



The Association for Packaging
and Processing Technologies



2023 COLOMBIA PACKAGING AND PROCESSING MACHINERY MARKET

An Analysis of Market Opportunities
for Packaging Machinery Manufacturers





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PMMI The Association for Packaging and Processing Technologies

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Executive Summary

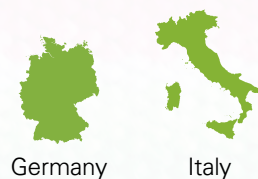
Colombia is going through a period of uncertainty due to reforms proposed by the new leftist government. High USD/COP exchange rates, inflation and interest rates are causing a decrease in consumption. However, manufacturing companies are looking to increase exports and launch new products to adapt to current conditions and reduce household costs. As a result, both processing and packaging machinery is being upgraded.

In the machinery market in Colombia, there is a clear increase in participants. Although Italian and German machinery are leading the way, locally produced machines and those from other countries such as Brazil, Spain, India, Sweden, France, Finland, Argentina and China are also gaining presence. This wide variety of suppliers is an indication of the potential of the Colombian market. Automation is a predominant trend due to the upcoming labor reform and the need to reduce reliance on cheap labor.

Colombian companies are interested in technological improvements and digital solutions for preventive maintenance, online training, remote technical assistance, augmented reality applications, among others. Fast and efficient after-sales service, quick access to spare parts and technical assistance in Spanish are critical needs that provide a competitive advantage over other suppliers. For U.S. companies, one solution could be to establish strategic partnerships or joint ventures to serve local customers quickly and effectively.

There is a growing trend toward more sustainable ingredients and materials, although their impact on the market will take a few years. Currently, the use of plastic is being reduced by reducing its thickness and alternative single-material options are being sought for primary packaging. In summary, the packaging market will continue to produce and demand innovations and solutions to adapt to changing market conditions. OEMs flexible and agile enough to drive such innovations will find an attractive market in Colombia, close to the United States, as well as a potential hub to serve the entire region.

In the Columbia machinery market



are leading the way

Colombian companies are interested in technological improvements and digital solutions for preventive maintenance, online training, remote technical assistance, augmented reality applications, among others.



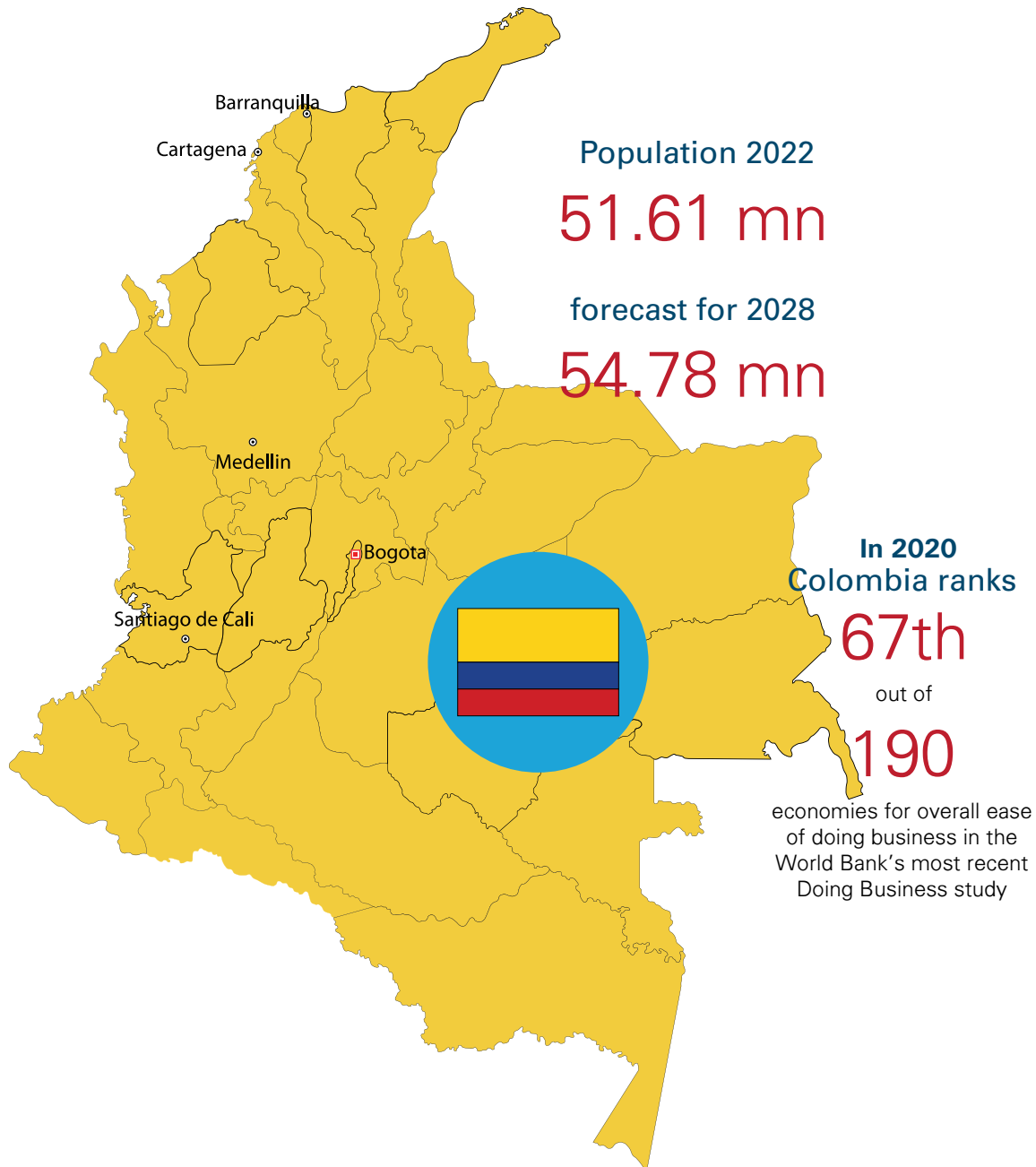


Country Profile



LOCATION

The Republic of Colombia is the fourth largest economy in Latin America, after Brazil, Mexico, and Argentina, and has the third largest population with approximately 51.6 million inhabitants. The country boasts five major commercial hubs: Bogota, Medellin, Cali, Barranquilla, and Cartagena. In contrast to many Latin American countries with only one or two major cities, Colombia offers U.S. exporters access to multiple commercial centers.



Colombia is a country of micro and small businesses. According to the Ministry of Labor, these businesses represent more than 90 percent of the national productive sector and 80 percent of employment. The country has a relatively low English proficiency level; day-to-day business is being conducted in Spanish. Colombia has a relatively open business environment, ranking 67th out of 190 economies for overall ease of doing business in the World Bank's most recent Doing Business study for 2020



COVID AND POST COVID

In Colombia the confinement due to the COVID-19 pandemic lasted 5 months plus another 22 months of selective isolation. As of April 23, 2023, 6,364,014 people were infected and 142,706 died.

The vaccination campaign against COVID, when it finally started, was quite successful, with 32.7 million citizens vaccinated with a full vaccination schedule.

The unemployment rate in the pandemic rose to 15.9%, and in February 2023 was 11.4%.

The extreme poverty rate worsened during the pandemic, and is currently (February 2023) at 15%. (CEPAL)

However, the economic recovery was very unexpectedly swift, reaching pre-pandemic levels by 2022. The government promoted a series of soft interest loans that allowed many companies to avoid having to close during the worst moments of the lockdown. The most affected sector was tourism, while online services benefited the most from the lockdown.

Colombia had a GDP in 2019 of 323 billion USD. In 2020 it dropped to 270 billion USD but in 2022 it had already recovered to 326.6 billion USD (World Bank).

GDP grew by 10.6% in 2021 and 7% in 2022.

In May 2023, the COVID-19 pandemic was officially over. Looking back, the impact on health, society and the economy was strong. However, the recovery was successful and in most economic sectors the 2019 levels have been reached or even surpassed. The level of unemployment and poverty, as well as an increase in mental health issues in the wider population are the main issues that remain and need to be addressed.

Supply chain problems were another major challenge in 2021 and 2022, and innovative process solutions were needed to continue production. In 2023, a significant improvement in this matter is already noticeable, as our interviews indicate.

One positive thing that the lockdown brought about in the pandemic was the increased use of technology for communication, leisure, studying, online shopping and work. Working from home gained a new level of acceptance. This has led to some changes in the spending, leisure and consumption habits of the population. On the corporate side, many industrial companies accelerated the automation of their processes.

During the pandemic
the unemployment
rate rose to

15.9%

In February 2023,
unemployment was at

11.4%

COLOMBIA'S GDP

In 2019

US\$323 bn

In 2020

US\$270 bn

In 2022

US\$326.6 bn

GDP GREW

In 2021

10.6%

In 2022

7%



Left-wing government

For the first time in its history, Colombia elected a left-wing president in 2022. President Gustavo Petro is currently trying to carry out various structural reforms in the country. So far, the government is preparing or has presented reforms of the tax, labor, health and pension systems, most of which were considerably eased to find the approval of the lawmaker.

Another key focus of the new government is its proposal for "total peace", that is, to reach peace agreements with the remaining guerilla, paramilitary and other criminal groups, including drug trafficking organizations.

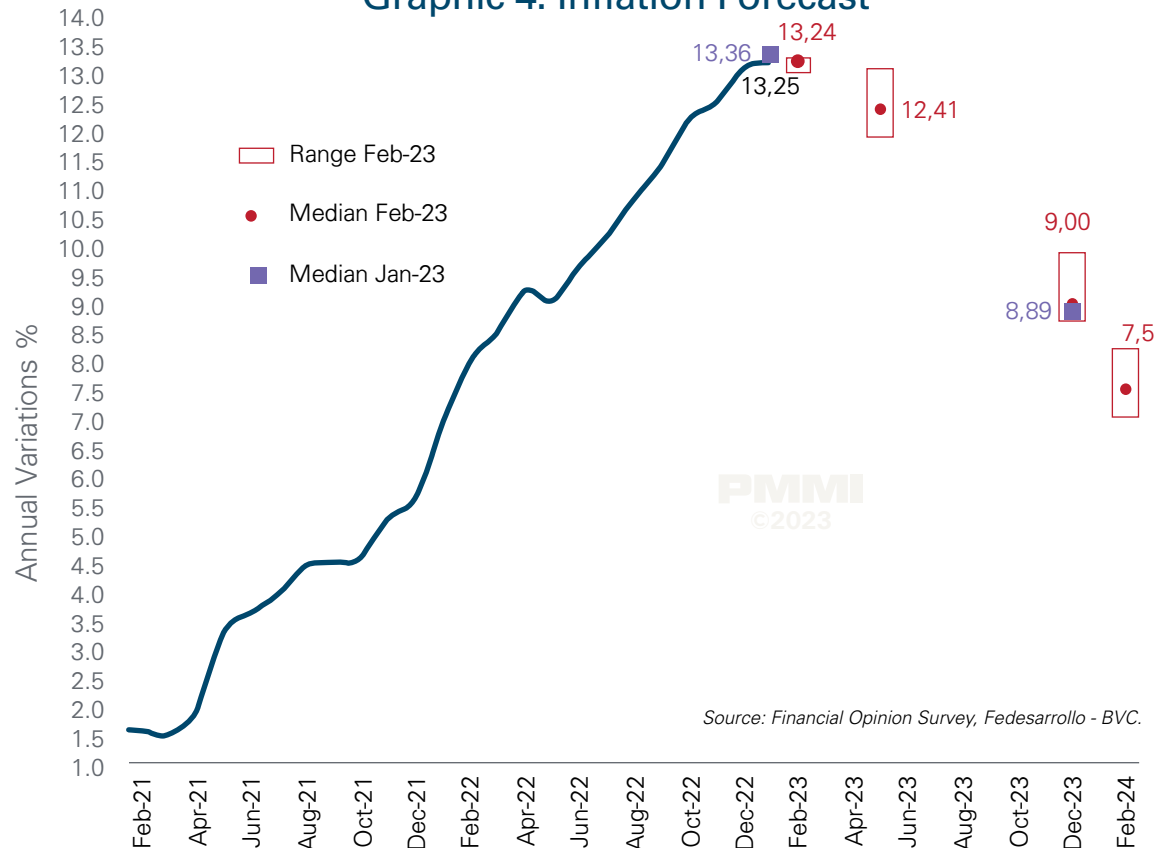
The new government has expressed its intention to quickly transition from the extraction of fossil fuels to renewable energies and industries with less impact on the environment, proclaiming a halt to oil drilling and a decrease in extractive mining activities. The economic impact of this measure could be significant, as the export of oil and its derivatives, as well as mining products, are the main source of foreign currency income, accounting for 61.4% of the \$32 trillion USD exported in 2022.

