

TCCBCE

THE COCA-COLA BOTTLING COMPANY OF EGYPT

SOFT DRINKS SECTOR

The Coca-Cola Bottling Company of Egypt
Nasr City, Cairo, Egypt
Group: The Coca-Cola Company

Shrinkwrapper
Smiflexi SK 500T



GEO LOCATION

INSTALLATION / TCCBCE



History and modernity follow one another and mingle in Cairo, a city where the symbols of Egypt's ancient history can be seen at every street corner and where the reality of the pyramids, the ancient pharaohs, the sphinx or Cleopatra coexists with that of a metropolis of more than 10 million inhabitants (the largest in the Arab world and the second-largest in Africa). The historic centre of Egypt's capital has spread in all directions and has now incorporated many other neighborhoods and cities, including Giza and Heliopolis. Cairo today is a very important industrial center and is home to multinational companies such as The Coca-Cola Bottling Company of Egypt (TCCBCE), located in the district of Nasr City. This company is continually investing



in new technologies to meet the growing demand from an increasingly broad range of consumers. For these reasons, TCCBCE recently turned to SMI for the installation of a new shrinkwrapper, model Smiflexi SK 500T, designed to package 0.33 L and 0.355 L Coca-Cola cans in film only and tray+film configurations.



EGYPT: THE CRADLE OF ONE OF THE GREATEST CIVILIZATIONS OF THE WORLD

Egypt is one of the most populous states in Africa and the Near East and the 15th most populous in the world. The vast majority of its 84 million inhabitants lives near the banks of the Nile River,

in an area of about 40,000 square kilometers which has the only arable land in the country. The large regions of the Sahara Desert, which make up most of the Egyptian territory, are sparsely populated.

This large North African state is one of the leading lights of Universal History, having been continuously inhabited since the 10th millennium BC. The history of Egypt officially begins with the union of the Upper

and Lower Egypt by Narmer, first ruler of the 1st dynasty, around 3100 BC, although these events were preceded by a preparatory urban phase that lasted several centuries. In fact, thanks to recent archaeological discoveries, we now know that Egyptian civilization had existed for at least one millennium before. "Mişr", modern Egypt's Arabic and official name, is a word of Semitic origin; in Akkadian the noun "mişru" means "border, territory"; "maşartu" means "guard, sentinel, border" and the verb "muşuru" means "to establish a border". Egypt is a country of many contrasts: if on the one hand Western influence is getting stronger,

on the other you can breathe an air of authenticity. This is a country where the silence of the monuments of an ancient past merge with the noise of the big modern cities where tradition coexists with the scenarios of the new millennium. It's all a blend of different worlds: high powered sports cars driven by yuppies, "fellahs" immersed in the chaotic traffic with their donkeys, businessmen chauffeurs aboard luxurious sedans who seem to slip quietly in the indomitable Cairo traffic, fruit and vegetable carts, makeshift stalls on the sidewalks with the most varied goods; all this, and much more, is the city of Cairo.

All these realities, seemingly contradictory, are in truth the diverse, unique and fascinating Egyptian universe, one that captivates, unites and is loved. The nearby countryside is the reference to the origins that modernity has not affected, because the real Egypt is that of the fertile banks of the Nile and the desert with its oases. Egypt is a many-sided country, a world that should be lived day and night, because it enhances, enriches, unites and lets you perceive the beauty that enters your heart and is never forgotten.

THE PYRAMIDS OF GIZA: ONE OF THE SEVEN WONDERS OF THE ANCIENT WORLD

The Giza necropolis is a cluster of ancient monuments about 8 km away from the city of Giza, on the Nile, and about 25 km away from the center of Cairo. The majestic and world-renowned pyramids at Giza soar in the middle of this archeological location. Their perfect shape was adopted by Egyptian builders not only because they worshipped the pharaohs but also for their cult of the Sun. The edges of the pyramid are said to represent the sun's rays falling on earth while the entire building would symbolize the ladder for climbing to the sky.

