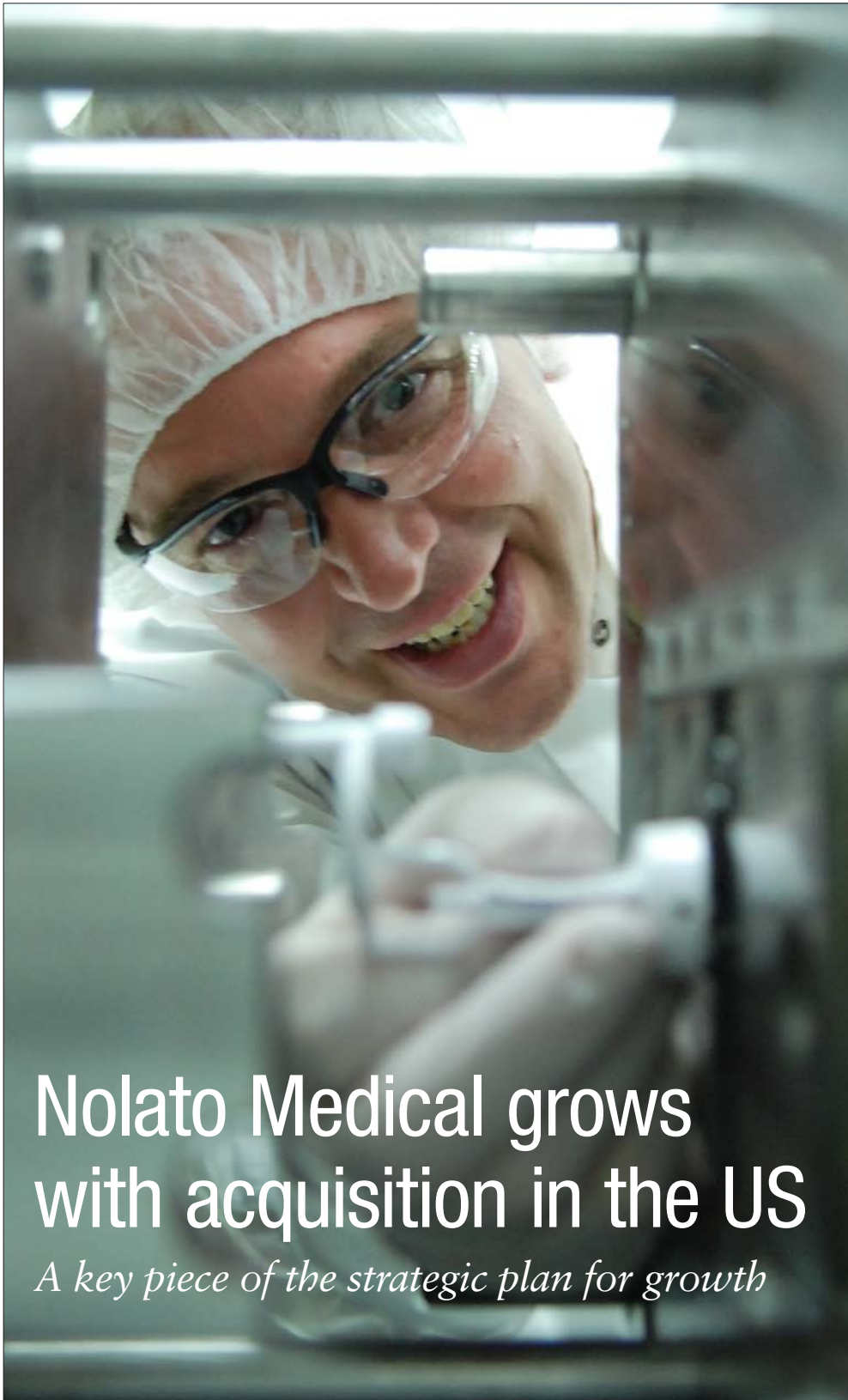


# Nolato Magazine

Issue twenty – September 2010



## Nolato Medical grows with acquisition in the US

*A key piece of the strategic plan for growth*

### Tailor-made for fashion

Swedish-made, customised recycled plastic crates now transport clothing to the stores of a Nordic fashion chain, bringing both financial and environmental benefits.



➤ *Read more on page 6.*

### New containers for Omega 3

The new packaging for dietary supplement Triomega has resulted in better in-store visibility, production costs being halved and significantly less environmental impact.



➤ *Read more on page 10.*

### Brand visibility

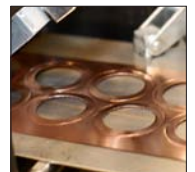
The Nolato LogoTech concept brings together Nolato Telecom's range of technologies to create three-dimensional logos for electronics and mobile phones.



➤ *Read more on page 13.*

### Quicker, cheaper and easier

Rotary die-cutting copper foils and delivering them on low-tack adhesive tape instead of in boxes saves both time and money when manufacturing solder for heat exchangers.



