

**T**argeting a position as one of Europe's top-20 packaging converters by 2020 is more than just lip service at Turkish flexible packaging producer Ispak Ambalaj, with its \$7 billion owner Kibar Holding Group recently ramping up investments.

As general manager of Ispak for three years, Eser Erginoğlu is ready to spearhead the charge into Europe and North American markets following a €70 million (\$76.5m) expansion project at its Izmit facility, which will triple production capacity to 40,000 tonnes a year and turn it into a 'smart factory'.

The build represents a milestone for Ispak, but one that Erginoğlu says the company is very well placed to capitalise on. In an interview with *Plastics in Packaging*, she said: "The global flexible packaging business is worth \$85bn, so we showed the board that there's a big world in packaging. If they want to play big, then they have to invest."

"In flexibles there is a big push for oxygen barrier and bioplastics, and so on, and you can't do any of that with a 20-year-old mindset."

The capacity expansion is just the tip of what could be a very big iceberg for Ispak in years ahead. The company is also looking at mergers and acquisitions in North America and Eastern Europe and could even seek to integrate vertically within the film production arena, which would provide an avenue for quality and cost protection.

"Cast polypropylene (CPP) is an interesting operation," added Erginoğlu, whose own career path has seen her work previously for flexible packaging juggernaut Mondi as well as D S Smith. "40 per cent of our packaging is currently exported to Europe and the Middle East so we're opening an office in Düsseldorf, Germany, and Chicago, USA. We plan to also place facilities there in time. But you cannot always do everything through organic growth."

Taking nine months to build and increasing the plant to 25,000sqft, the project should be fully operational by year-end.

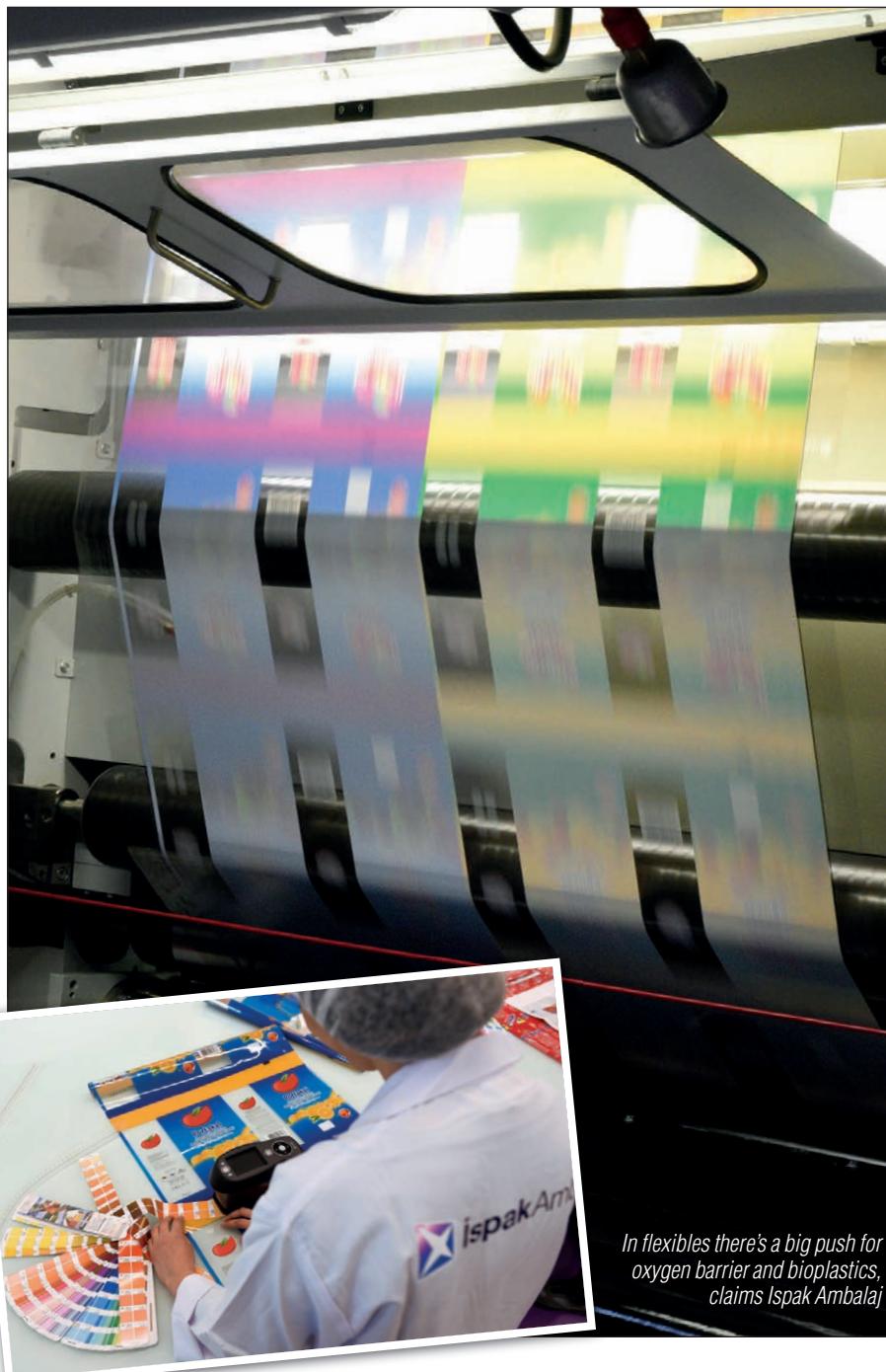
"We have 18-20 machines to come in Izmit, with six currently operational. We will have a solvent recovery agreement in place by mid-2018 and an engraving facility by the start of next year," explained Erginoğlu. "There is no limit to our growth in Izmit as we own the entire industrial zone."

