

## **Interview with Dr. Daniel Schippan for glassglobal Compendium, Q4/2014 Issue**

### **Q: Could you please give us a brief outline of you and your company?**

Our activities are only concentrated on the glass industry. We are specialized in the engineering and project management from the idea over realization to performance, the design of glass factories specialized in green and brown field investment projects. Currently, our activities are more focused to international projects than European ones.

We have expanded our activities from Germany (first projects Schwenk Glasswool and Agenda Glass (HNG) for container glass) to Europe with Glassworks Tur in Poland. Currently, our customers are located in South America, Africa, North America, Russia, Turkey and Bahrain.

We have expanded our markets and we are used to work with EPCM or EPC contracts in the area of growth investment projects.

### **Q: What products and services do you supply?**

We approach projects firstly from the customer's ideas and needs. Afterwards we design the core technology, utilities, environment, building and infrastructure so that it fits perfectly to the customer's requirements. Our experienced team is able to cover all segments such as container glass, glass wool, E-glass, ECR and special glass projects like sodium silicate. The float side is currently not part of our scope. However, we think about doing so in the future as we receive inquiries in this market segment.

### **Q: What are your current projects / operations?**

Actually we don't have green field projects in Europe, except Turkey. However, we realize European projects with our sister company PVAG water systems GmbH that is busy with all water related processes in a glass plant. Impurities, dirt and cooling are today's challenges and environmental restrictions force the industry to react and improve.

We are specialized in the design of scraper and process water lines that do not pollute the environment. There aren't many companies in this segment with extensive know-how in water processing and recycling.

Cleaning water of impurities and the process itself are part of this technology. Scraper water needs to be cooled down without high energy input. This is one of the core areas of PVAG water systems GmbH.

In Russia, we currently have two projects, one still to be verified. The crisis in the Ukraine and the sanctions from EU make investments unlikely. The Ruble has lost value and that results in 30-40% higher prices for equipment mainly from Europe. Due to the embargo, loans have become expensive with interest rates of up to 15%.

As already mentioned we are actually busy with green/ brown field growth investment projects in Russia, Turkey, Brazil, Ethiopia, Congo, USA and finalized projects in Germany, Scotland, Poland, Russia and Czech Republic.

**Q: What are the news, products and services that you have prepared for glasstec 2014?**

At glasstec, we increase our awareness level and present our innovations.

Green and brown field projects in the glass industry are often underestimated. We have to explain that the project can only be successful if all parameters like CapEx, OpEx, Off Take Agreements, Raw Materials, Timing, Design, Capacity, Utilization Grade .....etc. fit together.

This is a real challenge and therefore we developed a cm.project.ing software (DOCC TOOL) which is able to simulate the business upfront on a realistic basis. Risks and opportunities can be evaluated in an early stage.

During the realization of international projects it is important that all parts are covered and delivered in time, scope and budget under the respect of local conditions. To reduce the project's risks we developed, together with a well-known glass producer, the EEM Tool (Early Equipment Tool).

Also on the technical side we recognized that especially the pipe & cabling engineering is often underestimated and leads to unforeseen delays on site and budget overruns. We invested in the most modern software which is able to handle planning changes in an automatic way, meaning advanced planning minimizes risk.

We are also pleased to present our advanced design and layout approach on the Glasstec.

**Q: What region will benefit most from your exports, and where do you see the biggest growth?**

We work internationally in container glass and see projects especially in the emerging and developing markets with growing need in packaging. In the construction industry, we observe variables, such as boom or idle times with higher amplitudes than container glass. Special glass projects which can be not seen as commodities have their own market development rules.

**Q: Which market development do you expect, technically, locally?**

All glass segments follow the same target:

Maximize the output by maintaining quality and reducing costs.

For us it means that we have to design the plant in a way that it reaches the highest level of utilization grade and PTM. Furthermore the whole glass plant equipment has to be configured that weight reductions of the finished product can be realized in a later stage.

**Q: Are you looking to recruit staff and if so, what level and experience are you looking for?**

We are looking for expert staff with glass industry background and especially process engineers.

We need process engineers with experience in fluid media, electricity, pressures, flows and glass technology. If we have to supply an IS-machine with compressed or cooling air, we need to know what the machine really needs.

We also need experienced project managers with glass industry background to work abroad with responsibility.

We have two cm.project.ing engineering offices, in Brazil and Poland, as operative affiliates and with expert staff on site, with technical and local know-how, no language barrier, support without delay, competence and best service. Our African office is in the course of formation.

**Q: Which developments do customers expect from your company?**

Each project has to be tailor made to customer requirements and there is no factory layout that can be taken right off the shelf.

We provide our customer with an integrated concept, what we call "holistic approach". During an investment project, we look at all segments, budget, scope, quality, timing, purchasing, currency, customs or even transport.

We respect that we have different customers: Those who do not yet know what they need to satisfy the demand. These customers receive our "carefree package". Those who have a glass fabrication but not enough resources for investments on their own. In this case, we provide 30-70% of services and the customer executes the remainder.

Large customers clearly specify services to be outsourced. Here, we execute special tasks like the engineering of utilities, environmental concepts or building design.

Our customers have different requirements, and generally, they expect delivery in time, scope, budget and quality.

**Q: What is your biggest demand? Your most sold product?**

The biggest services are the glass engineering, project management and our holistic approach to look at the project globally. We determine the customer's part, what shall be done by expert suppliers and therefore our basic approach is the utility engineering, project management and glass engineering.

**Q: How do you see the future of the glass market (Trends/Developments/Products/Technology/ New markets)?**

Very differentiated with regard to the glass segments.

In container glass, I expect little fluctuations. In the glass wool, there have been booming phases and this will remain with high amplitudes. In ECR-fiber, constant growth but no surprises, also in sodium silicate.

The trend we feel in Europe will swap constantly to other countries and continents, at medium and long term. This is the idea of ecological sustainability and quality requirements in consumer goods, food and beverages. Glass is 100% recyclable and I am convinced that glass will have a good future.