INFLATION

Colombia is a country with great social and economic differences. In 2022, inflation, which had been under control for years, reached 13.12%, generating a sharp rise in prices that further impoverished the middle and lower classes of society. The war in Ukraine is partly to blame for the rise in inflation.

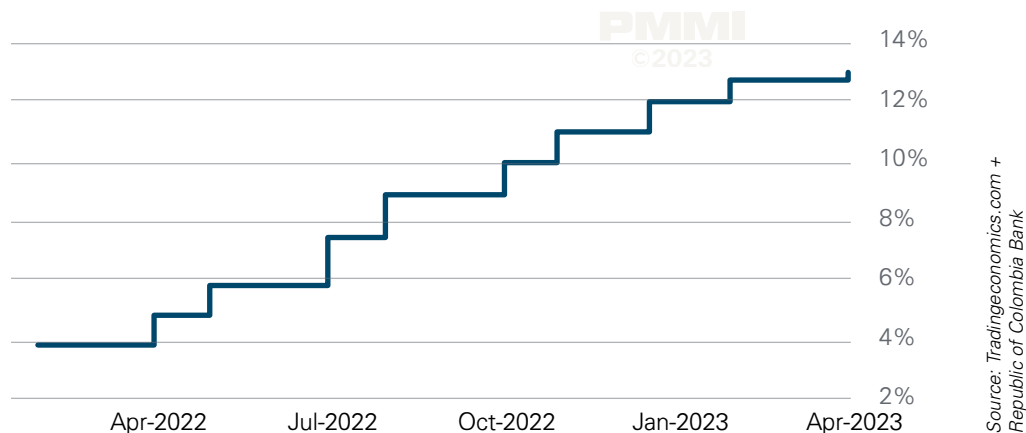
However, inflation is expected to improve in the coming years, possibly reaching pre-Covid levels by the end of 2024, as the Colombian Central Bank is taking the necessary actions and rising interest rates to curb inflation.

Graphic 4. Inflation Forecast



Interest Rates

The interest rate has been raised by the Banco de la República (central bank) continuously since the end of 2021 to curb inflation. (see chart)

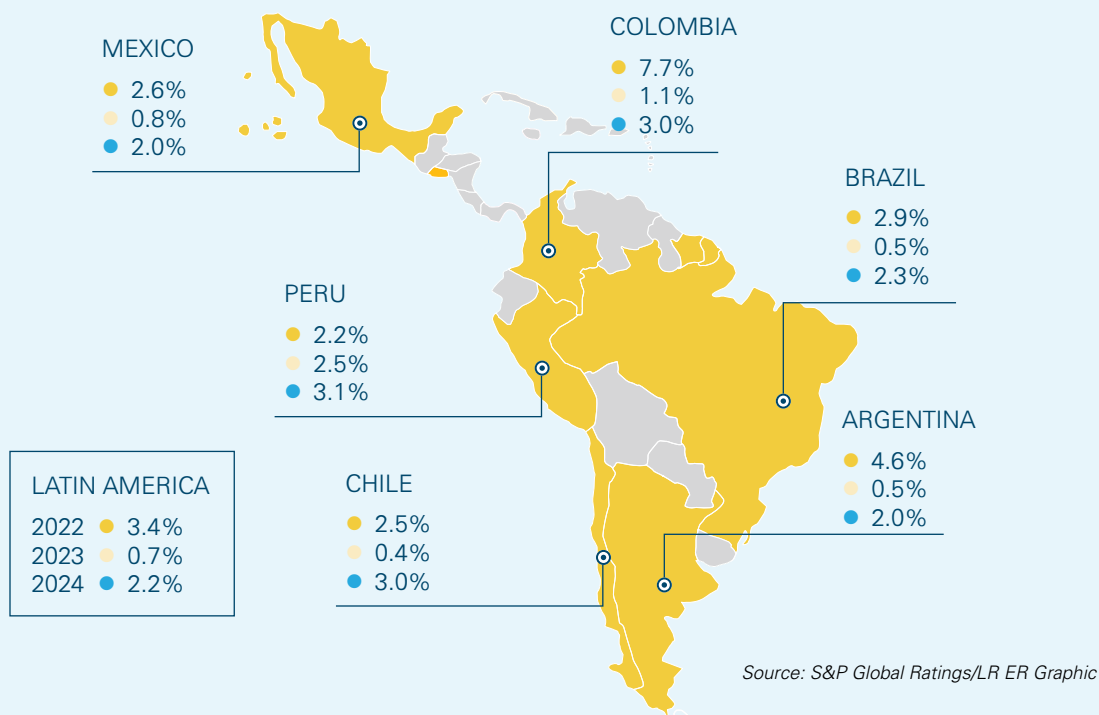


This increase in interest rates negatively affects the investment decision of some companies, as our interviews suggest

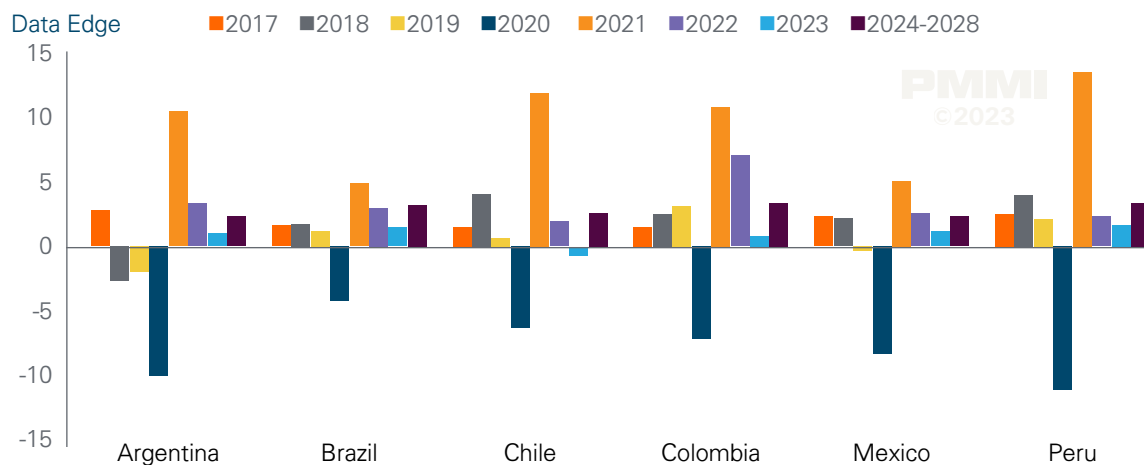
GDP

Colombia is forecasted to be among the fastest growing economies in LATAM in the coming years.

GDP Projections For Latin America



Real GDP (Annual Percent Change)



Source: S&P Global Market Intelligence®

The sectors with the most significant variations over 2022 were:

Arts, Entertainment and Recreation	37.9%
Information and Communications	14.2%
Trade,Transport, Accommodation and Food Services	10.7%
Manufacturing	9.8%



US Dollar - Colombia Peso (COP) Exchange Rate

The exchange rate between the US Dollar and the Colombian peso COP has increased steadily over the past few years, but peaked in 2022 from COP 4019.2 on 1 January to COP 4847.8 on 31 December, reaching a historic COP 5116.8 in November. In 2023, the Colombian peso was revaluing and currently lies around USD/COP 4400 (June 2023)(xe.com).

How the expected global economic slowdown, a possible increase in oil prices, international tensions and domestic political reforms will affect the exchange rate between the US Dollar and the Colombian peso is hard to predict. But most economists expect it to remain relatively stable between COP 4700 and COP 4800.

Graphic from USD to COP +64.34% (5Y) American dollar to Colombian Peso

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● 1 USD = 4564.08 COP – 8 Apr 2023, 17:50 UTC

12H 1D 1W 1M 1Y 2Y 5Y 10Y



INVESTMENTS

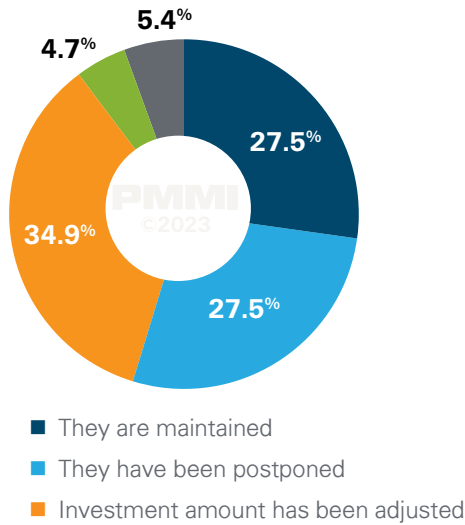
According to ANDI, Colombian companies' investment intentions for 2023 fell from 47.1% in August 2022 to 27.5% in early 2023. Main reasons are the worsening economic outlook, increased political uncertainty, and higher financing costs due to the high inflation.

34.9% of companies have reduced the amount allocated for investment.

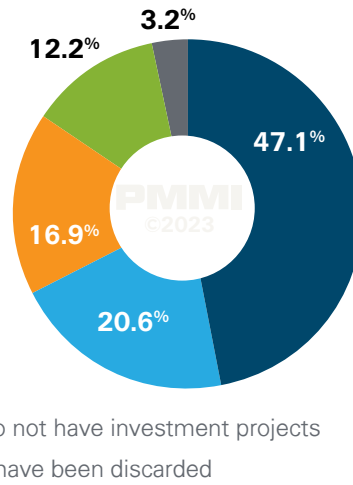
The reasons other companies maintain their investment plans for 2023 are: continuation of investments started in previous years (37.5%), good sales performance (16.3%), market opportunities (12.5%) and commitment to customers (9.6%).

Investment Decisions for This Year

FEBRUARY 2023



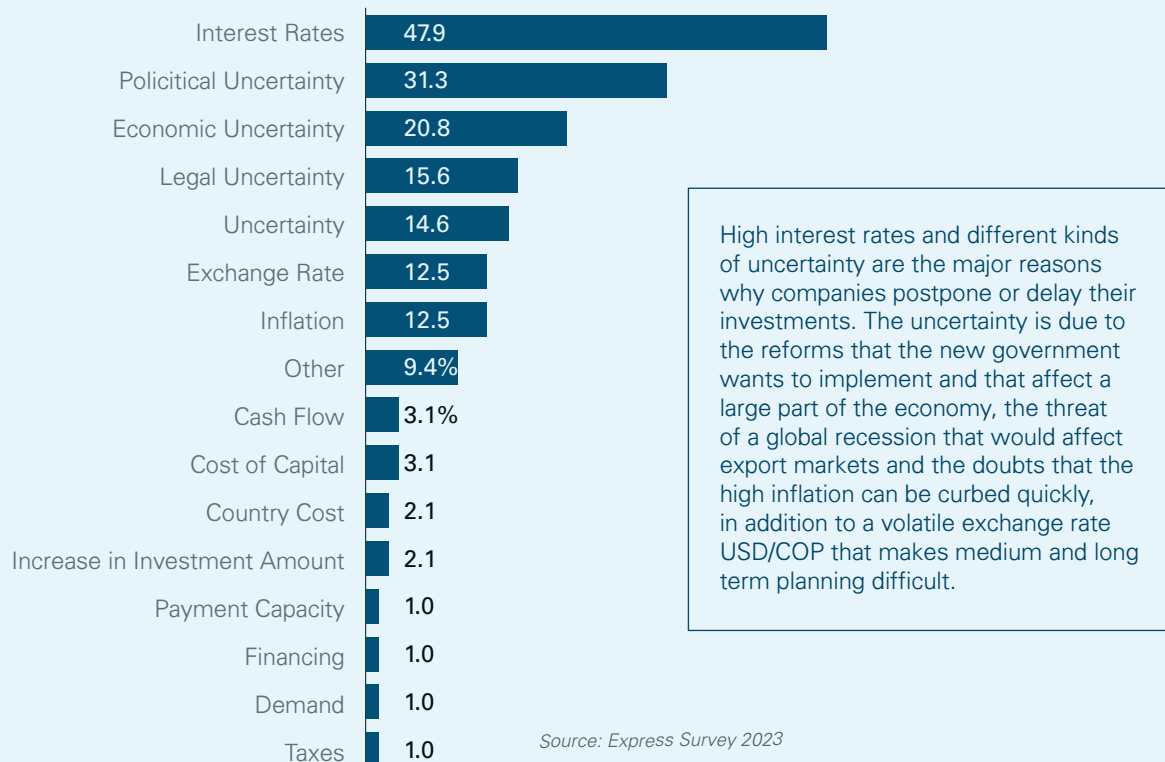
AUGUST 2022



Source: ANDI/LR ER Graphic

The reasons because the investments have been reduced:

From your perspective, what factors have caused you to DELAY your investments?



Source: Express Survey 2023



Companies still planning to invest cite the following reasons:

From your perspective, what factors have DRIVEN you to maintain your investments?



Most of the investments that are being executed in 2023 were initiated in 2022. And market opportunities continue to develop, both in Colombia and abroad, and in some subsectors demand continues to increase despite uncertainties.