➤ *Read more on the back page.*

◀ *Mike Richardson is one of Nolato Medical's new employees in the US, following the acquisition of Contour Plastics.*

➤ *Read more on page 4.*

## Johan Iveberg: new MD at Nolato MediTech

Johan Iveberg has been appointed MD of Nolato MediTech. Johan has an MSc in engineering, and joins Nolato from the Trelleborg Group. He previously held management positions at companies including Perstorp AB and Akzo Nobel.



## Martin Dahlqvist: new MD at Nolato MediTor

Martin Dahlqvist is MD of the new medical company in Torekov (see page 14). Martin has many years of experience at Nolato, including managing Nolato Telecom's operations in Malaysia.



## Eija Lindberg Pääkkö: new CEO Assistant

Eija Lindberg Pääkkö has started working as CEO Assistant at the Group office.



## Johan Apell: new Group Accounting Manager

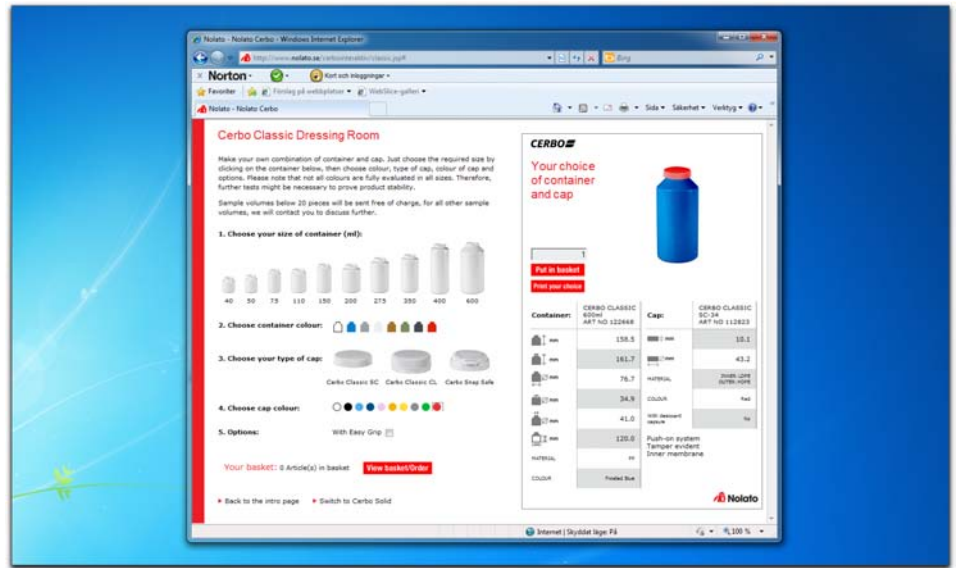
Johan Apell has been appointed Group Accounting Manager. He joins Nolato from Hafa Bathroom Group, where he was Administrative Manager.



## Certified work environment in China

Nolato Beijing has been certified in line with OHSAS 18001, which covers health and safety at work and includes requirements for systematic risk analyses, preventive work and internal monitoring.

Nolato Beijing has created an integrated quality (ISO 9000), environment (ISO 14001) and work environment (OHSAS 18001) system, reinforcing internal and external operations.



*At Nolato Cerbo's interactive website, you can create your own primary packaging.*

## Cerbo Dressing Room helps customers to choose

In order to help customers to choose the right packaging for their pharmaceuticals or dietary supplements, Nolato Cerbo has created a Dressing Room at its website [[www.nolato.com/cerbo](http://www.nolato.com/cerbo)]. Here, customers can combine all the sizes and colours of containers and lids from Nolato Cerbo's Cerbo Classic and Cerbo Solid standard ranges.

An image of the chosen combination is shown, together with the relevant dimen-

sions and other data. The combinations can then be saved, or sent to Nolato Cerbo at the click of a button in order to obtain samples and quotes.

"This interactive feature has proven very popular," says Anci Petersson, Sales Manager at Nolato Cerbo.

"Visitors to the site appreciate being able to see what their containers might look like and to contact us easily."



*Nolato Lovepac Converting in Chennai, India, has now started making deliveries.*

## Series deliveries underway in India

Nolato Lovepac Converting's new production unit in Chennai, India, has developed well since production began in early 2010.

Series deliveries are now being made to a number of Indian customers, and the company has been chosen to supply products for

several new mobile phone projects that will begin during the second half of 2010.

"We're looking forward to a busy autumn," says Per Olofsson, Nolato Lovepac Converting's manager in Chennai.

## Very strong first six months

In its interim report for the second quarter of 2010, Nolato reported very strong growth and higher earnings. Sales rose by 58% to SEK 878 million (557). Operating income (EBITA) was SEK 69 million (39). Earnings per share were SEK 1.98 (1.10).

“A significant increase in demand, combined with previous efficiency improvement measures, has resulted in an excellent quarter,” says Hans Porat, President and CEO of Nolato.

Nolato Medical’s sales totalled SEK 185 million (177), an increase of 5%. Operating income (EBITA) was SEK 24 million (23). The EBITA margin was 13.0% (13.0).