Another feather in Ispak's cap is the fact that Kibar Holding Group also owns flat-rolled aluminium producer Assan Aluminyum, which gives Ispak access to foil production.

At the recent Interpack show, Ispak exhibited a specially-designed film for capsules used in a Turkish coffee brewing system. Explaining the thinking behind the innovation, Erginoğlu said that Turkish millennials like things fast, so Ispak has helped to develop pods of coffee that

# A new beginning

A multi-million dollar 'smart factory' is signalling a new beginning for one Turkish flexible packaging converter as it opens its doors for business across Europe and North America. **Steven Pacitti** reports





Above: The expansion will triple production capacity to 40,000 tonnes a year. Right: "You cannot always do everything through organic growth," says Eser Erginoğlu. Below: A capsule for Turkish coffee recently won a WorldStar award

are close to "mother's recipe" and can be brewed by a machine. It recently won a WorldStar award. Ispak produced the aluminium foil lid.

"Traditional Turkish coffee typically requires slow and careful preparation and this pod and brewing system combination delivers that. The top and bottom film for the capsule is produced by us in collaboration with customer Selamlique Istanbul."

The film is manufactured using a proprietary technology that enables barrier and adhesion functionality to protect the flavour of the coffee, and it is printed in a variety of colours to match the flavours offered by the system.

The WorldStar award gives Ispak some useful publicity on the global market as it gears up to grow its overseas business.

Understandably, Ispak's main application areas include chocolate products, sugar and confectionery, dairy products, beverages, snacks, medical and pharmaceutical packaging, and pet food.

The facility is ready for blown film packaging production, with another line to be commissioned imminently from a major supplier, triple-layer lacquering, extrusion coating and lamination, HD flexo and rotogravure printing, and embossing. It also has a hygienic clean-room production area and a solvent recovery unit.

"It is a fully-automated smart factory with laser guided vehicles, slitters and robotics. We also have a conditioned area for medical and pharmaceutical applications utilising cold, form, fill."



### Ready, steady, go

With the backing of the considerable Kibar Holding Group, which not only employs 7,000 staff but is also the Turkish distributor of Hyundai (automotive), there is significant potential for Ispak to grow organically and through acquisition.

It purchased an extruder in 2013 that enabled the company to move into production of insulation, fridge rear foil, PE-lamination multilayer structures. It also installed a label-cutting machine to trigger growth in food, beverage, cosmetics and pet food sectors.

Ispak can apply rotogravure with up to 10 colours and photocell printing up to three colours. Cold seal and lacquering applications can also be performed in-line.

"We are really ramping up our capacity and our turnover is about €150m (\$163m) a year. Ispak specialises in flexible packaging while sister company Assan Aluminium is

number three in Europe and has an output of 250,000 tonnes," said Erginoğlu.

Considering Kibar Holding Group has owned Ispak for 22 years, the fact that rapid growth is now being targeted perhaps says more about the real potential currently facing the flexible packaging industry. Ispak's slogan is 'For customised packaging, you can rely on Ispak. Keeping our word since 1974', which alludes to the company's long history and its focus on innovation.

"We are the only company in Turkey to make laminates for the tobacco industry. The tobacco business is shifting more towards the Middle East and Turkey. In the flexible business, laminates in sectors such as dry food and snacks are moving more towards extrusion coating, such as paper and polyethylene."

Erginoğlu says the packaging market is growing and Ispak is aware that the industry is looking for trusted partners with experience more than ever.

"Agility in today's markets is crucial," she adds. "The younger generation want to spend money and you have to follow the trends as they change quickly. It's a big challenge for brand owners."

It is safe to say that Ispak will be ready with innovations for those brand owners as it continues to expand and add to its packaging operations.

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