Despite the information shown above, in the last years Colombian public funds have been invested largely in infrastructure. Important connections are being built to facilitate transportation between the main ports of the country, both on the Pacific coast (Buenaventura) and the Atlantic coast (Cartagena, Barranquilla) with the main cities (Cali, Medellin, Bogota) will allow for first class roads. In 2023 the investments will continue, mainly in roads, regional airports, ports and trains. In Antioquia, a new port is being built on the Atlantic coast near Turbo.

Important investment announcements for 2023

GOVERNMENT	Infrastructure	Roads, ports, train, airports, channels for ships	USD\$20 billions
ECOPETROL	Oil and Gas	23% goes to renewable self-generation of energy, hydrogen production, alternative energies and carbon reduction	USD \$6 billions
IKEA	Furniture	Opening of 3 shops in Bogotá, Medellin, Cali	USD \$600 millions
ARA	Supermarket Chain	Opening of 200 shops in 5 years	USD \$1.150 millions

Important investment announcements for 2023 *(continued)*

DAEWOO	Household Appliances	Opening market Colombia	USD \$12 millions
ISIMO	Hard Discount Chain	New supermarket chain – will start 2024	USD \$6 billions
D1	Hard Discount Chain	300 new shops	USD 125 millions
CEMEX	Concrete Construction Materials	Ceramic adhesives line	USD \$600 million

Relevant investments for machinery industry

NESTLÉ	Food	New line MILO in 3 years long investment	100 million USD
BAVARIA	Beverage (beer)	New production site near of Barranquilla	USD \$400 million
POSTOBON	Beverages	Social and environmental investments, buying ecological trucks and achieving 95% bottles reuse	USD \$6.5 million

As part of the new government's support of the local economy, protectionism through increased tariffs is part of the plan.

For example, the increase of tariffs for clothing and textiles to 40% and the extension of the 35% tariff for footwear may lead to an increase in production in Colombia.

Thanks to the US-Colombia free trade agreement, US producers will be largely protected from this intervention.



Packaging and Processing Machinery Market in Colombia



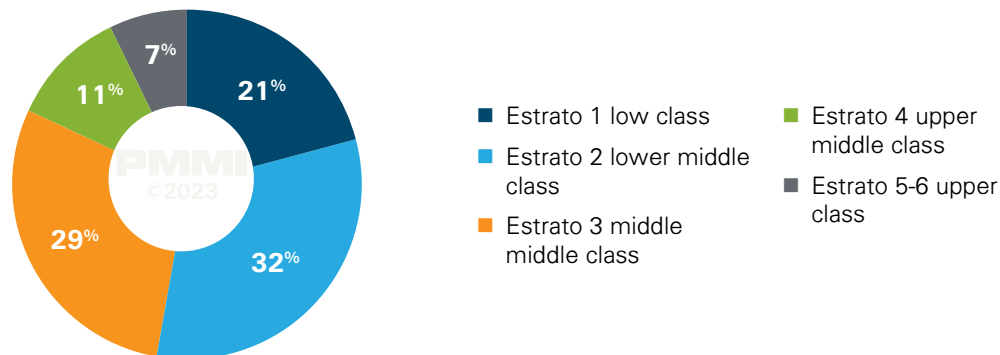
CONSUMER GOODS MARKET

The Colombian population is divided into 6 socio-economic levels or 'strata'. Over 80% of the population belongs to a lower or middle class with limited disposable income, which means that the consumer goods market is very price driven.

Estrato 1 low class
Estrato 2 lower middle class
Estrato 3 middle middle class

Estrato 4 upper middle class
Estrato 5 upper class
Estrato 6 upper upper class

Colombia Population



MARKET SIZE 2022 PACKAGING

Colombia has a developed packaging industry with almost **40 billion units sold**. Its growth is driving other segments such as cosmetics, personal care and processed foods.

With a developed regulatory framework in circular economy, raw material sourcing and a variety of local actors to make alliances, the packaging sector is one of the most competitive in the country. (Procolombia)

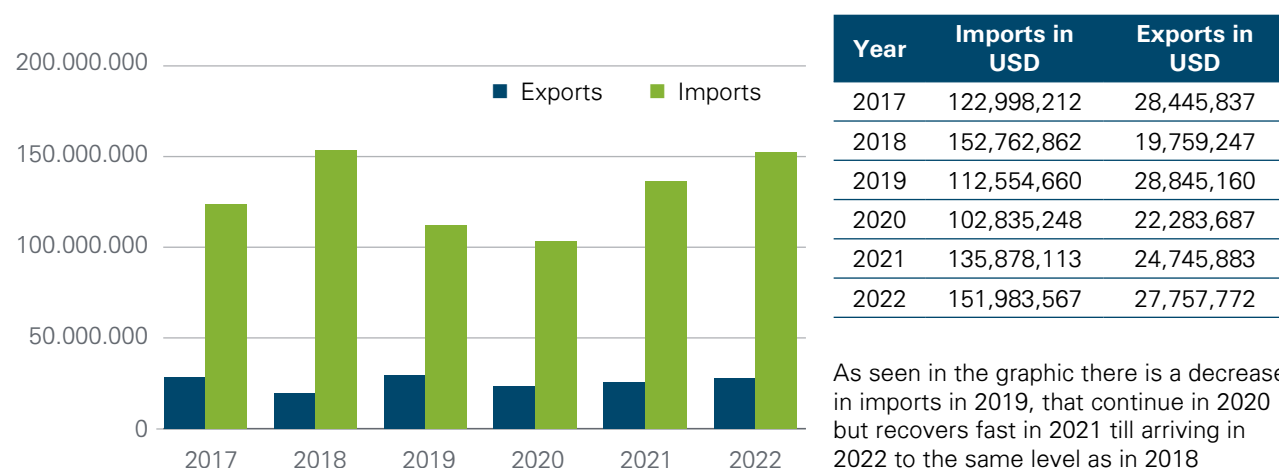
By 2026, the Colombian packaging market is expected to reach **43.7 billion units sold**, representing a compound annual growth rate of 2.7% between 2020 and 2026.

(Euromonitor International)



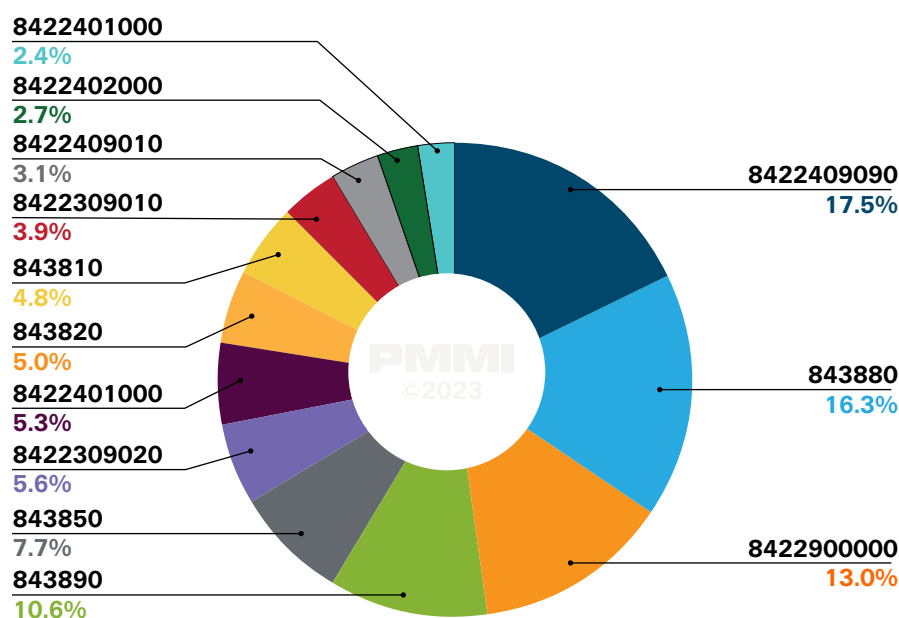
IMPORTS AND EXPORTS DATA OF PACKAGING MACHINERY

Exports and Imports 2017-2022 in USD



Imports 2022 in USD by Tariff Code

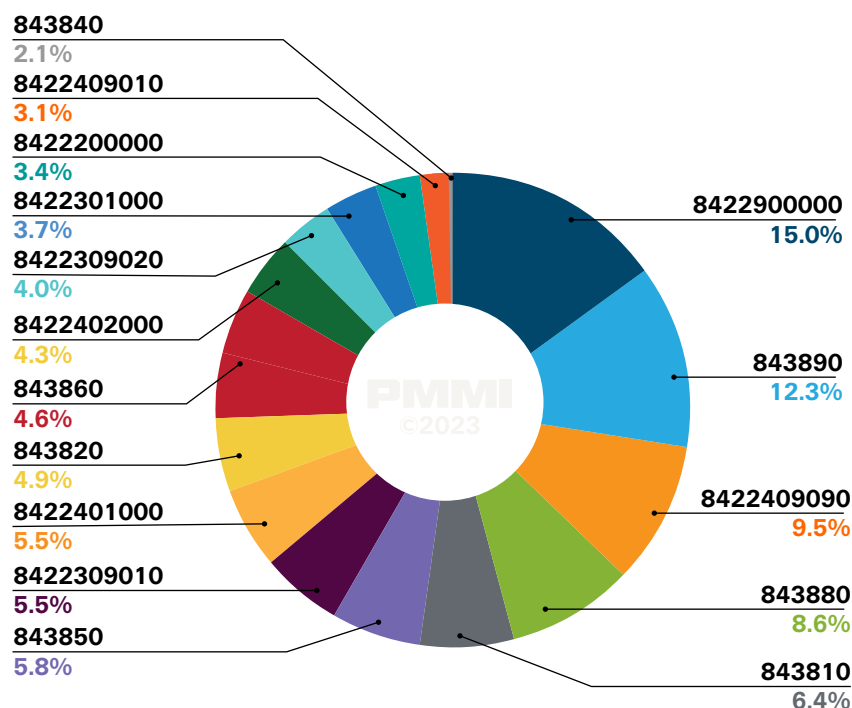
Code	Imports in 2022	Description
8422409090	53,044,771	Other
843880	49,614,169	Machinery For the Industrial Preparation or Manufacture of Food or Drink (Not for the Extraction etc. of Animal or Fixed Vegetable Fats or Oils) Nesoi
8422900000	39,508,829	Parts
843890	32,116,131	Parts of Machinery For the Industrial Preparation or Manufacture of Food or Drink, Nesoi
843850	23,345,293	Machinery for the Preparation of Meat or Poultry
8422309020	16,926,752	to Liquid Packaging
8422401000	15,964,326	Wrapping Machinery for Pre-Packed Goods
843820	15,204,312	Machinery for the Manufacture of Confectionery, Cocoa or Chocolate
843810	14,516,766	Bakery Machinery and Machinery for the Manufacture of Macaroni, Spaghetti, or Similar Products
8422309010	11,733,427	to Label
8422409010	9,538,928	Machines for Wrapping or Packaging Candies and Chocolates
8422402000	8,307,635	Vacuum Packing Machines
8422301000	7,392,540	Vertical Filing Machinery with an Output not Exceeding 40 Units Per Minute
843860	3,457,170	Machinery for the Preparation of Fruits, Nuts, or Vegetables
8422200000	1,714,744	Machinery for Cleaning or Drying Bottles or Other Containers
843840	1,397,666	Brewery Machinery
843830	163,680	Machinery for Sugar Manufacture



USD \$53.0 million is the highest value in 2022.

Machine parts were the most imported item in 2022. Food and beverage processing machinery and parts have the highest value with a total in 2022 of USD \$81.7 million. The third most important items are machinery for meat preparation and poultry with USD \$23.3 million and machinery for confectionery, cocoa and chocolate processing with USD \$15.2 million. Bakery and pasta machinery USD \$14.5 million. For labeling, machinery was imported with a value of USD \$11.7 million. The item of others with USD \$53.0 million is the highest value in 2022.