“Nolato Medical’s growth is in line with the market, and a healthy margin has been maintained.”

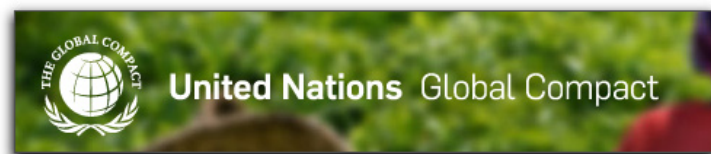
Nolato Telecom’s sales rose by 137% to SEK 434 million (183). Operating income (EBITA) rose to SEK 34 million (–3 excluding non-recurring items). The EBITA margin was 7.8% (–1.6 excluding non-recurring items).

“Volumes were high at Nolato Telecom during the period as a result of customers building up stocks in connection with product launches. A new product mix and high levels of capacity utilisation have had a positive impact on the margin.”

Nolato Industrial’s sales rose by 31% to SEK 259 million (197). Operating income (EBITA) was SEK 23 million (5 excluding non-recurring items). The EBITA margin was a strong 8.9% (2.5 excluding non-recurring items).

“Demand rose continuously within most customer segments, and the full effect of earlier restructuring measures was realised,” concludes Mr Porat.

Nolato continues to enjoy a strong financial position. Net debt at the turn of the half-year stood at SEK 43 million (72), with an equity/assets ratio of 49% (56). Cash flow after investments was SEK 71 million (91).



## Nolato signs up to Global Compact

Nolato has signed up to the ten principles of the UN’s Global Compact, and is a registered member with effect from 2010.

“We have thereby taken a clear position on issues relating to human rights, social conditions, environmental responsibility and corruption,” says Hans Porat, President and CEO of Nolato.

The Group subscribes to the ten principles of the Global Compact, and this commitment is followed up in Nolato’s annual sustainability report. The status is also reported directly to the Global Compact Office.

“In view of the Group’s growing presence in growth countries, we believe that it is particularly important to highlight the fact that we do not accept activities that breach the UN’s Universal Declaration of Human Rights. This applies both to us and to our suppliers.”



*Hans Porat, President and CEO of Nolato.*

## Dear customers, shareholders, employees and other readers

Welcome to the latest edition of Nolato Magazine, which I trust will make for informative reading.

In this issue you can read more about our recent acquisition of Contour Plastics in the US. Acquiring a company is a complex process, and it generally takes a long time from the initial contact through to finalising the deal. And that’s if the acquisition is actually completed – for every successful acquisition, there are at least ten incomplete acquisition processes.

But sometimes everything goes to plan. This was the case with Contour Plastics, a company that has impressed us ever since our first contact back in January 2009. You will find an article about Contour Plastics – now called Nolato Contour – on the next page.

Since the last issue we have experienced a real upturn in demand from our customers, and this is reflected in the pleasing report for the first six months to the left.

Our rigorous efficiency improvement measures during the recession, combined with the fact that we were able to use our strong financial position to win additional market shares, is now bearing fruit.

You will also see over the next few pages that there is a great deal of activity going on, including product solutions for transporting clothing, packaging for dietary supplements, logos on mobile phones and solder for heat exchangers.

You can also read about our ventures in China, Sweden and Hungary, which will enable us to keep on creating excellent customer solutions in future.

*Hans Porat  
President and CEO*

Nolato Magazine is produced for our customers, shareholders and employees, and anyone else with an interest in the group. Editor: Mats Håkanson [mats@strateginfo.se]. Printing: JMS, Vellinge, Sweden, September 2010.



Nolato AB, 260 93 Torekov • tel +46431 442290  
fax +46431 442291 • e-mail info@nolato.se  
website www.nolato.com

# *Nolato Medical grows in North America*

## US acquisition key piece of the strategy to offer customers a global structure

*As part of the Nolato Group's strategic focus on medical technology, Nolato acquired the US company Contour Plastics in Baldwin, Wisconsin at the end of July 2010.*

"Contour Plastics is a well-managed company, and is a good fit for our growth strategy," says Hans Porat, CEO of Nolato.

The company has annual sales of around USD 22 million, 180 employees and mod-

ern premises in Baldwin, Wisconsin. These premises are 9,000 m<sup>2</sup> (96,000 sq feet), also offering class 10K and 100K clean rooms.

Its customer base includes a number of large medical technology companies, and the

acquisition will allow both U.S. and European medical technology companies more options on a global basis.

### A firm foundation in North America

"This acquisition represents a further strengthening of Nolato Medical's overall offering and a firm foundation on which to establish production in the US," explains Christer Wahlquist, President of Nolato Medical. "Having Nolato Contour centrally located in the United States, gives us great flexibility to serve not only Nolato Contour's present customers in the North American continent but also those of the Business Area's customers in Europe who are interested in US production."

### Global presence

"Our strategic plan is based on having our own facilities in Europe, Asia and North America, allowing us to offer our customers a global production structure that is close to their own development centres, with the option of carrying out production closer to their delivery addresses," says Mr Wahlquist.

