

Plant closings soften equipment market

By Tara Marion

Whether it's packaging or the equipment that handles it, manufacturers struggle against increasing customer demands.

Frank Peltz, sales manager at **B&F Plastics** in Comstock Park, defined the role of packaging from the perspective of the consumer and the manufacturer.

"It's visual inspection, eye appeal and impulse: What makes my product stand out from my competitor's?" he said.

B&F makes flexible packaging materials consisting of film. When it comes to flexible packaging materials, Peltz said the industry is driven by innovations in speed, cost and security.

"The trend is this: Do it faster, have economics and provide safety features that will alert the public to a potential health hazard," he said.

With making packaging equipment, engineering is the key, said Don Schramm, president of **BSR Engineered Systems Inc.** in Kalamazoo, which rebuilds packaging equipment that puts products into cases, cartons and bundles.

"The concept is to design packaging equipment simpler – even if it is more automated – and to take the number of pieces out of the equipment," Schramm explained. "There are fewer things that can go wrong when there are fewer parts."

Because of plant closings in the United States, the market is flooded with used equipment, he said. "The market is extremely soft," Schramm said. "By that I mean there is a lot more equipment than there is demand for it. Companies send the work overseas or to Mexico, but the equipment doesn't necessarily follow."

When there's more supply than demand, equipment prices decrease, but Schramm pointed out that there are always specialty items that retain their value.

Late-model, Servo-based automated equipment is one example. The newest technology in the industry, Servo-based packaging equipment is driven by programmable logic controllers. The equipment can automatically perform specific functions such as starting or stopping.

"Automation has really taken packaging equipment to another level with incredible speed and with incredible preciseness," he said.

The downside of automation is that robotic functions eliminate the need for manpower.

"One of the reasons that productivity increases is that you're having fewer people on the line producing more goods, but that affects jobs because you need fewer people running things," Schramm said.