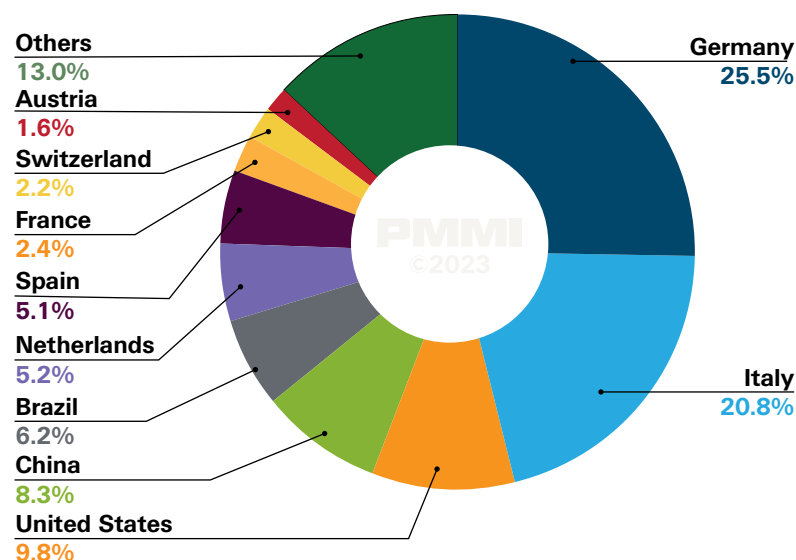
Units of Imports by Tariff Code 2022



Code	Imports in 2022 US Millions
8422900000	49
843890	40
8422409090	31
843880	28
843810	21
843850	19
8422309010	18
8422401000	18
843820	16
843860	15
8422402000	14
8422309020	13
8422301000	12
8422200000	11
8422409010	10
843840	7
843830	4

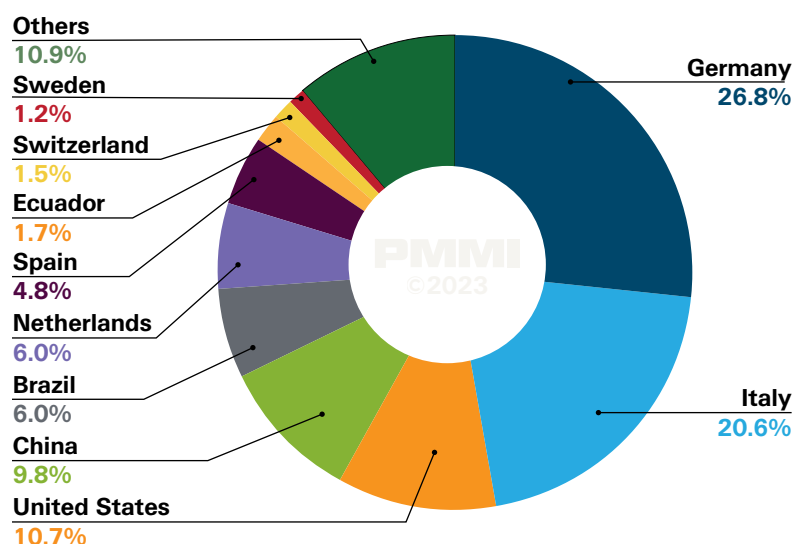


Value of Imports 2017 – 2022 in USD per country



Germany	198,885,648
Italy	161,660,472
United States	76,080,635
China	64,480,242
Brazil	47,931,771
Netherlands	40,454,315
Spain	39,986,373
France	19,048,402
Switzerland	16,872,789
Austria	12,166,499
Others	101,447,516

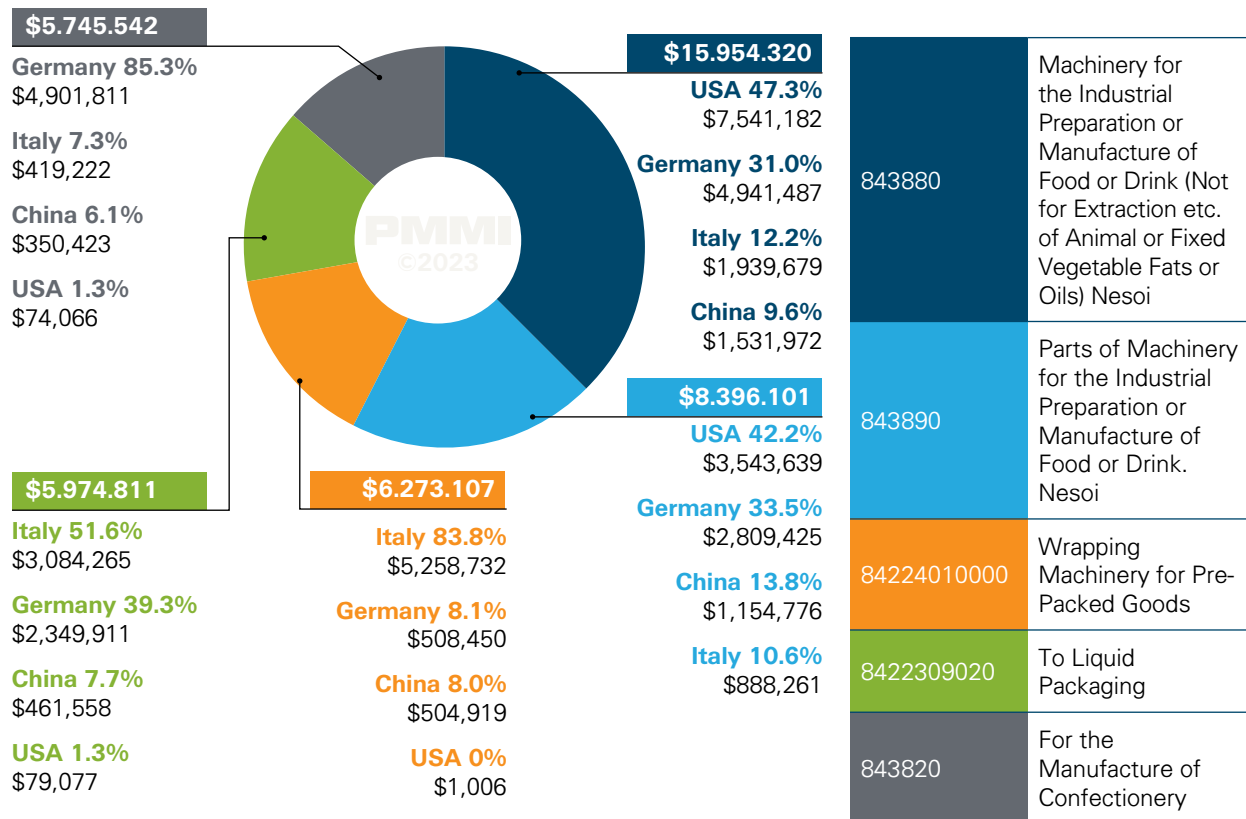
Value of Imports 2022 in USD per country



Germany	40,721,484
Italy	31,395,222
United States	16,343,367
China	14,923,641
Brazil	9,076,529
Netherlands	9,062,666
Spain	7,370,181
Ecuador	2,623,313
Switzerland	2,213,332
Sweden	1,786,506
Others	16,574,287

26.8% (USD \$40.7 million) of the value imported in 2022 comes from Germany, followed by Italy with 20.6% (USD \$31.4 million), USA with 10.7% (USD \$16.3 million), China with 9.8% (USD \$14.9 million), and Brazil and the Netherlands with 6.0% (USD \$9.1 million) each.

Imports by Tariff Code/Country (Only the top 5 tariff codes)

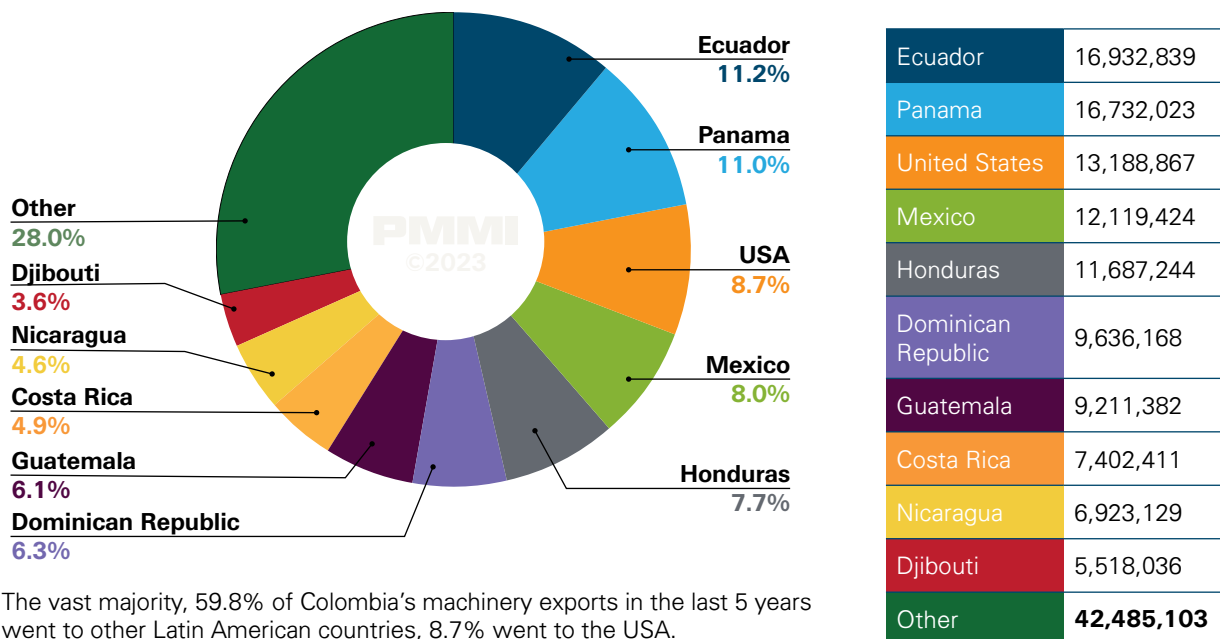


US machines lead imports in the two tariff codes of Manufacture of food and beverage products and parts thereof, with 47.3% and 42.2% respectively.

Italy leads in packaging machinery for pre-packaged goods (83.8% of imports) and liquid packaging (51.6% of imports).

Germany leads in confectionery manufacturing machines (85.3% of imports).

Value of Exports 2017 – 2022 in USD per country



The vast majority, 59.8% of Colombia's machinery exports in the last 5 years went to other Latin American countries, 8.7% went to the USA.



SEGMENTATION BY THE TARGET MARKETS FOR MANUFACTURING AND PACKAGING MACHINERY

Beverage Sector



The Colombian beverage sector showed the highest recovery in 2022, with a growth rate of 6.1%. A factor that drove growth was innovation in the sector, implementing the launches of healthy lines of beverages. The still attractive category of energy drinks is another driver of innovation in the industry.

Creativity and innovation come together to implement projects around sustainability, as this model offers the opportunity to create 'green projects', as well as generating employment, promoting innovations that bring competitive advantages to companies and providing protection to people and the environment.

One of the examples is the reduction of plastic that companies such as Coca-Cola and Postobón use, according to the newspaper La República, with responsibility in sustainability and projects that help to encourage recycling at home.

According to Portafolio, Coca-Cola Colombia* and Coca-Cola Femsa have a USD \$20 million investment project underway to expand the availability of returnable containers in the market. It is proposed that at least 25% of all beverages in the brand portfolio will be sold in refillable or returnable glass or plastic bottles, or in refillable containers by 2030.

**Interviewed companies for this study -contract manufacturer- (see company profiles and information in the last part of the study).*

Food Sector



Colombia is a regional leader in processed foods with constant growth rates. Its access to locally produced raw materials, multiple investment incentives and its geographical position make it an ideal export platform in the region, as the arrival of major players indicates.

The country has a potential for sustainable agricultural and livestock growth, being recognized by the Food and Agriculture Organization of the United Nations (FAO) as one of the tropical countries that will play the role of the world's food pantry. In addition, the tropical climatic conditions allow for year-round production of a wide variety of fruits and vegetables.

Colombia is an important producer of fruits, vegetables, sugar, cocoa, dairy products, animal proteins, among others. Harinera del Valle* participates in a large part of the market, being the main producer and marketer of grain in the country. With a growth of more than 40% in 2022, after the decrease in sales due to the Covid-19, reaching USD \$1.2 billion in sales in 2022.

As regional leader and export hub, Colombia's expanded market in the region for processed food is USD \$1.4 billion. In addition, the sector is a pillar of the national economy and represents close to 33% of Colombia's manufacturing GDP. The main processed foods produced are: processed meat, bakery and milling, sugar and panela (raw sugar), processed fruits, and confectionery.

Colombia is the fourth largest economy in Latin America, with access to more than 1.5 billion consumers, thanks to the 16 trade agreements in force and its privileged location that allow it to reach consumers in the Pacific and Atlantic region. Some indicative sea freight delivery times: 5 days to the United States (both East and West Coast), 11 to Europe and 21 to Asia.

Zenú* is positioned as one of the main producers of animal protein. With sales revenues of USD \$490 million reported in 2021, it is positioned as the leading company in the meat sector.

In the snacks and powdered products industry, the industry leader is Quala* that dominates the market with its traditional products such as Frutiño, Doña Gallina, Insta-Cream and La Sopera.

Similarly, companies such as Delalba* are driven to exponential growth through distribution in D1 grocery stores, due to their competitive prices in snacks based on nuts, almonds, macadamia and cocoa.