The three pyramids in Cairo are funerary temples dedicated to pharaohs Cheops, Chephren and Mycerinus and all date back to the fourth dynasty, i.e. the Old Kingdom of Egypt. The pyramid of Cheops (2500 BC) is the largest and the oldest of the three pyramids. Originally 146 meters tall (today "only" 137 due to weather and erosion), the one called the Great Pyramid was the tallest man-made structure in the world for over 3,800 years and is the only one of the seven wonders of the ancient world which is still substantially intact today.

The fascinating statue of the Great Sphinx faces the sunrise and guards the pyramids of Giza. It is the largest stone statue in the world, about 70 meters long and 20 meters tall, with the body of a lion and the head of a person, which Egyptologists currently believe was meant to be the likeness of Khafre. The necropolis was built around the 28th century BC. Destined to be one of the royal necropolises of Memphis, it became popular in the days of Hellenism when the Cheops Pyramid was added to the list of the seven wonders of the world by Antipater of Sidon.



INSTALLATION / TCEBCE

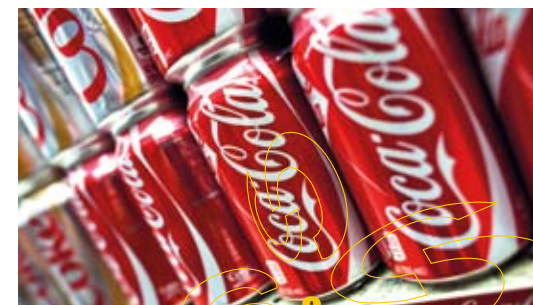
CAIRO

THE "SUBJUGATOR"

Egypt's capital, Cairo, is the most tangible example of the charm of this nation. Its name comes from the Arabic "al-Qāhira" and means "the Subjugator"; the Fatimids gave this name to Cairo. After having expelled the ruling dynasty, they refounded the city in the hope that it could subjugate the Islamic world. And, indeed, history proved the Fatimids right: Cairo prevailed over events, wars and occupations, but especially over time that instead of overwhelming this city, makes it increasingly charming to our eyes. This city is located on the shore and on the island of the Nile River, in northern Egypt, immediately south of the point where the river leaves the course of the desert and breaks into two branches forming the Delta region. Today, when walking downtown, the Nile is always in the

background and its size is simply breathtaking. To feel part of this fascinating metropolis, you must get lost in its outlying suburbs and be led aimlessly through its most bygone alleys. But you should discover Cairo's true nature by walking around its crowded streets, where a good part of more than its 10 million inhabitants pour into every day (15 million if you consider the urban area), and which are uninterruptedly occupied by an endless number of cars: from old vehicles no longer found on the market to modern sedans, from popular buses to motorcycles of every kind and age. A modern subway runs below the road network of the Egyptian capital, which connects the entire city and carries an average of 5 million people a day. At night, modern skyscrapers and ancient mosques compete in an amazing

play of lights and colors, while many commercial signs dominate the crowded streets of the city; among them, the Coca-Cola signs are the most familiar face of this glittering advertising spectacle.



COCA-COLA INVESTS US\$ 500 MILLION IN EGYPT



The African continent continues to show high rates of increase in GDP. In fact, in 2013 five of the ten countries with the strongest economic growth in the world belonged to this geographical area. Even consumption appears to be growing, the boom of which is expected in 2030. Therefore, it is not a surprise to find out that the American Coca-Cola Company has decided to increase investment in Africa and the East, especially focusing on Egypt and Pakistan, i.e. two strategic markets from a sales prospects viewpoint. Despite the country's political uncertainty, Egyptian consumers keep drinking Coca-Cola, also thanks to numerous, highly successful commercial and marketing initiatives as "Coke Studio Middle East", a television series that fuses Arabic music with that of international artists. In early 2014, The Coca-Cola Company announced plans to invest about 500 million dollars in the North African country, spread over the subsequent three years. The same also applies to Pakistan, where investments have been planned in several manufacturing facilities to meet the growing demands



of that market as well. After all, the expansion of the company that produces the most popular drink in the world certainly does not stop here. Anticipating the strong demand for carbonated beverages at the 2022 World Cup, Coca-Cola has just started to build its first bottling plant in Qatar as evidence of the importance that emerging markets are assuming in the business strategies of the US company at a time when consumption in consolidated markets remains stable.



