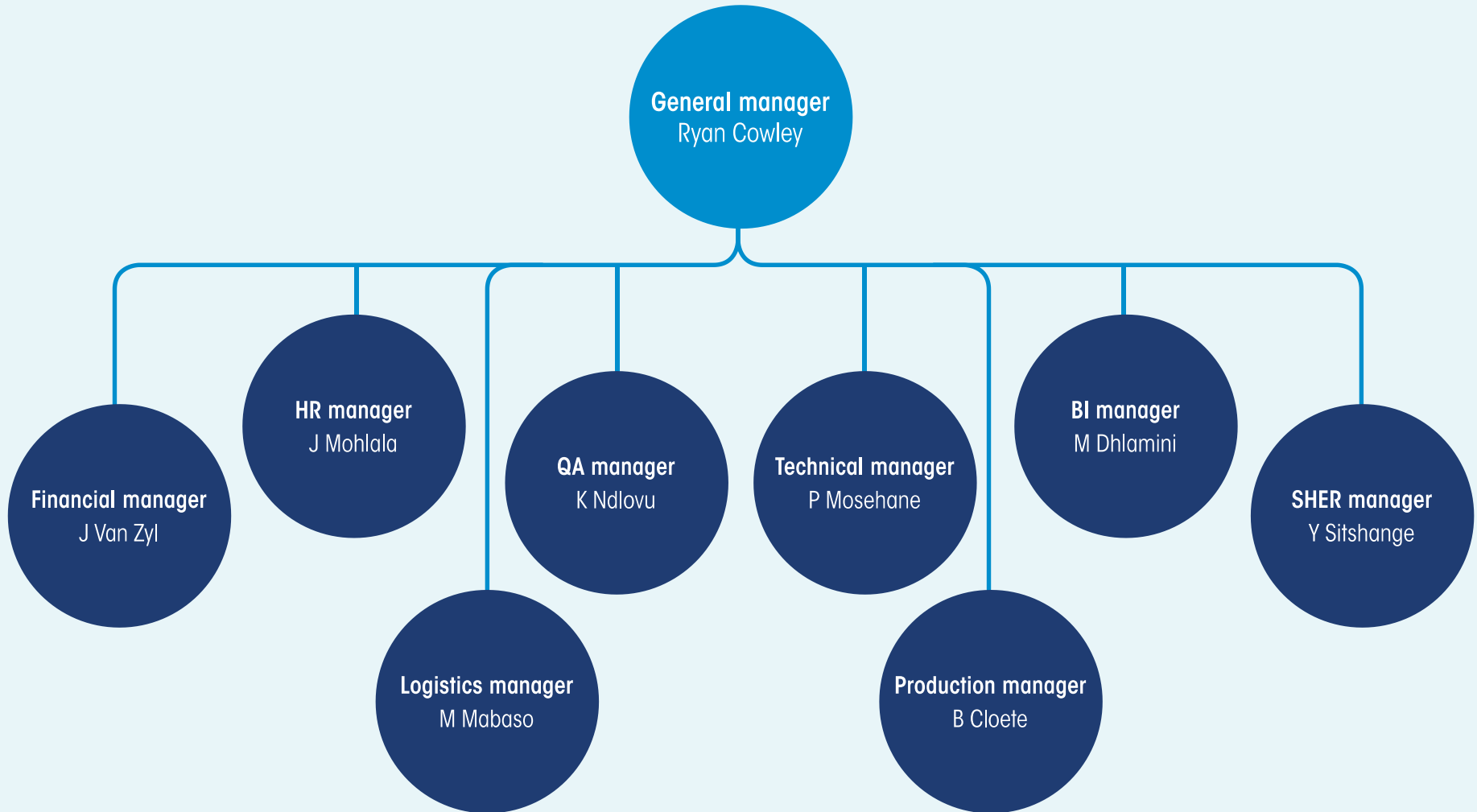


# Bevcan Rosslyn

## Evolutionary timeline



# Bevcan Rosslyn plant structure organogram



# Thank you