**Interviewed companies for this study (see company profiles and information in the last part of the study).*

Case NUTRESA and Gilinsky Group



The Nutresa group is the undisputed leader with COP \$3.7 Billion in sales in 2022. Group brands:

Cárnicos	Galletas	Chocolates	Cafés	Helados	Pastas	Tresmontes Lucchetti

In 2022, a group of Middle Eastern investors (IHC from Abu Dhabi) and Colombian billionaire Jaime Gilinski launched a hostile takeover bid for Nutresa. In May 2023, they finally succeeded and now hold 87% of shares. The new shareholders stated that their strategic goal is to further strengthen and expand Nutresa's position in the Latin American food sector.

Dairy Sub - Sector



According to DANE, in the second quarter of 2020, the dairy sector represented 24% of the agricultural GDP and 1.76% of the national GDP. Throughout its history, the dairy industry in Colombia has enjoyed healthy growth rates, due to population growth, stable consumption and international expansion initiatives. It has become the fourth largest milk producer in Latin America, with an average annual milk production of 6,789 million liters and a milk collection of 3,113 million liters per year. The distinctive feature of the country's competitiveness is based on the quality of the milk it produces, since it has very good percentages of fat and protein, higher than those of major world producers such as New Zealand and Switzerland. This has enabled the country to position itself and gain a share in the dynamics of the international market through the export of this good and derived products, reaching USD \$27 million in 2022 (an increase of 38% from 2021).

The top companies that sell the most milk in Colombia:



The company is an outstanding example of an agro-industrial cooperative that uses the solidarity economy model to transform and market agricultural products. With more than 14,000 members, mostly small producers, Colanta produces and sells 26% of the formal milk consumed in Colombia.



The company, which has plants in Colombia and Ecuador, exports to several markets in the Caribbean, Mexico, Canada and Europe. In addition, by the end of 2022 it acquired 70% of the U.S. company Clover Sonoma, in northern California, with which it aims to increase its sales by over 30%.



Alquería works with more than 13,000 small and medium-sized livestock farmers, has eight processing plants, delivers to over 100,000 points of sale, and employs more than 6,000 employees.

Pharmaceutical Sector



The pharmaceutical market is expected to generate revenues of USD \$2,531 million in 2023. The expected annual growth rate of 2.25% would represent a market volume of USD \$2,767 million by 2027. The market segment that will grow the most is cancer treatments, with a market volume of USD \$394 million in 2023.

According to the newspaper La Republica, the 22 major laboratories generated revenues of USD \$3.1 billion in 2021, many of which are among the largest companies in the country.

Tecniquímicas* leads this ranking with sales of USD \$490 million in 2021, including its health and wellness segments. It occupied the eighth position in 2019 in terms of market share (2.92% of the market).

The 3 laboratories with the highest operating revenue in 2021 are Bayer (USD \$312), followed by Novartis and Pfizer. In 2022, Baxter Laboratories* achieved sales of USD \$160 million, representing an increase of 7.6%, ranking ninth.

**Interviewed companies for this study (see company profiles and information in the last part of the study).*

Personal Care Sector



L'ORÉAL



PREBEL



According to ANDI, in 2022 the wellness sector closed at USD \$13 billion, of which USD \$6.7 billion corresponds to personal care and cleaning, an increase of 9.5% compared to 2021.

In this line, there are companies that have achieved solid growth, such as L'Oreal, Natura, Yanbal or CeraVe.

Natura from Brazil holds a leading position in the skin care market. In direct sales positions, it ranks first in body skin care and second in facial skin care.

Likewise, companies such as Prebel* have generated an impact in the market through their distribution of cosmetics and makeup in D1 grocery stores, which is currently consolidated as one of the most profitable low-cost chains in Colombia and is No. 1 in sales and number of stores nationwide.

Similarly, companies such as Belleza Express*, through D1 stores, have managed to grow rapidly through the distribution of sunscreen, shampoo, moisturizing cream and soaps.

**Interviewed companies for this study (see company profiles and information in the last part of the study).*

REGULATIONS AFFECTING THE BUSINESS

A new food labeling law in Colombia requires companies to inform consumers about products high in sugars, sodium content or saturated fats (Resolution 2492 regulating the law 2120):



Law 2232 of 2022 states: "...whereby measures are established for the gradual reduction of the production and consumption of certain **single-use plastic** products and other provisions are enacted". The law aims to eliminate and sanctions the use of certain single-use plastic products. To this end, it establishes a "gradual substitution" of products, such as containers, packaging and bags, among others.

The deadlines for the implementation of these bans vary between two and eight years depending on the type of product. These deadlines began with the entry into force of Law 2232, after its publication in the Official Gazette, on July 8, 2022. Single-use plastics are those products "that have not been conceived, designed or introduced in the market for multiple circuits, rotations or uses".

This law does not affect primary and secondary packaging.





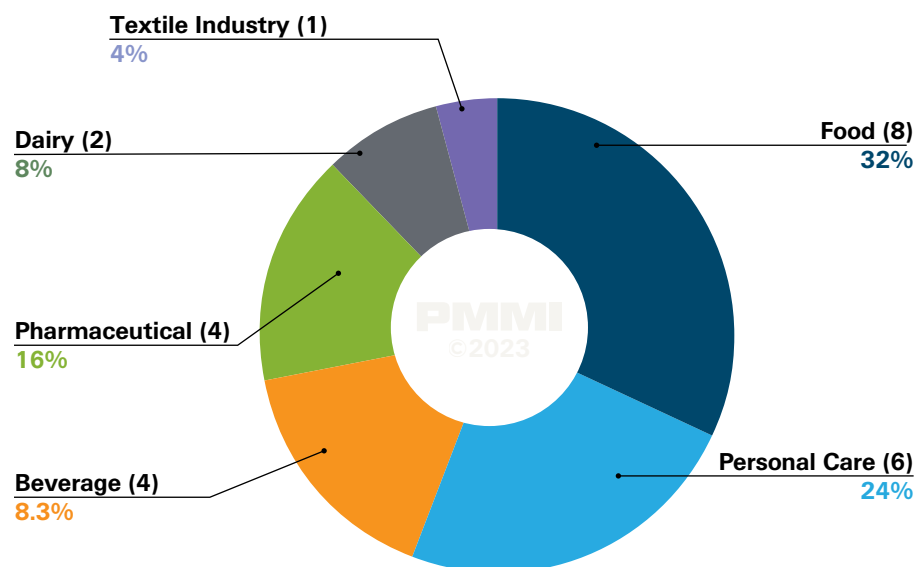
Interview Results



Because the PMMI affiliates generally produce high quality, high value-added machinery, we made the effort to interview whenever possible the market leaders in each segment (food, beverage, personal care and pharmaceutical). A total of 22 companies were interviewed with the aim of having a similar number of companies by segment. This was not always possible, especially as the pharmaceutical sector is known to be more reserved and reluctant to share information.

Interviewed Companies

Riopaila
 Buencafe
 Del Alba
 Johnson & Johnson
 Quala
 Technosur
 Harinera del Valle
 Quality Brands Co
 Baxter
 Termilenio Textiles
 Coldesivos
 Bivien
 Grupo AFIN
 Famaceutica
 Gaseosas Leticia
 Fricar
 Tecnoquimicas
 Alpine
 Zeno
 Embotelladora Capri
 Colgate-Palmolive
 Alqueria



(Company profiles and information of every company at the end of this study)



MARKET LEADERS INTERVIEWED

PHARMACEUTICAL

Johnson & Johnson

Baxter

te
Tecnquímicas

FOOD sugar manufacturing

GRUPO AGROINDUSTRIAL
RIOPAILA CASTILLA
COMPROMISO DESDE 1918

FOOD flour products

hv
harinera del valle

FOOD meat

Zenu

HOUSEHOLD CLEANING Personal Care

COLGATE-PALMOLIVE

FOOD Dairy Products

Alpina Alquería

FOOD Snacks

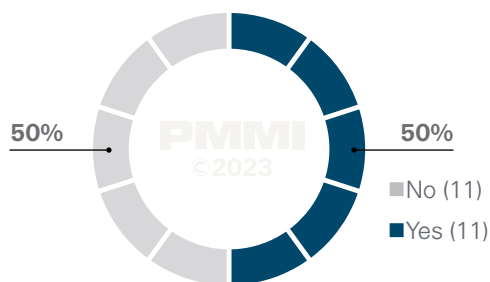
Yupi

TREND CHARTS

Investments

Half of the interviewed companies have a budget for the short term for an investment in production or packaging machines.

Is There a Budget For Short-Term Investment?



This low number of machinery investment plans has essentially two reasons:

1. Many companies invested in the year 2022 post-Covid, especially in process automation. Since then, investments have slowed down.
2. The current political uncertainty due to the reforms announced by the government has postponed some non-urgent investments pending the implementation of those reforms and the threat of a global crisis that could affect export sales.

There were investments in automation in 2022 following the needs detected during

the pandemic. In Colombia wages are low (minimum wage for 2023 is about USD \$378 salary + social security benefits) one hour of a worker costs about USD \$1.58.

With this low personnel costs, most companies still have labor-intensive forms of production. However, when the pandemic led to labor shortages and mobility restrictions, the big manufacturing companies decided to increase their process automation in order to decrease their dependence on manual labor.

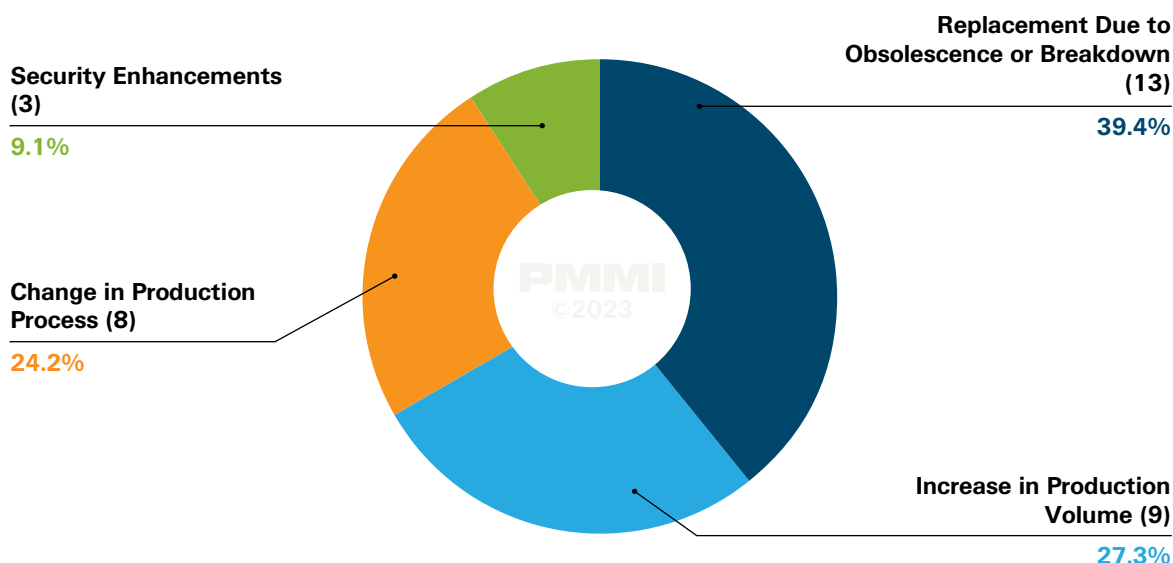
Another reason for automation is linked to the labor reform that is expected to be passed in 2023. The reform is expected to increase personnel costs, so automating processes will increasingly make sense from a financial perspective.

Comments given by several interviewees for having automated processes, or planning to do so, is for the health of the workers. Automation avoids repetitive movements that can have a negative effect on the health of employees.

Machinery Purchases

The purchase of machinery is related to replacements of old machines, change in production processes or if there is a need to increase production.

Main Reason For This Investment



What the Client Needs From the Machine Supplier



High Reliability



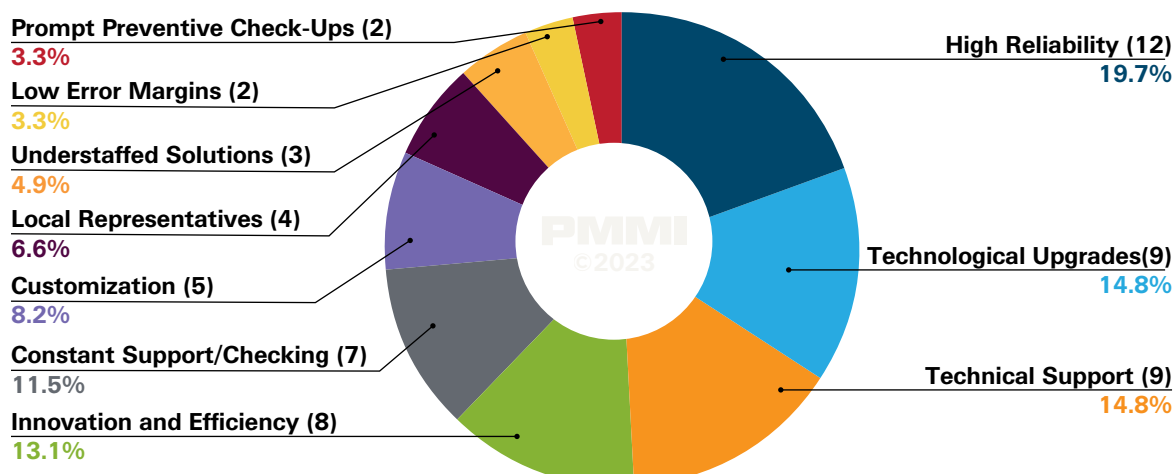
Technological Upgrades



Innovation and Efficiency

Constant technical support, including thorough onboarding and training, to be able to avoid production stops due to the need to wait for the support / part to arrive. Much importance is given to being able to make adjustments and repairs to the machine themselves, without having to resort to the supplier.

