

Gericke plans further expansion outside Europe

In an exclusive interview Markus Gericke, CEO of Switzerland-based Gericke Holding, tells EuroBulkSystems managing editor Richard Miller about his company's expansion plans in China as well as in the Americas. He also gives his own interpretation as to why the company continues to enjoy pre-eminence as a preferred supplier of advanced handling and processing equipment to leading European chemical and food manufacturers.



Markus H Gericke.

With an unbroken history going back more than 110 years to its early days as a flour mill constructor in Zurich, Switzerland, family owned Gericke Holding is one of the world's longest surviving manufacturers of bulk solids handling equipment. As early as 1913 the company had developed its first vertical mixers and it was one of the early pioneers of pneumatic conveying technology.

Another long established specialist manufacturer of bulk handling systems, also based in Switzerland and also with roots in the flour milling industry, is Buhler.

Gericke took a strategic decision early in its history to focus mainly on the chemical and food industries, being well aware that companies operating in these sectors needed handling and processing equipment that was both reliable and accurate while additionally often requiring bespoke solutions to specific handling problems.

Unrivalled knowledge of product flow behaviour

From an early date Gericke acquired expertise not just in powder handling but also in the handling of granules, flakes and fibres, thereby accumulating specialist knowledge of the



Gericke milling handbook dated 1913, by which date the company had already been trading nearly 20 years.

differing flow characteristics of these materials. Today the company, supported by its own R&D activities and test plants, has an unrivalled databank of information on handling behaviour of different bulk products going back over many decades. This factor perhaps more than any other gives it a decisive advantage over its competitors.

CEO Markus H Gericke, aged 44, has been at the company's helm since 1998, during which time it has undergone significant expansion. For example, it was one of the first manufacturers in its field to identify the potential for growth in South East Asian markets. For the past 15 years it has operated a wholly owned subsidiary in Singapore staffed by local people conversant in the languages and customs of neighbouring countries, including China.

Markus Gericke says that a trading company is currently being registered in Shanghai bearing the Gericke name which, in accordance with that country's statutory requirements, will be licensed to engage in import and export activities. In fact Gericke already has a number of plant installation references in China, with both local companies as well as multi-nationals, supplied through the Singapore subsidiary.

He explains that most Gericke systems and equipment supplied to South East Asian

countries are about 50% fabricated locally, with the remaining 50% high-tech components shipped in from Europe. With this arrangement the company is able to take advantage of more favourable local prices, while at the same time establishing useful working relationships with local manufacturers some of which at a later date can be trained to provide a maintenance and repair services to customers in the region.

Mr Gericke also has plans in the near future to establish a stronger presence for his company both in Latin America and the USA. In the former region the company already has agencies in Colombia, Ecuador, Venezuela, Chile, Brazil and Mexico but these will be expanded and additional agencies in South America will be created.

In the USA Gericke is represented by Powder Technologies, Inc. of Hainesport, NJ, supported by a network of local reps, an arrangement which is currently successful, at least in terms of equipment sales.

No sign of European downturn

In Europe, despite strong local competition, Markus Gericke is confident that the market will remain buoyant, notwithstanding the trend in recent years for many large chemical companies to relocate their manufacturing facilities to South East Asia. He points out that several of these firms have already brought manufacture back to Europe, being dissatisfied with quality control aspects and reliability of energy supply in China and some adjoining countries. He says that food manufacturers tend to be less adventurous in this respect because they need to be closer to their main customers and most foodstuffs, unlike chemicals, cannot be put into long-term storage



Tipping and FIBC emptying area for minor ingredients at the factory of emulsion paint producer Bosshard. The main raw materials such as titanium dioxide and talc are stored in 40m³ bins and conveyed automatically to the mixing vessels.



Reconditioning system in a pharmaceutical plant showing a container emptying station, a prebraker nibbler, a rotary valve and a mill before powder is conveyed into an explosion-resistant receiving vessel and downstream to a tablet press.



Markus Gericke (right) discusses feeder design on the shop floor of his factory.

to await shipment from halfway around the world back to Europe.