The company, which has now changed its name to Nolato Contour, was acquired from its founder and President Barry Grant.

"We've been scanning the market for possible acquisition candidates for a long time," explains Mr Wahlquist, "and with Contour Plastics we found a company that met our criteria in terms of the right technology platform, a strong project organisation, highly effective production, good management and competent employees. Not to mention a corporate culture that is similar to our own."



“Contour’s customer structure, consisting of large medical technology companies spread across the US, is also a good fit,” explains Mattias Persson, Director of Business Development at Nolato Medical.

### Management remains in place

Barry Grant, who founded Contour Plastics more than twenty years ago, will remain as President of the company, managing and running operations together with Vice President of Operations Gus Myran and CFO Pam Grant.

“Over the course of twenty years we have succeeded in building up our company to create a high-tech, customer-focused and progressive injection moulding company,” says Mr Grant. “Among other things, this has been based on the fact that we see our employees as a critical success factor.

“When we met Nolato, we felt that not only was the company on the leading edge of technology, it also had the same focus on company culture and employees as we do. We also felt that Nolato would be able to contribute further to our growth, both in terms of the market and through additional technologies, such as liquid silicone injection moulding.”

Sales Manager Steve Roth is excited about the opportunities Nolato’s acquisition will provide.

“Our customers want broad, more global suppliers, so we can only see benefits in having Nolato as our new owner. This gives us access to Nolato’s European technologies, resources and expertise, and we can help Nolato Medical to grow in the North American market.

“I’ve always said that Contour Plastics is like a rocket standing on the launch pad, ready to take-off. By combining our resources with Nolato Medical we will soon be on our way.”

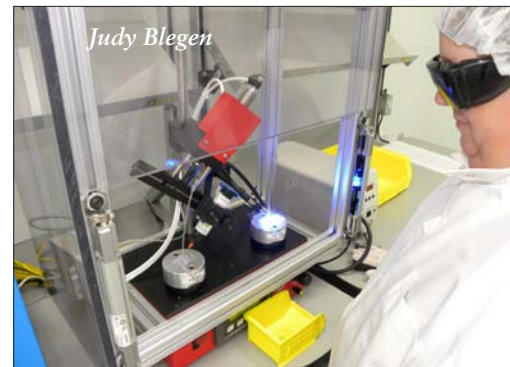
### Positive customers

Immediately after the acquisition, the work to integrate the company into the Nolato Group began. The name has changed to Nolato Contour, the logo has been replaced, and joint customer visits have begun – to a highly positive reception.

“Everyone at Nolato Contour is very excited about what the future holds,” concludes Mr Grant. “We look forward to working with the other Nolato Medical companies, joint marketing, and a mutual exchange of expertise and technologies.”



Steve Howley-Redman



Judy Blegen

*Nolato Contour has annual sales of around USD 22 million, 180 employees and modern premises in Baldwin, Wisconsin, including class 10,000 and 100,000 clean rooms.*



# New tailor-made clothing crates make transportation easier

*Swedish-made, customised recycled plastic crates now transport the fashion chain KappAhl's clothing to its stores, bringing both financial and environmental benefits.*

KappAhl is one of the Nordic region's leading fashion chains, and transports large quantities of clothing from a central warehouse to its stores in Sweden, Norway, Finland, Poland and the Czech Republic.

This clothing was previously packed into standard crates that were purchased from a manufacturer in France. However, these crates were expensive. The lids were also exposed to harsh treatment during transportation and, if they were damaged, replacing them was a time-consuming process.

