

Packaging specialist delivers positive results for Asia Brewery

In an exclusive interview with Glass Worldwide, Erwin Banquil discusses his role as Vice President for the Packaging Division at Asia Brewery Inc in the Philippines. This includes operations for the manufacture of glass and plastic packaging, as well as cartons and metal closures.

Established with the vision of breaking the beer monopoly in 1982, Asia Brewery Inc (ABI) is now a major player in the Philippines beverage and industrial packaging industry. This includes a series of alcoholic and non-alcoholic brands, as well as food products. ABI is part of the Lucio Tan Group of Companies, whose other interests extend from Philippine Airlines, PMFTC and Tanday to Philippine National Bank, ETON and AB Heineken Phil. All LT Group businesses have shown consistent growth in recent years.

Erwin Banquil has been associated with the glass packaging business for most of the last 17 years, having been attracted by the format's revenue potential in comparison with other packaging materials. Born and raised in the south of the Philippines, at Davao City, he graduated from the Ateneo de Manila University in 2000 and joined San Miguel Yamamura Packaging as a salesman. "My first engagement with glass was to sell pharmaceutical bottles (amber Boston rounds)" he recalls. "Compared to other packaging formats, glass bottles generated higher revenue."

By 2004, Mr Banquil was selling glass bottles in the local market to such international organisations as Pepsi, Diageo and Chinese wine producer La Fuerza. And three years later, he started selling bottles in the Middle East and Africa to the likes of Aujan, Diageo South Africa, SABMiller and Coca-Cola-SABCo.

A local flexible packaging manufacturer attracted Erwin Banquil away from the glass industry at the end of



Front row (left to right): Remelio G Ruiz (QMR) and Digna B Espina (Quality Department Head); back row (left to right): Jovito Samson (Furnace Department Head) and Nolan Myles R Ricardo (Plant Manager).

2010 and between 2011 and 2012, he worked as Head of Sales and Marketing at Flexo Manufacturing Corp, a packaging industry pioneer in the Philippines. Albeit with other packaging material interests as well, he was back in the glass fold by 2013, however, joining the Packaging Division at Asia Brewery Inc as Assistant Vice President – Commercial Director (Sales). Mr Banquil was tasked with handling all commercial and operational interests for the Glass Business in 2014, before his promotion to handle all packaging plant operations (glass, cartons, metal closures and plastic plants) a year later. He was named Vice President for the Packaging Division in 2016.

"I have been blessed to have worked with a number of mentors throughout my career" says Erwin Banquil. "From sales experts and key strategists, to genius minds in manufacturing and the very calculative minds of Chief Finance Officers, they have all mentored me to learn from their areas of expertise... gather the good aspects and improve on them, continue to challenge what has been established

and learn from misjudgements made previously."

Overall, however, it is his family that drives Mr Banquil's career forward. "My goal is simply to provide them with a comfortable life, especially when considering that my parents both came from humble beginnings."

SKILLED MANAGEMENT TEAM

Reporting directly to Michael G Tan, Chief Operating Officer at Asia Brewery Inc, Erwin Banquil is tasked with the delivery of cost-effective packaging operations, ensuring that resources are used to their maximum, while providing customers high quality products at competitive prices. Other priorities include the sustained delivery of a healthy cash flow and excellent financial standing, together with the creation of pathways for employees to excel, while maintaining a positive work/life balance. A dynamic management style is adopted, with members of the ABI senior management team given the liberty to strategise and implement programmes that contribute to the group's overall goals. >



Erwin A Banquil is Vice President for the Packaging Division at Asia Brewery Inc.

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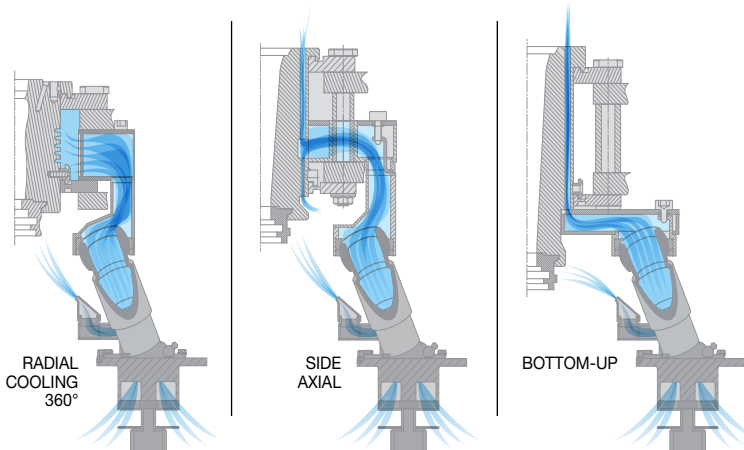
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Left to right: Raymond Q delas Alas (Forming Department Head), Ronaldo M Marasigan (Engineering Department Head) and Amado Abrogina Jr (Materials Department Head).