Of the company's present five wholly owned subsidiaries, four are located in Europe (in Germany, France, UK and the Netherlands), with the fifth in Singapore as mentioned above. All of these subsidiaries have engineering, sales, spare parts and test plant facilities, while some of them also manufacture locally. All of its manufacturing companies are certified to ISO 9001.

Mr Gericke is convinced that his company's success is due partly to the reputation for high quality and reliability that Gericke equipment has acquired over the years, and partly to a deliberate policy of cultivating long-term partnerships with customers, most of which are blue chip multi-nationals. Therefore when they establish manufacturing plants, for example in China, Gericke is willing to follow to maintain



A Gericke dense phase conveying system with its pressure vessel at a pharmaceutical plant for production of dialyse solution.



This highly innovative dense phase pneumatic conveying system at Rhône Poulenc introduces various products into an agitated pressure vessel. It has been specially designed not to require additional equipment such as hoppers or rotary valves.

support and to preserve a spirit of trust which is often built up over years. In this respect he emphasises that business is not completed when a project has been commissioned, but by contrast has barely begun. Over the past 110 years the company has acquired an unparalleled knowledge of all areas of powder handling, invaluable information that can be passed on to customers to assist them with conceptual and detailed planning of new projects

At present he has no immediate plans for any major acquisitions though he is always evaluating possible business opportunities presented by other equipment manufacturers. The last major acquisition was that of the specialist UK rotary valve manufacturer Rotaval in 1991. He says that this has worked out well for both companies. Rotaval has the support of Gericke which is also one of its important customers, while at the same time it is at liberty to pursue its own business interests even if this means selling valves to other OEMs and engineering companies that might compete with Gericke. Gericke on the other hand is in a position to benefit from the outstanding quality and technical advantages offered by Rotaval. Both companies can offer mutual assistance by sharing sales leads.

Complementary equipment categories

At present Gericke makes four separate categories of handling and processing equipment: pneumatic conveying systems, volumetric and gravimetric feeders, batch and continuous mixers, and sieving/size reduction equipment. Control and automation equipment, which can be applied to the other four equipment groups, could be said to represent a fifth category. The company also makes allied equipment such as dust filters, bin activators and FIBC dischargers. The company's choice of different pneumatic conveying technologies provide a means of transferring powder and granulate from the point of delivery to the process line while added value can be provided by mixing and/or sieving equipment fed by Gericke gravimetric or volumetric feeders.

With in-house capability to design and manufacture this broad selection of equipment, the company is well qualified to bid for total systems contracts undertaken on a turn-key basis. This type of business nowadays accounts for about 50% of Gericke's turnover, the other 50% being derived from sales of individual components and items of equipment.

The company has a number of alliances with manufacturers which make equipment outside its own product portfolio, such as silos or mills. These collaborative partnerships, which remain informal insofar as they are not subject to any written agreement, can be of assistance in helping Gericke to win turnkey contracts and also provide the opportunity for exchanging business leads.

When asked whether he had any plans to introduce any additional ranges of handling or processing equipment, Mr Gericke said that he would rather his company instead devoted research into further developing and refining the equipment already on offer.



Gericke head office in Regensdorf, Switzerland.

Gericke at a glance

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Subsidiaries: Germany, France, UK, Netherlands, Singapore

Total staff: 250

Agents: in all European countries including Turkey; USA, with rep network; Latin America, with agencies in Chile, Brazil, Mexico, Venezuela, Colombia and Ecuador; Asia with regional headquarters in Singapore and employees in Thailand, Indonesia and China, direct supervision of Malaysia and Vietnam plus an agent in the Philippines.

Founded: 1894 in Zurich, Switzerland, working initially in the flour milling sector

Areas of expertise: pneumatic conveying (pressure or suction, dense or lean phase), volumetric and gravimetric feeders, batch and continuous mixers, sifting and particle separation/size reduction equipment, control and automation equipment. Turnkey system supply.

Main industries served: chemical (including construction chemicals), food, pharmaceutical, plastics, petrochemical, nuclear, detergents, cosmetics and body care products.