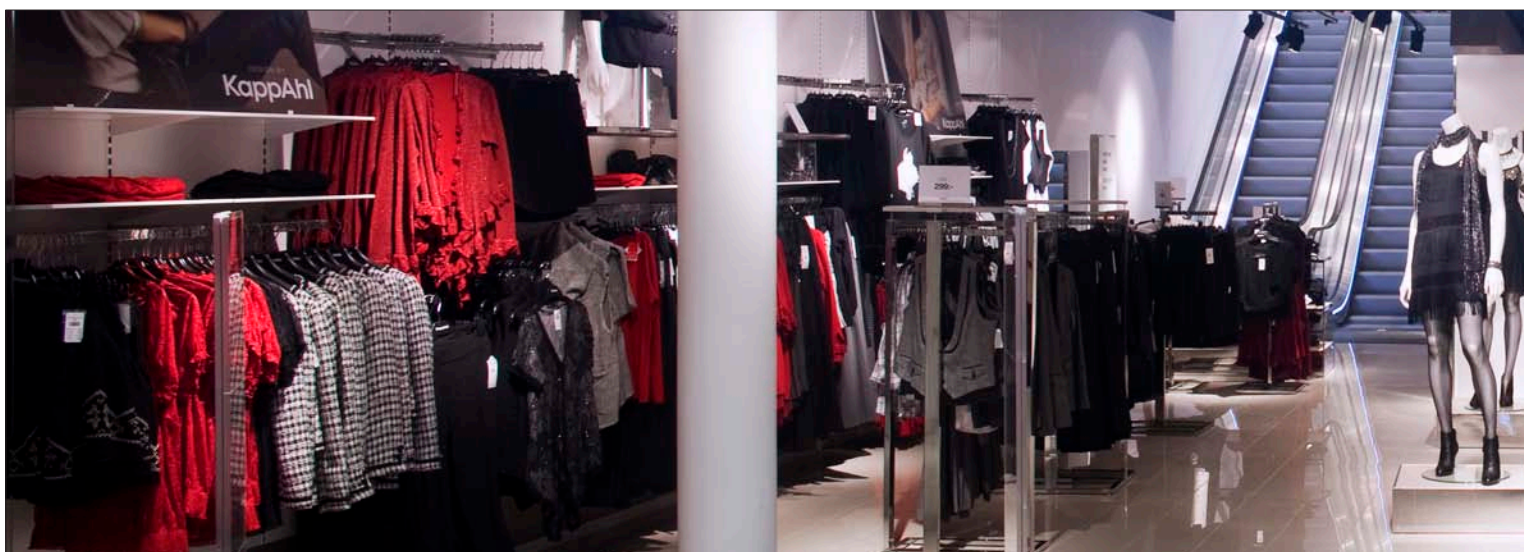
## Customised crates

In order to achieve a better and more economical solution for transporting its cloth-

ing, KappAhl decided some time ago to replace the French crates with custom-made crates that were designed to suit its specific requirements. The job of designing the crates was awarded to the functionality consultancy Elator, which in turn chose Nolato Plastteknik to carry out materials development and production.

## Lower cost

"The aim was to create a crate which, as well as being tailored to meet KappAhl's needs, would also be more cost-effective," explains Christian Meding, Account Manager at Nolato Plastteknik. "It also had to be as environmentally friendly as possible."





Christian Meding and Jerry Dorn  
Nolato Plasttechnik

*The new crates for KappAhl mean lower costs and less environmental impact.*

One initial requirement was that the crate had to have a lid that could be easily replaced if it was damaged. The solution also had to be cheaper, with as little environmental impact as possible – both during production and at end-of-life. The crates also had to be compatible with the old crates during a transition period.

**Recycled plastic**

“We looked at a number of different plas-

tics in order to find the ideal material for the crates. We decided that recycled polypropylene would be the best solution, not only from a financial and environmental point of view, but also in order to meet KappAhl’s requirements in terms of durability and functionality.

“After all, the crates have to stand up to some rough handling. They are exposed to a great deal of strain both during transportation and when being brought into the stores.

“And every lid needed to fit every crate, which can be quite tricky when designing the products and manufacturing the moulds. But the results were excellent, the customer is satisfied, and the crates perform well in demanding day-to-day use.”

**Successful partnership**

“Working with Elator went extremely well, and series deliveries of this product are now underway,” concludes Christian.



# Better visibility and less environmental impact, at half the cost

*When it was time to update the packaging for Midelfart Sonesson's dietary supplement Triomega, the manufacturer Vitamex turned to Nolato Cerbo, who worked together with the customer to devise a product that would be more visible on the shelf and have less environmental impact, at half the cost.*

Midelfart Sonesson's omega-3 fatty acid capsules, which are sold under the name of Triomega, have been packaged in a round aluminium container for many years. In recent years this packaging has not been deemed to be ideal from either a sales perspective or an environmental point of view, and so they decided in spring 2009 to update it.

## On-shelf visibility

The requirements were that the new packaging should be more visible on shelves in-store, provide a good labelling surface, have a lower environmental impact and cost less to manufacture. The job of devising a new container was awarded to the Norwegian design company Design 2025 and the Swedish pharmaceutical packaging company Nolato Cerbo.

"Right from the very beginning, the idea was that the packaging shouldn't just be a round plastic container – it should have a more exciting shape," explains Dennis Broberg, R&D Manager at Nolato Cerbo. "The actual shape should create on-shelf visibility, while also making it possible to use large labels with a high-end feel."

And so the flat container, with its large display surface and an opening beneath, was born.

"Vitamex liked the concept for the outer shape, allowing us to start working with the design company on making it a reality just before summer 2009," continues Dennis. "We had to get to work quickly, as the timetable was extremely tight."

In order to get the new containers onto the shelves of Norwegian shops during the first half of 2010 and not lose any additional sales, they had to be produced and delivered to Vitamex by the beginning of January.

"Our collaboration with Design 2025 then entered a hectic phase," recalls Dennis. "They refined the shape and functionality as we told them what it was practically possible to achieve in view of the tight deadline."

## First delivery before Christmas

"In August, we got the OK from the customer and ordered the injection moulds. And just before Christmas – six months after starting the project – we were able to deliver the first of the containers to Vitamex."

The new container is injection-moulded in white, lightweight, easily recyclable polypropylene. There are two sections – a container section and a lid section – which are delivered to the customer as a single unit. After being filled by Vitamex, the lid is welded shut to create a fully sealed container which is





*White, easily recyclable plastic has replaced the old aluminium container, resulting in cheaper, more visible packaging with less environmental impact.*

still easy for the consumer to open – and just as easy to close once the daily omega-3 capsule has been taken out.