What Would You Like to Receive From a Supplier



Production Stop

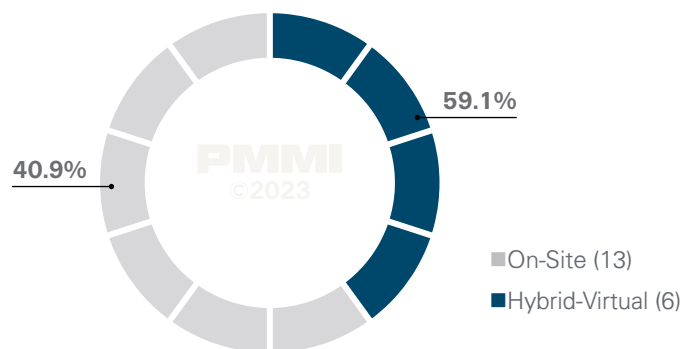
All interviewees mentioned the importance of avoiding production stops due to machinery failure as top priority.

There are different approaches to solve this problem:

- > Buy all the spare parts at the beginning from the supplier (capital intensive).
- > Invest in machines that use standard parts that can be easily found (genuine or aftermarket)
- > Have an experienced maintenance department, able to refurbish or produce parts.
- > Get in-depth training from the supplier to be able to maintain the machine independently as much as possible
- > Only buying machine brands with a local or regional presence of technicians to ensure fast if not immediate attention
- > Buy from local distributors that have technical sales teams that can assist in case of technical problems
- > Get fast assistance online (chat, phone etc.). However, on site presence of a technician is still clearly preferable.
- > 3D printing of spare parts.

There is an increase in online maintenance, three companies even told us that they have had experiences with augmented reality to get online assistance. But the majority of respondents prefer maintenance and after-sales service done on site.

Current Type of Maintenance or Technical Support

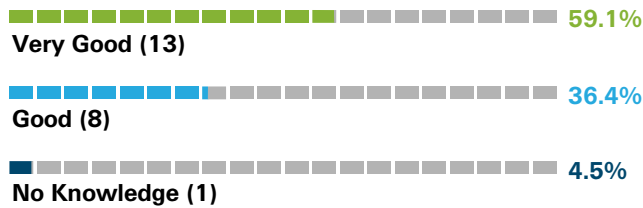


The Preferred Country of Origin

Italy	Best price - quality ratio
Germany	High quality but too expensive
USA	3rd in quality but more expensive than the Italian machines
Colombia	Increasing quality and better service, good for starters and end of line use
China	"If you know where to look, you will find good quality"
S. Korea	Not so well known
Other Countries	12 Other countries of origin were named

In Terms of Technology, Multifunction, Service, Price, What is your Perception of Packaging Machinery by Country

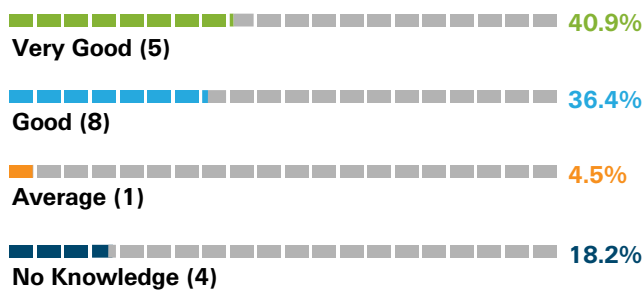
ITALY



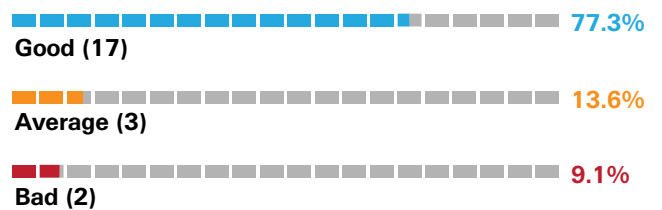
GERMANY



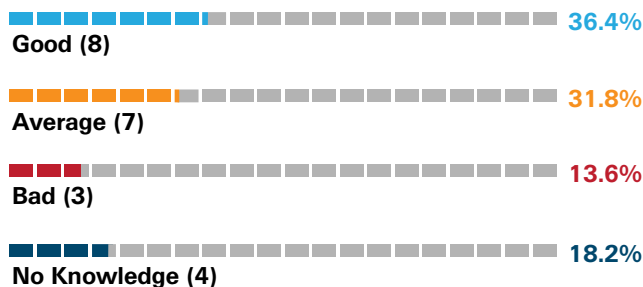
USA



COLOMBIA



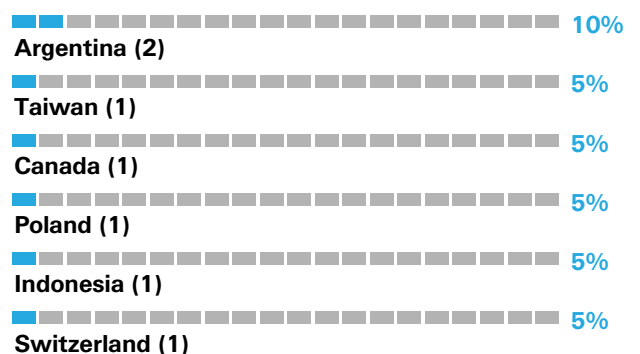
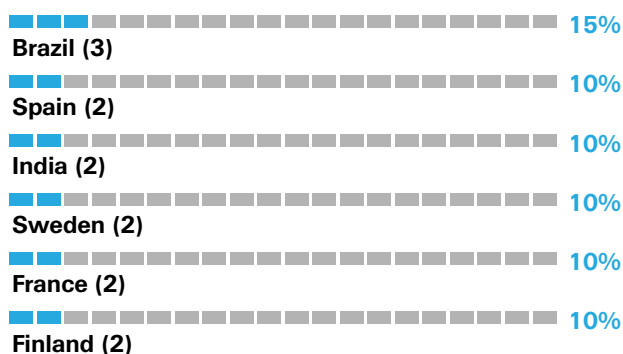
CHINA



KOREA

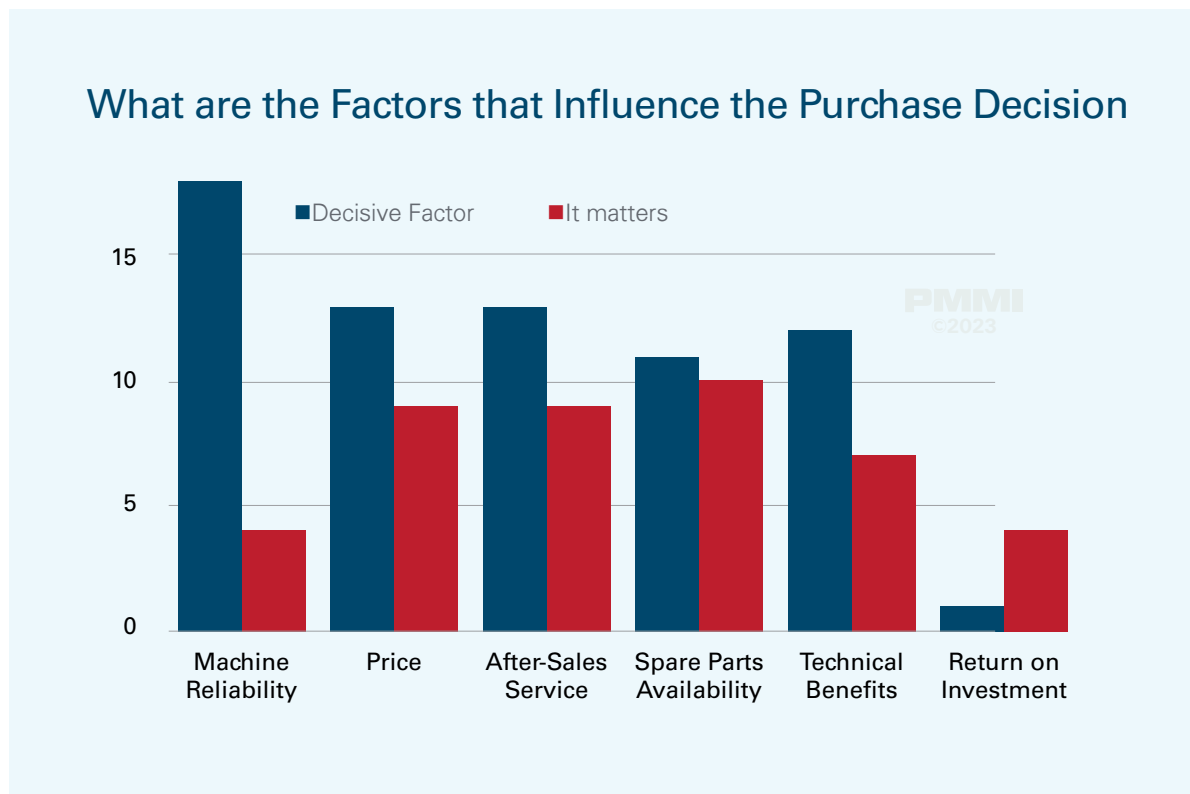


Other Countries Listed As Good



Main factors for purchase decision

Machine reliability is the main factor in the purchasing decision, followed by price, after sales service, and the availability of spare parts.



Material Used

Plastics PPT, PET, flexible plastic, thermoforming materials are used by everyone that was interviewed. But, in general, work is being done to reduce the thickness of the plastic in order to use less and save on packaging and transportation costs.

Other packaging materials used:

PHARMACEUTICAL
AND BEVERAGE



Glass

PHARMACEUTICAL
AND FOOD



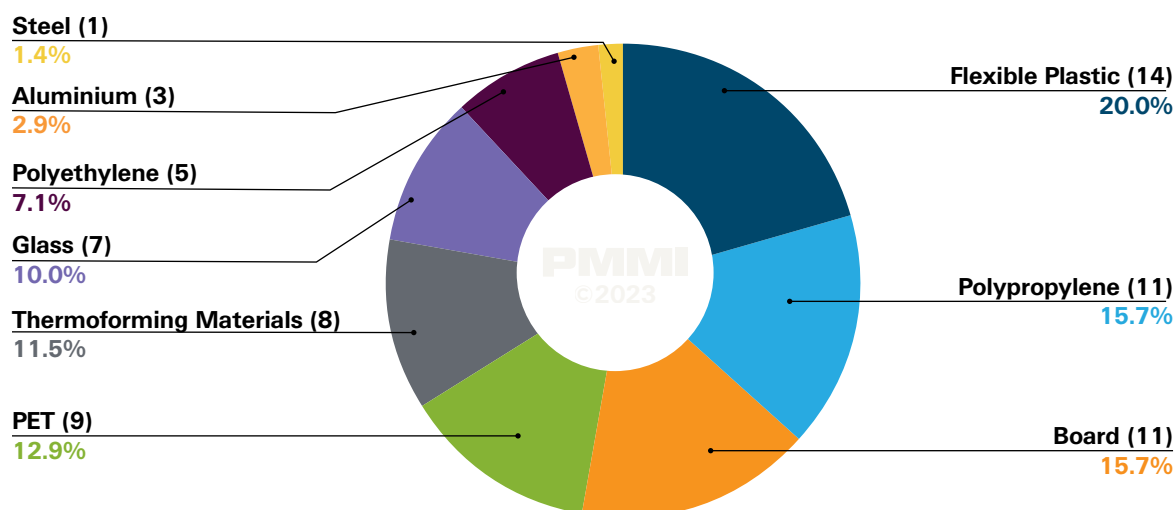
Aluminum

SECONDARY
PACKAGING



Board

Type of Material Used for Each Package



What type of machinery do you currently need to improve your production process?

