

How did he get away with it?

A cocktail of emotions – David Kaye, managing director, Kronos UK, reflects on 40 years in the bottling and packaging industries and the challenges facing the sectors

As retirement rapidly approaches, reflecting upon a career spent almost entirely in the bottling and packaging industries inevitably conjures up a cocktail of emotions.

That my time – which now spans well over four decades – spent within this special industry has been deemed worthy of an invitation to contribute this item is more than a little flattering.

It has been a marvellous journey and as retirement looms the intensity and frequency of the questions posed increases:

“What are your plans? How has our industry changed? What do you think the future is going to bring for our industry?”

Well I don't think the readership will be particularly interested in my plans to increase my presidential duties on behalf of one of the finest brass bands in the world, my globe-trotting with “The Barmy Army”, or my desire to pull on my walking boots and get far-better acquainted with both legendary Fell Walking writer Alfred Wainwright and my delightful three year-old grandson.

However, perhaps the other two questions might cause a ripple of interest.

My association with bottling machinery began in 1965 when, as a time-served and academically-qualified mechanical engineer, I became the junior member of a very small engineering/technical team at the Anglo-American company Barry Wehmiller Ltd in my home town of Bolton. It was a dramatic change from the aircraft components and high-tech missile systems of my apprenticeship days (neither of which I fully understood, incidentally!), and I soon developed a considerable affinity with bottle washers and tunnel pasteurisers for use within beer bottling lines.

Looking back, I believe that one of the many things which endeared me to the bottling industry was the many fraternal aspects. To use a sporting analogy there was, to my impressionable young mind, as much happening **“off the field of play as on it”**. Trade associations, professional brotherhoods, exhibitions, conferences (not to mention brewery sample rooms!) seemed an important and integral part of the industry; none of which had reached my consciousness during my apprenticeship years.

After a couple of years with Barry Wehmiller, someone noticed I wore a clean shirt at least a couple of days a week, and apparently I had some facility for literal and oral expression (in subsequent years a plethora of



2005 PPMA awards, Dennis Taylor presenting David Kaye with his Life Time Achievement Award

euphemisms has been employed for this!) and hence – to my considerable surprise – I became a salesman.

What a wonderful journey followed. It was a great joy to visit customers **“on their home patch”**, and to be in **“at the conception”** of new projects, capital equipment purchasing plans and how stimulating it was when I got my first order for a Barry-Wehmiller “Vortex” pasteuriser for the now defunct independent bottlers, William Neesham, in County Durham.

Two years on, I was flattered to receive a phone call (I don't think I'd heard the expression “head-hunted” in those days), during which I was offered the challenge of an exciting new job with the world-wide bottling machinery “giant” George J Meyer. I accepted with alacrity!

To be strictly accurate the job was with the European sales division, known as Meyer Dumore International Limited, to sell a range of labelling machines manufactured in Massachusetts.

This proved to be a significant chapter in my story and *continued on page 10*



Summer of 1969, just after David joined Meyer Dumore International Ltd., in order to sell the US-manufactured “WORLD” range of labelling machines. On David's right is Meyer's sales director, David Norrie.

How did he get away with it?

continued from page 9

during my six marvellous years with Meyer where I was effectively running a **business within a business** and, although I didn't realise it at the time, this invaluable experience was equipping me for future challenges.

Sadly, things began to go awry in the Meyer organisation, and I started to look around for other opportunities within an industry to which, during the course of a decade, I had become very firmly attached.

Having learnt a little about the sometimes messy subject of labels and labelling, I was intrigued to know the story behind the increasing appearances of machines of radically-different technical concept, and from another country – Germany.

“Just who were Krones?”

A little “**Sherlock Holmes work**” (no internet in those days, of course!) revealed these wonderful machines – of Bavarian origin – were being imported by M&E Goddard Ltd., a company based in Manchester, just 15 miles from my home.

I was beginning to suspect that a protracted sequence of inconclusive interviews was little more than procrastination on the part of Mark Goddard (a man to whom I owe so much), but I eventually learnt – to my amazement – that it was due to Goddard negotiating the sale of his business to arguably the most prestigious of his many European machinery manufacturing principals of that time. It was 1975.

Very soon Krones was to become world market-leader in labelling machinery manufacture and was soon widely-recognised as the world's leading supplier of an extensive portfolio of machinery for many different industries within the broad packaging spectrum.

It was a breathless journey: initially appointed as a specialist sales engineer, promotions to sales manager, sales director, and joint managing director came with bewildering speed. However, when appointed as **SOLE MANAGING DIRECTOR** (1981) the reality hit home –

and panic set in! Somehow or another, I have survived the ensuing 26 years and if, as many have suggested, there should be attempts at a memoir, perhaps “**How on earth did he get away with it?**” is a somewhat apposite title!

But what of the changes? Thinking

back, while conscious of the fact that time can blur the memory, my first inclination is to say that in 2007 the capital equipment supply business has become very **complex**, whereas once (I think!) it was relatively **simple**.