#### Quick expert help

“Working with Nolato Cerbo on this project was an enjoyable experience,” says Roger Borén, Purchasing Manager at Vitamex. “We had access to quick expert help all the way – from the initial development stage through to starting mass production – which was of course particularly important since the timetable for this project was so tight. Nolato Cerbo’s experiences with pharmaceutical customers in terms of factors such as the airtightness of the containers were an added bonus for us.”

“We particularly appreciated the combination of perception and willingness to

resolve problems”, explains project manager Jennie Oscarsson. “Over the course of the journey, we sometimes came up with suggestions for how the container could be improved in order to suit our production and market better. Nolato Cerbo were quick to take these ideas onboard and develop them.

“And when after the launch we realised that certain consumers were opening the container in a way that we hadn’t predicted due to the time pressure, requiring a membrane in the opening, Nolato Cerbo were quickly able to devise a cost-effective solution that only required minor adaptations.”

#### Half the cost

The new container is now also being launched in Sweden. A smaller version is cur-

rently being developed, and is expected to be in production by the end of the year.

So the original requirement for better on-shelf visibility has been met, but what about the requirements in relation to environmental impact and production costs?

“Yes, the project succeeded with these, too,” says Jennie Oscarsson. “Compared with the old aluminium container, the carbon footprint of the new container is 45 percent smaller, and production costs have been halved!”

*Vitamex, which is part of the home health-care group Midelfart Sonesson, develops and manufactures a range of dietary supplements, which are then marketed in the Nordic region via Midelfart Sonesson’s various marketing companies.*



# Partnership: dream or nightmare?

*Exciting theme at this year's Nolato Medical Camp*

*When it comes to development and manufacturing, partnership is a must for many medical companies if they are to find new and innovative solutions. Partnership is also a real challenge; although there are many advantages, making it work in practice can be hard.*

*At Nolato Medical Camp, which was held in Copenhagen this year in association with Innovation Team, there was a focus on what characterises a good partnership.*

“We’ve worked with partnership for many years, since we can do a lot more together than we can on our own,” says Christer Wahlquist, President of Nolato Medical. “With this year’s Nolato Medical Camp, we wanted to create an interest in interesting networks and promote the discussion on partnership to a higher level.”

“The medical technology industry has a high proportion of companies that are hungry for innovation,” explains Kristian Bluff, Marketing Director at Innovation Teams. “Many of them are involved in various partnerships, but the interaction can be extremely difficult.”

## Avoid paradoxes

“Innovative solutions require a great deal of experience and fresh ideas, as well as stability and innovation,” says the camp’s first speaker, Professor Alison Rieple from the University of Westminster’s Institute of Strategic Management. “Partnership can be a way of dealing with ingrained paradoxes.”

She stresses the fact that partnership can be tricky. For example, there can be an imbalance of power when a large company with a great deal of financial muscle works together with a smaller company with a creative focus. Here, two very different cultures come together, and both parties need to trust each other.

## Boundary spanners

Professor Rieple’s suggestion for how to deal with some of the challenges that arise and achieve better cooperation is to have a few key people within the organisation who have knowledge of culture, jargon and semiotics within different types of organisations.

She calls them boundary spanners. These are people who can “translate” what a development engineer from a smaller spin-off bio-engineering company wants to communicate to the financial director of a large global organisation.

## Development as innovation

Gunjan Bhardwaj, head of Ernst & Young’s Global Business Performance Think Tank, agrees with Professor Rieple that significant innovations often occur in networks where there is a cognitive distance.

But new ideas can also come about in other ways.

“A pioneering innovation can also be achieved by developing existing products,” he says. “Innovation needn’t involve a new product – it can also mean new production methods, or a change in marketing and pricing.”

He gives an example of an innovative business model that involved neither innovative technology nor new medical advances:

“Novo Nordisk created an online forum

for diabetes patients, thereby gaining contact with a large customer segment.”

#### Avoid aggressive control

“A successful partnership requires trust,” says Janet Davis, Director of Global Integration Ltd., adopting a superhero pose and waving a pair of Superman underpants. “Because what happens when we leave the responsibility to others outside our familiar local network? We become super-über-managers, flying around to solve every problem.

“At the beginning of a partnership, there’s no trust. There’s a strong desire for central control, and that’s only natural. But it doesn’t work in the long-run. Control should mean having a finger on the pulse, not a stranglehold, otherwise you lose all the benefits of a partnership.”

As a natural development of cooperation, the motivation will progress from curiosity to questioning, to irritation, to opposition, and finally apathy. Unless, that is, you make the effort to avoid it. That’s why the contact needs to be stable and continuous.

#### Face-to-face contact

“To begin with, the parties must meet in person,” she emphasises. “Unfortunately, a video conference isn’t enough – it has to be face-to-face. Even blind people meet up. It’s not a case of seeing each other, but of being together and getting to know each other.”