Riopaila	Semi-automatic processing machinery (refined sugar)
Buencafé	A two-head vertical neck forming machine
Del Alba	Nitrogen filling packing machine (for nuts snacks)
Quala	Liquid filling machinery
Quality Brands Company	Sorting machine, container filler, interchanger, coding packer, case packer
Baxter	Entire production line (vial medications)
Coldesivos	Gumming Machine / Flexographic printer / Sterile gauze machine
Harinera del Valle	Vertical pillow-type bags baler / cathedral type bag baler
Grupo AFIN Farmaceutica	Vertical Flow Pack
Gaseosas Leticia	Pet bottle filling machine (sodas)
Fricar	Mixer and vacuum thermoforming packaging machines (meat products)
Termilenio Textiles	Sewing machines, Fabric printing machines, Casting machines, Weaving machines (circular knitting), Dyeing machines, Heat press machines
Tecnoquimicas	Semi-automatic folding sachet packaging line

CONTINUED >



What type of machinery do you currently need to improve your production process? *(continued)*

Colgate Palmolive	End-of-line machinery: secondary packaging process, end wrapping, shrink wrapping, corrugated case packers, palletizing, automatize wrapping processes
Embotelladora Capri	Monoblock Liquid Filler
Alquería	Aseptic processing machinery
Alpina	Aseptic processing machinery

INTERVIEWS NOTES

Fairs and Tradeshows

ANDINAPACK is the fair that everyone of the interviewed companies are going to, EXPO PACK in Mexico and some of them, the biggest companies, also go to PACK EXPO and to Interpack in Germany.

An interesting comment was that in general there is little presence of US companies at Interpack, which is a pity, as there is no comparison possible with the machines exhibited by European companies.

Packaging Trends

Flexible Packaging

Dairy companies such as Alqueria are increasing the use of flexible bags for milk and dairy products, making an effort to reduce the materials of the different layers that make up these bags.

Reduction of Material Used, Mainly Plastic

Almost all interviewed companies said they were reducing the number of materials used in packaging, mainly plastic.

There is an increase in the use of paper and cardboard for primary packaging. For example, yogurt containers have undergone a great reduction in the thickness of the plastic, about 60%, to the point of losing rigidity, which is recovered by wrapping the plastic cup with cardboard.

Reusable Bottles

A clearly defined trend is the reuse of packaging, both glass and plastic; companies such as Postobon or Coca Cola have medium-term goals to make a large part of their bottles reusable.

Circular Economy

Colombia has been steadily increasing the number of recycled materials in recent years, reaching a figure of around 20 million tons by 2021 (interempresas.net). As more and more companies are including circular economy policies in their production and packaging processes, this figure is expected to continue to rise.

Monomaterial Packages

Another generalized comment has been the intention to move to mono-material packaging, both with the intention of being more sustainable and to reduce costs.

Nearshoring facilities in the region

A constant in the interviews was the concern about line stoppages due to long waiting times for technical assistance or the arrival of the necessary spare parts.

There is a clear preference for suppliers with in-country maintenance technicians and spare part inventory to ensure fast repair.

Investing in a local presence, be it through a directly managed local entity or through a strategic partner, should be part of every successful go-to-market strategy. Depending on the complexity of a product or spare part, even local production could be considered, given the low cost of labor and Colombia's ideal location as a regional hub.

Accuracy in the Production Line

Companies requiring low deviation production showed their preference for Italian or German machines but think that US competitors could offer the same degree of accuracy. But they're not very familiar with US companies in this field which shows a potential market opportunity.

Digital transformation

Various interviewees mentioned the importance of industry 4.0 generation sensors for preventive maintenance and constant monitoring to reduce production stops.

“

With the 4.0 technology we are looking for tools that facilitate the planning and management of maintenance.

Augmented Reality

Three of the companies interviewed told us that they have already had experiences with augmented reality glasses with European companies, when it comes to fixing machine failures.

Their experience was positive, and they would like to use AR more often going forward.

Partnership with Suppliers

In summary, the large companies interviewed, independent of the sector, want deep partner relationships with machine manufacturers to ensure that they can customize their machines for their specific needs and get fast and efficient service when a problem arises. For this purpose, they often sign development and application agreements.

This holds true for the lines that produce and package a company's main products.

On the other hand, the interviewees look for smaller, cheaper machine suppliers from low cost countries (India, Brazil, Turkey, China) to test new product lines or for low unit productions.



Colombian Producers

We were told that due to the difficulties in obtaining spare parts when a machine breaks down, agreements are made with Colombian companies to adjust or even develop aftermarket parts to avoid long waiting times with the OEM provider in Europe or Asia.

Others commented that for specific parts of their production process, joint development agreements are made with national companies.

On the other hand, we were also told that the Colombian machinery industry has improved a lot and is widely used for the beginning and end of the line, where the quality is sufficient

Leasing or Renting

As mentioned in the first part of the study, interest rates continue to be very high, which significantly restricts a company's financing options. A solution to this problem would be the possibility of renting or leasing the machinery. Reaching customers with this type of financial solution could be a good way to differentiate oneself in the market.

For example, Colgate-Palmolive showed interest in having a renting option for automatic material movement (MIR) solutions, which is internally already under discussion.

Transportation and Customs Costs

One point to bear in mind are the high costs for domestic transport, customs clearance and taxes. For a machine that costs USD \$200,000 these costs can reach USD \$50,000 which the foreign supplier must be aware of during the negotiation process.

A reduction of these costs by establishing a local presence or working with a local partner could become a determining success factor.

Short life span machines

We were told that some middle size and smaller manufacturing companies purchase machines that have a lifespan of about 2 to 3 years. These machines have a very competitive purchasing price with a fast ROI which makes them interesting despite their short lifespan. These machines are mainly of Chinese origin.







SWOT Analysis



STRENGTHS (OF US SUPPLIERS)

- > Geographical proximity to Colombia
- > Trade Agreement between Colombia and USA
- > Positive perception of US quality and price (cheaper than German products)

WEAKNESSES (OF US SUPPLIERS)

- > Low or no presence in Colombia
- > Language barriers
- > Insufficient after sales service and long waiting times for spare parts
- > High USD/COP exchange rate

OPPORTUNITIES

- > Due to automation trends, clients can be served with solutions, not just products
- > Precision, low-deviation machines, e.g. to personal care, pharma, beverage clients
- > Improve after-sales service
- > Offer online augmented reality solutions
- > Nearshoring (partnerships with Colombian machine producers to gain proximity to the customers.)
- > Offer leasing or renting options, or flexible financing
- > Agreements with clients for develop tailor-made solutions (i.e. dairy sector)
- > Clients are open and interested in innovative products
- > Digital solutions (e.g., for preventive maintenance, fast technical assistance)

THREATS

- > Government reforms could change some market conditions (increase in labor costs, stricter environmental requirements etc.)
- > Global recession
- > Increased competition. Arrival of international suppliers of both processing and packaging machines from a wide range of countries, with good prices and innovation
- > Short life span machines (2-3 years) from China





The Colombian packaging machinery market is dynamic and has good potential for US suppliers, since, despite the political and economic uncertainties, companies are expanding their production to enter new export markets and are developing and launching new products to meet the demands arising from the changes in consumption patterns.

After analyzing the comments of the interviewed companies, we have made a list of recommendations, so that PMMI members can improve their position in the Colombian market or access it more easily:

The market is open for:

- > Automation solutions
- > Digitalization solutions
- > Innovation in processing machines
- > Fast and efficient technical support (online and onsite)

Financing is key, as bank interests are so high that loans are too expensive, financing solutions by the provider, including leasing and renting, are very much appreciated

After sales service, technical support and quick spare parts delivery was addressed by 100% of the interviewees. We recommend looking for nearshoring solutions, opening a subsidiary in the region or reaching an agreement or entering into a joint venture with a local producer or distributor to be able to deliver parts in days and immediate technical support in Spanish

Improve the virtual technical service, through online training, online calls and augmented reality solutions

Be present at Andina pack (Bogota, Nov 14th - 17th, 2023), the main industry fair which all the interviewees will be attending





Company Profiles



Below you will find a brief profile of the companies that were interviewed.

In the profiles you will find the information of the contact person we spoke to, a brief description of the company, number of plants in Colombia, their main products, production capacity*, what machines they currently use*, what machines they currently need* and some pictures of their main products.

**These data are included if they were communicated to us by the company*

ALPINA

Website <https://alpina.com>

Headquarters address: Cra. 49 #17-1, Medellín, Antioquia

Company profile

Year of foundation: 1945

Brief Company Description: Alpina is a Colombian multinational dairy food producer with operations in Colombia, Ecuador, Venezuela and the United States, and markets its products in Central America. Manufacturers of Milk, Jellies, Single cream, Yogurt, Arequipe, Cheeses.

Number of plants: 5 plants

Production capacity: 22-24,000 tons per month

Machines used: Elecster - Finland, Astepo (Alfa Laval) - Argentina, Hamba - Germany, Multivac, Solpack - Colombia, Bisignano - Argentina

Machinery needed: Aseptic processing machinery

Main Products



ALQUERÍA

Website <https://www.alqueria.com.co>

Headquarters address: Km. 5 Vía Tabio Cajicá, Cundinamarca

Company profile

Year of foundation: 1959

Brief Company Description: Company that produces food, especially dairy products and beverages. Milk, Jellies, Chantilly Cream, Vegetable Drinks, Oats, Fermented Dairy Food with additions, Yogurt, Arequipe (caramel spread) and Wafers, cheeses.

Number of plants: 5 processing plants, 1 distribution center and 1 packaging plant

Production capacity: 30,000 tons per month

Machines used: Bottling and Sealing

For milk: Tetra line, spx, prepack, stork line. For yogurt: arcil (synerlink)

Machinery needed: Aseptic processing machinery

Reason: Change in production processes and Replacement due to obsolescence or breakdown

Budget: between 10.000 million COP and 40.000 million COP (2 billion - 8 billion USD)
(only a not specified part of this budget is for machine purchases)

Main Products



BIVIEN

Website <https://bivien.com>

Headquarters address: Calle 36 No. 134-201 Km 6 Vía Jamundí, Cali

Company profile

Year of foundation: 1990

Brief Company Description: Belleza Express S.A. was created in 1990 and today is known as one of the largest and most prestigious companies in the Health and Beauty products category. It markets its products through all distribution channels such as: Hypermarkets, supermarkets, drugstores, pharmacies, health product suppliers, distributors and retailers.

Number of plants: 1 packaging plant

Production capacity: 10,000 tons per month

Machines used: Reactors, manufacturing tanks, liquid fillers or fillers for liquids, conveyor belts and team heating furnaces

Main Products



BAXTER

Website <https://baxter.com.co/es>

Headquarters address: Cra. 3 # 36a 80, COMUNA 4 Cali - Valle del Cauca

Company profile

Year of foundation: 1956

Brief Company Description: The company primarily focuses on products to treat kidney disease, and other chronic and acute medical conditions. Baxter's Medical Products business produces intravenous products and other products used in the delivery of fluids and drugs to patients; inhalational anesthetics; contract manufacturing services; and products to treat end-stage kidney disease, or irreversible kidney failure, including products for peritoneal dialysis and hemodialysis.

Number of plants: 1 main plant

Budget: \$5 million by 2024

Production capacity: 150 millions bags per year, 4,5 millions boxes per year

Machines: Packaging assistant and Tray forming machines (Boix machine - Spain)

Main Products

BioScience: Hemophilia therapy; antibody therapy; critical care therapy; pulmonology therapy; biosurgery products; vaccines

Medical Products: IV solutions, premixed drugs, infusion pumps and administration sets; parenteral nutrition products; anesthesia; drug formulation and pharma partnering; peritoneal dialysis products; hemodialysis products; continuous renal replacement therapy



BUENCAFÉ LIOFILIZADO

Website: <https://www.buencafe.com>

Headquarters address: Cra. 4 #16-50 Chinchiná, Caldas

Company profile

Year of foundation: 1959

Brief Company Description: As part of the National Federation of Coffee Growers (FNC) of Colombia, Buencafé is one of the leading suppliers of premium soluble coffee worldwide and the only one with a clear social orientation

Number of plants: 1 processing plant

Budget: more than 20 million dollars

Production capacity: 13.500 tons per year

Machines/Brand Used: Barry-Wehmiller machines (USA), Hisense machinery (China)

Main Products



COLDESIVOS (BYTECNOQUIMICAS)

Website: <https://www.tqconfiable.com>

Headquarters address: Cl. 39 #1-112, COMUNA 4 Cali, Valle del Cauca

Company profile

Year of foundation: 1965

Brief Company Description: Company operating in the Manufacture of Plastic Materials and Resins sector

Number of plants: 2 processing plant

Production capacity: 50 m of band aids per month, 3 million meters of ribbon and 120m of converters.

Machines/Brand Used: Ciat-Printer - Wantec- Converters. Alpire-Machine

Main Products: Band-aids - Tapes



COLGATE-PALMOLIVE

Website: <https://www.colgatepalmolive.com.co>

Headquarters address: Cra. 1 #40-108 Cali, Valle del Cauca

Company profile

Year of foundation: 1806

Brief Company Description: Colgate-Palmolive Company is a multinational company present in more than 200 countries and territories dedicated to the manufacture, distribution and sale of oral hygiene, personal hygiene and household cleaning products.