Other key individuals within the team include Enrique S Enriques (Chief Finance Officer), Hubert L Tan (Sales and Marketing Senior Vice President), Alberto D Rivera (Beverage Division Senior Vice President), Norson C Adiong (Supply Chain Vice President) and Romeo L Navarro (Sales Finance Head – Senior Vice President).

STABLE BUSINESS CONDITIONS

Business conditions in the Philippines are described as stable and exciting, with a positive outlook due mainly to the increased spending power of consumers. This is good news for manufacturing businesses like ABI, as the company continues to satisfy demand from food and beverage customers.

Similarly, South East Asia is expected to realise continued strong growth in the coming years, as most ASEAN member countries open up their markets to foreign brands. The region remains resilient to major

economic fluctuations in North America and Europe.

ABI continues to grow by creating different market segments in the Philippines. The company recently opened the country's first soy milk manufacturing plant in partnership with Greenspot of Thailand and last year, it partnered with Heineken to create AB Heineken Phil in the beer sector. This business further complements existing leading ABI brands like Cobra energy drink, as well as Absolute and Summit bottled waters.

Based on ABI's strong presence in the beverage sector, a detailed understanding of how best to keep customers excited and loyal to its brands has been created. A series of foreign brands have approached ABI to distribute their products, including Spain's Pascual in the yogurt sector, while Cobra energy drinks are now exported throughout the world, establishing a strong following.

While Erwin Banquil is confident

that a returnable glass bottle market will remain a staple business for local glass container manufacturers, he is aware of increasing competition from manufacturers in China and the Middle East, offering low priced bottles. "In addition, PET and flexible packaging formats are strong challengers to glass as alternative packaging formats in the beverage sector" he says.

The main ABI production complex is located at Cabuyao, Laguna Philippines, incorporating the company's Tanduay rum plant, Interbev Phil Inc, WRC and beer plants, as well as facilities for the manufacture of glass containers, cartons, metal and plastic packaging. Other ABI beverage facilities are situated in Pampanga, Cagayan de Oro and Davao City.

Equipped with two melting furnaces (each 150 tonnes/day capacity), the glass plant meets the majority of demand from the company's brewery and distillery division. Over the years, a broad cross-section of international suppliers have delivered the glass plant's equipment needs including BDF Industries, Bottero, Bowman, Bucher Emhart Glass, Fives Stein, Graphoidal Developments, Horn Glass Industries, Land Instruments, Sheppee International, Henry F Teichmann and Tiana.

The company's main priority for the next 12 months is to grow market share in all sectors served, while also continuing to upgrade production facilities to cater for growth forecasts. ABI has consistently invested in technology and equipment to complement its superior products, including the regular acquisition of advanced manufacturing knowhow from leading suppliers in Europe, North America and Japan.

"Working closely with suppliers enables us always to come up with a win-win approach" Erwin Banquil observes. "They know what we require, we tell them our needs and together, we come up with a mutually beneficial solution. There is a free flow of communication that helps us during operations, with the aim always to have the optimal setting and output."

INTERNATIONAL PERSPECTIVE

Mr Banquil acknowledges that local and international organisations like the Glass Manufacturing Association of the Philippines (GMAPI) and the ASEAN Federation of Glass Manufacturers are important resources to help his glassmaking experts keep pace with industry changes. "They help us to connect more easily with suppliers, even those that are from the other side of the world. This helps us to compare technology and equipment with ease." Similarly, he believes AFGM official journal, *Glass Worldwide* delivers valuable updates and information about other glass manufacturers and the industry's suppliers.

Asia Brewery remains committed to upholding the GMAPI's values, glass plant manager Nolan Ricardo having recently taken on the role of Secretary General. At least four Asia Brewery representatives will attend the 41st ASEAN Glass Conference in Da Nang, Vietnam this October, further reinforcing the company's commitment to learning and advancement. ■

FURTHER INFORMATION:

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Left to right: Raymond delas Alas, Remelio G Ruiz, Digna B Espina, Nolan Myles R Ricardo, Ronaldo M Marasigan, Amado J Abrogina and Jovito M Samson.