The contact then needs to be continuous, and the parties need to be clear about what the goal is and why. This is the simplest way of avoiding irritation and apathy towards a long-term project.

“Communication needs to be like a heartbeat,” she concludes. “Stable and even.”

#### Janet Davis’ advice for an effective partnership:

1. Identify common goals.
2. Hold a kick-off meeting early on in the process. Meeting face-to-face is extremely important for good cooperation.
3. Regular meetings. It’s important that you meet in person early on in the process. After that, it’s important to maintain continuous contact by telephone.
4. Planned spontaneous communication can be one way of saving the situation if you sense irritation from your business partner.

# Brand visibility with Nolato LogoTech

*Applying a brand to a product to create and convey the right feeling of quality and uniqueness is an important part of the design process. Nolato LogoTech could be the solution.*

The Nolato LogoTech concept brings together Nolato Telecom’s range of technologies for creating three-dimensional branding and logos that can be applied to various types of products, such as electronics and mobile phones.

The concept has been increasingly refined, using complex processes and a great deal of creativity to create branding solutions that meet customers’ ever-growing needs.

#### Advanced surface treatment

The logos are created using specially-adapted technologies for plastic and surface treatment. These include vacuum metallisation, electroforming and chemical etching, as well as traditional aluminium processing and innovative IMD injection moulding for small, specialised patterns on IMD foil.

“Today’s electronics products need to be more eye-catching, while also meeting strict requirements in terms of functional integration,” says Dan Wong, MD of Nolato Lovepac Converting, who is responsible for the LogoTech concept.

“Our customers in the electronics industry are therefore using more and more innovative surface coatings.

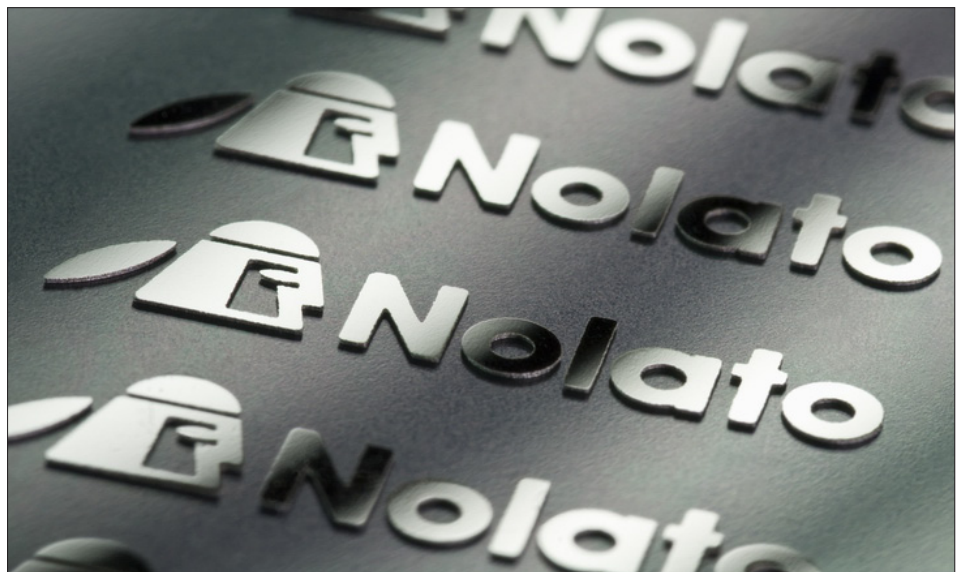
“This places tough demands when it comes to logo solutions, which need to have the same attractive design and functionality as the products themselves. They also need to give the brand an extra boost.”

#### Real opportunities

Nolato Telecom has an in-depth understanding of customers’ needs, as well as knowledge of how to help strengthen brands even further.

This covers everything from creating non-conducting logos in metallised plastic that eliminate metal interference above concealed antennas through to nickel-free electroforming, and from super-thin IMD logos for small hand-held units through to flat but impressive durable SUS etching.

“Nolato LogoTech always meets the requirements in terms of both design and functionality, with a consistent focus on cost and environmental awareness.”





One customer area in Torekov is the extrusion of medical tubing.

## New drive for medical in Torekov

Nolato Medical's Torekov unit, which up until now has been part of Nolato MediTech, is currently the focus of a new drive to improve technical resources and staff expertise. And in order to create opportunities for an even sharper customer focus, the unit is being hived off from Nolato MediTech, creating a separate company with its own resources and local management.

"The Torekov unit's breadth is exciting, and we can now give this our full focus," says Martin Dahlqvist, Managing Director of the new company.

Martin has many years of experience in polymer production and starting up new operations, including Nolato Telecom's operations in Malaysia.

"Specialised, customer-focused teams will bring brand new opportunities for focusing on our customer groups. We believe that our customers will soon notice the difference, with shorter decision paths, quicker contact and greater proximity."