In cali colombia they make liquids, all purpose cleaners, oral care, protex palmolive soaps, speed stick deodorants, hand dish cream and bars

Number of plants: 1

Machinery needed: Secondary packaging process, end wrapping, shrink wrapping, shrink wrapping, corrugated case packers, palletizing, eliminating manual wrapping processes

Main Products: Toothpaste, toothbrushes, deodorants, shampoos, conditioners, dishwashing detergents, household cleaners, shower gels, mouthwashes, bar and liquid soaps, laundry products, and pet nutrition products for cats and dogs



DEL ALBA

Website: <https://delalba.com.co>

Headquarters address: La Esmeralda Palmira Valle del cauca

Company profile

Year of foundation: 2000

Brief Company Description: Del Alba is a Colombian company with more than 20 years of experience growing, producing and marketing healthy snacks. Its products are differentiated by being baked, not fried, free of genetically modified organisms and without chemicals or preservatives. Additionally we have HACCP and BMP certifications

Number of plants: 1

Machinery needed: New baler, want to expand production per minute, deviation of less than 1 gr

Machines: 1 doy pack - China/Korea, 1 vertical - China/Korean and 1 vacuum - German

Main Products: Nuts, Seeds and Quinoa, Pastries



EMBOTELLADORA CAPRI

Website: <https://embotelladoracapri.com>

Headquarters address: Autopista Norte Km. 19 Chía, Cundinamarca

Company profile

Year of foundation: 1979

Brief Company Description: Produces, markets and manufactures food and alcoholic and non-alcoholic beverages, focused on quality, price and distribution

Number of plants: 1

Machinery needed: Monoblock Liquid Filler

Machines Used: 1 doy pack - China/Korea, 1 vertical - China/Korean and 1 vacuum - German

Main Products: Soft drinks, Sodas, water and wines



FRICAR

Website: <https://www.fricar.com.co>

Headquarters address: Cll 62 # 56 a 50 Medellín, Antioquia

Company profile

Year of foundation: 1995

Brief Company Description: Colombian company that produces and sells products with protein content of animal origin

Number of plants: 1

Machines Used: 1 doy pack - China/Korea, 1 vertical - China/Korean and 1 vacuum - German

Machinery needed: Mixer and thermoformers vacuum packers

Main Products: Sausages, jalapeño, hamburger meats, pork sausage, ham, etc.



GASEOSAS LETICIA

Website: <https://gaseosasleticia.com.co>

Headquarters address: Cll 62 # 56a - 50 Medellín, Antioquia

Company profile

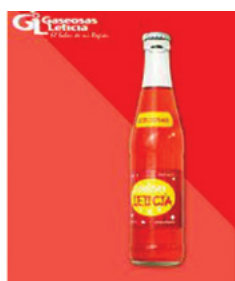
Year of foundation: 1962

Brief Company Description: Produces and sells excellent quality non-alcoholic beverages for the population of the Amazon and the towns of neighboring countries such as Brazil and Peru. Coca-Cola Authorized Bottler

Number of plants: 1

Machinery needed: Pet bottle filler

Main Products: Soft drinks, Sodas, Coca-Cola products (crush, sprite, coca cola, quatro)



GRUPO AFÍN FARMACÉUTICA

Website: <https://www.grupoafin.com/>

Headquarters address: Calle 80 Sur #47E - 16, Sabaneta, Antioquia

Company profile

Year of foundation: 2005

Brief Company Description: GRUPO AFÍN is a company that offers Health and Wellness Solutions

Number of plants: 7 centers and 2 distribution plants

Machinery needed: Vertical FlowPack machine. Water-based tapes and bubble/bag machines

Reason: Replacement due to obsolescence or breakdown

Budget: \$25,000 and \$30,000 USD approx

HARINERA DEL VALLE

Website: <https://www.hv.com.co/>

Headquarters address: Carrera 1A # 47-20 Cali - Colombia

Company profile

Year of foundation: 1947

Brief Company Description: Harinera del Valle's corporate purpose is the production and distribution of products derived from wheat and other cereals. The lines it handles are distributed in family wheat flours, corn flours, premixes, pasta, margarine, oils, sauces and syrup and ready products

Number of plants: +5

Machinery needed: Vertical pillow-type bags baler, Cathedral type bag

Reason: Replacement due to obsolescence or breakdown

Packaging Types: Pillow type bags, doy pack and industrial bag polypropylene for 25 and 50 kg

Main Products



JOHNSON & JOHNSON

Website: <https://www.jnjcolombia.com/>

Headquarters address: Cl. 15 #31-146, Arroyo Hondo, Yumbo, Valle del Cauca

Company profile

Year of foundation: 1886

Brief Company Description: Johnson & Johnson is a U.S. multinational healthcare company, manufacturer of medical devices, pharmaceuticals, personal care, perfumes and baby products

Number of plants: 1

Purchase Plans: No purchase plans, but open to new technologies

Reason: Replacement due to obsolescence or breakdown and Safety improvements

Main Products



PREBEL

Website: <https://www.prebel.com/>

Headquarters address: Calle 10 #58 - 59 Medellín, Antioquia, Colombia

Company profile

Year of foundation: 1886

Brief Company Description: Colombian company that has been in the cosmetics and personal care industry for more than 80 years. They have their own brands and represented brands, in addition, they manufacture cosmetic and personal care products for large companies worldwide

Number of plants: 3 plants (1 production and packaging, 1 distribution center, 1 storage warehouse)

Machinery used: ionized water treatment plant, mineral oil tanks, tanks for alcohol storage dispersers of different brands, Fragrance and body lotion packaging machinery, filling, sealing, less automated lines (monoblock)

Production capacity: 135.000.000 units per year - 11.250.000 units per month

Machinery needed: Any machine related to automation, where manual labor is reduced for safety reasons. They didn't indicate budget but they are open to quotations

Reason: Increase in production volume and Replacement due to obsolescence or breakdown.

Packaging types: Glass, cellophane paper, plastic, trilaminate, laminated paper, cardboard boxes, sachets, etc. Constant looking for new sustainable materials

Main Products



QUALITY BRANDS CO

Website: <https://qbco.com.co/>

Headquarters address: Km 1 Carretera central Buga Tuluá Buga Valle del Cauca, Colombia

Company profile

Year of foundation: 1961

Brief Company Description: QBCo Group develops products according to the needs, from research and Development, Packaging Engineering, Image Design and Regulatory Compliance, Quality, to Supply Chain. We sell products to D1, Éxito, Aburrá, Olímpica, Mercaldas, Pandapan, SuperInter, Surtimax, etc

Number of plants: 5 (2 in Buga, makes pet containers, sauces, dry mixes, margarine, beverages, and oils. 1 in Rionegro, makes dairy products and derivatives. Tocancipá has 2 plants. 1 makes deli meats and the 2nd one makes cheese

Production capacity: 1200 tons sauces/vinegars. 1500 margarine/oils per month

Machinery needed: Expansion of sauces production: Sauce production line machinery (sorting machine, container filler, interchanger, coding packer, case packer)

Reason: Increase in production volume

Main Products



QUALA

Website: <https://www.quala.com.co/>

Headquarters address: Carrera 68D #39F - 51 sur Bogotá, Colombia

Company profile

Year of foundation: 1980

Brief Company Description: Quala is a multi-Latin company with brands that surprise more than 300 million consumers in Latin America. brands that surprise more than 300 million consumers in Latin America.

Food, Beverages, Desserts and Gelatins, Frozen Soft Drinks, Snacks and Personal Care products

Number of plants: 2

Machinery needed: Filling machinery

They would like to buy machines that are compatible with local spare parts and that the electrical part preferably be Allen Bradley

Reason: Replacement due to obsolescence or breakdown

Budget: more than 600,000 USD

Packaging type: Polypropylene, PET, flexible can, high density blown containers lids, corrugated films

The collage displays a variety of consumer products. On the top left, there are four bottles of VIVE100 energy drinks in different flavors (Energy, Citrus, Original, and another Citrus). Next to them are four bottles of Vitalize fruit teas. To the right are three boxes of SUNTEA fruit teas. Further right is a box of Ricostilla instant rice. On the far right is a box of instaCrem instant cream. In the bottom left, there is a jar of instaCrem. Next to it are boxes of Bati Crema and Batilado instant soups, and a box of Quipos instant soups. To the right of these are boxes of Gelatin. Further right are boxes of Bon Ice instant ice cream. On the bottom right, there are three jars of NutriBela instant soups.

Headquarters address: Km 1 via Ingenio Riopaila, Zarzal, Valle del Cauca, Colombia

Year of foundation: 1918

Brief Company Description: Colombian Agroindustrial Group with 100 years of experience in the domestic and international market, which through the production and marketing of sugar, honey, alcohol, energy and palm, contributes to Colombia's food and energy security

Number of plants: 2

Machinery needed: Semi-automatic balers, less manual labor (no budget but open to quotation for new technology)

Reason: Change in production processes

Packaging type: Big bag (1 Ton), 25kg or 50kg Bulk (Plastic fiber polypropylene bags), 5kg, 2.5kg, 1kg and 500gr (Pillow format vertical sealers - local machines), stick pack - 5g Horeca channel (hospitality industry) (Square sachets or tube - european machines), doy packs - Packs with/without closure (for Senza brand calorie free sweetener)

The image displays a variety of Riopaila products. In the top row, from left to right, there are bags of Riopaila Light Azúcar (500g, 1kg, 2.5kg, 5kg) and Riopaila Integral Azúcar (500g, 1kg, 2.5kg, 5kg). To the right of these are several Riopaila Senza products, including a 500g bag, a 1kg bag, and a 2.5kg bag, as well as smaller packets of Riopaila Senza. In the bottom row, there is a bag of Riopaila Sin Glucosa (500g), a box of Riopaila Senza (500g), and a box of Riopaila Sin Glucosa (500g). The Riopaila Sin Glucosa box features the text '1 sobre (2g)'.



TECNOQUIMICAS

Website: <https://www.tqconfiable.com/>

Headquarters address: Km 23 Jamundí, Valle del Cauca

Company profile

Year of foundation: 1934

Brief Company Description: Tecnoquímicas is a Colombian manufacturer of pharmaceuticals, multivitamin supplements, hygiene and home care products

Number of plants: 3 (1 in Yumbo, 1 in Jamundí, 1 in Villa Rica + other small centers for specific products) and 1 distribution center

Packaging line: continuous blistering machines, 400 x minute. High speed vertical cellophane machines. Powder vial fillers, tablets in vials. 160 x minute filling machines. Flow pack machine. Automatic and semi-automatic cartoning machines (from Italy and Germany)

Machinery needed: Semi-automatic folding sachet packaging line (They have a budget and are open to quotations)

Reason: Increase in production volume

Main Products



TECNOSUR (BY TECNOQUIMICAS)

Website: <https://content.com.co/> / <https://winny.com.co/co>

Headquarters address: Km 24 Lote 2 Zona Franca Parque Sur, Villa Rica, Cauca

Company profile

Year of foundation: 1996

Brief Company Description: Manufacturer of diapers and wipes for children and seniors, for well-known brands such as Winny and Content

Number of Plants: 1

Machinery Used: 12 mechanic machines (from Italy)

Packaging Line: material: Polyethylene. Primary polyethylene 16, 30, 50, 100 packs. Polyethylene single packed diaper. Bale of 8 packages of 30 diapers, 4 packages of 50 units, or 2 packages of 100 units

Production Capacity: 25.000.000 units per week – 550.000 units per hour approx

Reason: Replacement due to obsolescence or breakdown and Security enhancements

Main Products



TERMILENIO TEXTILES

Headquarters address: Copacabana, Cl. 103 #446 # 46,
Antioquia, Colombia

Company profile

Year of foundation: 2002

Brief Company Description: Company dedicated to weaving and textile finishing

Number of plants: 1

Machinery used: Weaving machines, dyeing machines, heat seal machines, heat seal machines

Machinery needed: Sewing machines, Fabric printing machines, Casting machines, Weaving machines (circular knitting), Dyeing machines, Heat press machines

Reason: Replacement due to obsolescence or breakdown and Increase in production volume

Budget: They do have a budget (half of it comes from the company, the other half comes from a bank loan)

Main Products



ZENÚ

Website: <https://www.zenu.com.co/>

Headquarters address: Carrera 64c # 104-03, Medellín, Colombia

Company profile

Year of foundation: 1950

Brief Company Description: Zenú is a brand of pantry products, meat and fish, bakery, refrigerated, canned, cold meats, beef, chicken, prepared food, miscellaneous and others

Number of plants: 1

Machinery Used: Packaging machines from Multivac, GEA (Germany) and Biomat (Italy)

Reason: Increase in production volume and Replacement due to obsolescence or breakdown

Purchase Plans: No purchase plans at the moment, but open to new technologies

Main Products





The Association for Packaging
and Processing Technologies

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