I do not refer to **technical complexity**. At Krones we are conscious that we constantly live at the cutting edge of technology and one of the most challenging – but, at the same time, most exciting – aspects of the journey aboard the Krones train is that new technology has to be assimilated seemingly on a daily basis. No – I am referring to **commercial and contractual complexity**.

Much of the business transacted in my early days in the industry was with family businesses; hence many sales were of a **proprietary nature**. Decisions would be taken – frequently extremely quickly – by the owner of a business (or a tiny group of family members), and we would be asked to “get on with it”.

In many cases there would be no contract and in some cases not even a formal written purchase order.

I remember one notable occasion when we were in the process of commissioning one of the earliest PET lines in the soft drinks industry, when we realised we didn't even have an order. On request, one came promptly on a page torn out of a triplicate book – “Please supply: One Krones PET bottling line – as discussed” – marvellous!

It seems a great pity that many of the “**proprietary types**” have gone as a result of the inexorable evolution within our industry that now sees just a handful of companies dominating all the key segments of the drinks industry. How many soft drinks manufacturers, brewers and distillers do we have on our list before we account for some 80-90 per cent of the total industry volume?

The capital equipment selling challenge today is very different. Teams or committees are encountered, and the challenge for suppliers is to ensure that a majority of the team members are favourably disposed towards them. Sometimes the agendas of team members of different disciplines are dramatically at variance and this greatly enhances the size of the challenge; and frequently can be more than a little frustrating!

Technical evolution over four decades has been exponential. When I sold my first US-manufactured labelling machines, they were 90 per cent cast iron with the electrics limited to just a few feet of cable and one red and one green button – oh, and an electric motor, of course! Electronics? What were they?

Today? Well... as a simple mechanical engineer, I am scarcely qualified to give a summary of this aspect of today's generation of machines. Perhaps the best analogy is that when I started with Barry-Wehmillier (pre-company car days), I was able to do quite a few jobs on



Ed Binsted presenting David with the 2007 BBI achievement award, (with BBI Chairman Colin Barker looking on)



Following in the footsteps of Alfred Wainwright

my Ford Anglia engine, but when I lift the bonnet of my 2007 company car, well ... enough said?

It is sometimes implied – or overtly stated! – that Krones machines have become too technically-advanced for the marketplace (we know that our competitors are accused of similar heinous crimes!) and, without doubt, a key objective for the future will be to strike the right balance between the benefits of ever-advancing-technology (i.e. as deployed on the world’s bottling and packaging lines) and the capabilities of production and engineering personnel to derive maximum efficiency and utilisation from their high-value assets.

PARTNERSHIP is a much over-used word in business these days – and I have long supported the campaign to have it banned. I have failed miserably!

However, as far as machine utilisation is concerned, I do believe that there needs to be a significantly-enhanced level of empathy between equipment supplier and equipment user if a high level of harmony is to prevail.

“ **The machine’s got your name on it, so it must be your problem is a philosophy which will take both parties down the road to nowhere.** ”

Machine suppliers have a duty to offer both adequate customer technical training (our well-equipped customer technical training centre at Westregen House is something we are particularly proud of at Krones UK) complemented by a comprehensive local service infrastructure. Similarly, bottlers and packagers have a duty to employ – and fully train – appropriately qualified and experienced people to operate and maintain high-tech machines.

So what of the future?

Without doubt we are in a tough business and my guess is it’s going to get ever-tougher! It is frequently contended that the packaging industry is not as pleasant as it once was – but is that simply due to the inevitable tendency to view the past through spectacles of rosy hue? (A rhetorical question!).

What is without doubt is that the modus operandi of the seemingly-unstoppable behemoths that are the large supermarkets, impact massively upon all aspects of our industry.

The pressures within the supply chain are enormous, and the implications of supply chain failure is more critical than ever. This manifests itself in ever more stringent commercial/contractual demands, with the result that lawyers can be just as important in a supplier’s team as the inventors, designers, and technicians. Deadlines get ever-tighter, and the once seasonal/cyclical aspect of our business has disappeared virtually without trace.

Without question **“short-termism”** is frequently manifest within the industry leading to the real risk that suppliers may be regarded in a servile role, rather than being treated as a responsible **equal partner** to an important business contract.

Hopefully more **“long termism”** will be evident in the future, since I feel that is absolutely essential for the right **balance** within our industry.

At Krones we are fortunate to deal with many enlightened blue-chip companies; some of whom we have had an almost continuous relationship since Krones’ machines first entered the UK/Irish marketplace in 1964.

As I plan to leave an industry which it has been a pleasure and privilege to serve, I have much for which to be thankful not the least of which has been the terrific companionship within the Krones UK team. I am proud of many things – but perhaps, paramount amongst these is the fact that, throughout my company’s 54 year history, there have only been two occupants of **“the leather chair”**, namely our founder Mark Goddard and me.

As David leaves Westregen House for the last time he leaves Krones UK in safe hands of a tremendous management “quartet”, comprising his successor ANDREW WILSON, sales director MARK HEATH, financial controller DAVID HUGHES, and service manager, GERRY TEECE.