### The operations in Torekov are based on four customer areas:

- World-leading manufacturer of latex catheter balloons
- High-volume production of latex-free breathing bags and bellows
- Clean room production of medical tube and pipes
- Injection moulding of technology components, mainly in rubber

## Nolato Medical focuses its strength

*Nolato Medical is growing in Hörby in order to create the optimum opportunities for continued expansion.*

Nolato MediTech, part of the Nolato Medical business area, began a major enlargement of its production capacity in Hörby, southerly Sweden, during the summer 2010, with the aim of creating the optimum opportunities for continued expansion.

"Our operations have shown extremely strong growth in recent years," explains Christer Wahlqvist, President of Nolato Medical. "We are now investing heavily in Hörby so that we can continue to offer our medical technology and pharmaceutical customers excellent resources for major system projects."

### A leader in liquid silicone

The Hörby facility became part of Nolato through the acquisition of Medical Rubber in 2006, and since then has been the centre for Nolato Medical's liquid silicone injection moulding operations.

"We are one of the world leaders in this area, and the expansion will create significant opportunities for continued strong growth. But our investment in Hörby also involves broadening our operations there

with plastic injection moulding and high-speed assembly.

"We will also be concentrating the business area's project management and marketing resources in Hörby, finally bringing them together under one roof."

### Twice the size

The 3,700 m<sup>2</sup> extension will double the size of the Hörby facility. Clean room capacity is one area that will become much larger.

"This creates excellent conditions for the rational continuation of our expansion," says Johan Iveberg, Managing Director of Nolato MediTech. "We've have reached full capacity, and are unable to keep growing at the rate our customers would like us to."

### Coordinated resources

Once the enlargement of the factory is complete, Nolato MediTech's unit in Kristianstad will be transferred to Hörby.

"We currently only have a small unit in Kristianstad. It makes much better sense from an overall point of view to coordinate these resources," concludes Johan.



The first turf for the expansion is cut by Municipal Commissioner Lars Ahlqvist, the construction company's CEO Tobias Persson and Nolato MediTech's MD Johan Iveberg.



“Our customers approved the new facility straight away,” says Allen Tan, General Manager in Shenzhen.

## Nolato Lovepac Converting in Shenzhen: Bigger, better and cleaner

*Nolato Lovepac Converting’s Shenzhen factory has followed a sure and steady growth plan. As the customers grow, the company has to grow with them, enabling it to increase both its capabilities and its capacity.*

The brand new 2,000 m<sup>2</sup> single-storey factory is located in Hasee Industrial Park, Bantian, in Shenzhen’s Longgang District, and was officially opened on 18 June 2010.

Nolato Lovepac Converting is the first tenant of this 50,000 m<sup>2</sup> industrial park, which is also home to a hotel, a canteen, a convenience store and a basketball court.

### Non-stop

The new factory is 60% bigger than before, with a larger production area, offices and warehouses, and a new class 10k clean room.

“We managed to complete the renovation and relocation project without impacting on customer deliveries,” explains Allen Tan, General Manager at Nolato Lovepac Converting Shenzhen. “Since moving in, produc-

tion has continued 24 hours a day without interruption.

“Customer audits were approved after the first audit, and we are now closer to all our customers, the nearest being just seven minutes away.”

### Development and production

Southern China is where project development is carried out for key customers. After the development phase, projects will be mass produced there or transferred to Northern China, India and Eastern Europe, with some running in multiple locations at the same time.

Nolato Lovepac Shenzhen now plays a crucial role in the company, from early involvement in project management, pro-

totyping and initial builds, right the way through to mass production. “We now need to ensure that we strengthen our project engineering capabilities and expand our sales resources if we are to continue our sustainable and stable growth,” concludes Allen.





*Agron Ramadani, Nolato Lövepac*

*Rotary die-cutting of the copper solder is ten times faster, and it can be delivered to the customer on a practical low-tack adhesive tape.*

## Quicker, cheaper and easier copper die-cutting

When soldering heat exchangers, a small piece of die-cut copper foil is used as the solder. These were previously die-cut using a traditional die cutter and delivered in a box. When they were then used by the heat exchanger manufacturer, every little piece of foil had to be taken from the box manually – quite a fiddly job.

But Nolato Lövepac now delivers the copper foils on a supporting low-tack adhesive tape. The customer then simply has to lift off a piece of foil when welding. No more rooting around in boxes, and no more risk of the foils getting damaged.

“One important thing about the copper foils is that there mustn’t be any adhesive residue at all on them when they’re used as

solder,” says Jesper Johansson, Key Account Manager for Nolato Lövepac’s industrial customers.

“They are therefore rotary die-cut on a special low-tack adhesive tape, where the adhesive doesn’t stay on the product when it’s removed.”

Not only does rotary die-cutting ensure that the product is in good condition when delivered to the customer, it is also much quicker to die cut, resulting in a lower product cost.

“Compared with traditional die-cutting, we can produce ten times as many products in the same time. And we don’t then need to box the product – it’s ready straight from the machine.

“Low-tack adhesive rotary die-cutting technology brings many advantages, and also has applications in many other contexts,” concludes Jesper.