The Coca-Cola Bottling Company of Egypt in short

The Coca-Cola Bottling Company of Egypt (TCCBCE) is headquartered in Cairo, in the district of Nasr City. This Egyptian company bottles and sells all the Coca-Cola branded soft drinks, which are produced in 9 packaging plants and distributed through 35 commercial warehouses equipped with more than 1,000 vehicles. The soft drink range marketed in Egypt includes, in addition to all the "Coke" variants, Fanta, Schweppes, and Dasani branded products. Egypt is one of the key markets for this US company since it is the most important one in the Arab world and home to some "historical" Coca-Cola facilities since 1942. For these reasons, the Atlanta head office has announced an investment of US\$ 500 million for the next 3 years in the Egyptian market with the goal of doubling the exports volume, which currently accounts for about 30% of the TCCBCE bottling plants' output. The Coca-Cola Company's massive investment comes at a time in which Egypt is recovering from three years of political and economic turmoil, which had caused foreign investments to shift elsewhere, hence proving that this North African country is re-attracting the interest of big multinational companies. The 9 production facilities of The Coca-Cola Bottling Company of Egypt currently provide jobs for more than 12,000 people, with good prospects of further employment opportunities, both direct and in allied industries, as a result of the new US\$ 500 million investment.



⌘ Above, from left Hatem Sherif, Project Manager of TCCBCE, Mohamed Abdel Hamed, Managing Director of Internation Pack (SMI agent) and Ayman Soud, Plant Manager of TCCBCE.

THE UPGRADING OF THE SECONDARY PACKAGING LINE

The Coca-Cola Bottling Company of Egypt (TCCBCE) is strongly committed to increase its production and distribution capacity to keep up with the growing demand for carbonated soft drinks. Hence the decision to upgrade their can packaging systems by purchasing a new Smiflexi SK 500T shrinkwrapper, which is an addition to the SK 600P model and related conveyor belts provided by SMI in 2004. The new SK 500T packs 0.33 L and 0.355 L aluminium cans in the 3x2 and 3x3 collations in shrink film only, at a top speed of 50+50 packs per minute in double lane and in the larger 4x3 and 6x4 collations in tray+film at max 50 packs per minute in single lane. In fact, the SMI machine installed at the TCCBCE plants is equipped with a device that simultaneously produces two flanked packs in film-only, with the advantage of doubling machine productivity with the smaller pack formations. To date, SMI has provided to the Coca-Cola Group over 350 secondary packaging machines worldwide, of which about 60 are installed in Egypt. After all, SMI has worked for years to contribute to the process of modernization and expansion of many bottling plants globally, offering a wide range of machines and systems with maximum operating flexibility and high energy efficiency. Using a single packaging machine to pack a large portfolio of products in multiple pack configurations is undoubtedly an advantageous choice from an economic point of view, because it allows to quickly and easily adapt the bottling plants to the market's changing demands. Smiflexi's shrinkwrappers of the SK series can also be equipped with additional equipment, which increases their basic features and allows a high degree of customization of the final package. Smiflexi's SK series shrinkwrappers are automatic machines that package rigid containers made of plastic, metal or glass. The continuous packaging system they are equipped with ensures smooth production processes devoid of jerks, which protect the containers from impacts and shocks and also guarantee greater reliability, better quality of the pack and reduced mechanical wear. Each packer can carry out multiple collations, which vary according to the shape, capacity and size of the containers to be packed. Depending on the model chosen, packs can be made up of film only, cardboard pad + film, tray only, cardboard tray + film, at full speed, according to the shape and size of the container, 80 to 100 packs per minute in single lane, 140 to 200 packs per minute in double lane and 450 packs per minute in triple lane (2x2 film-only packs of 0.33 L cans).

SK SHRINKWRAPPERS

ADVANCED TECHNOLOGY AND ENERGY SAVINGS

The Smiflexi SK series shrinkwrappers are equipped with an automatic format changeover device that minimizes manual adjustments as well as the time required to switch from one pack configuration to the next, greatly easing the work of the machine operator. The innovative technology of the SK packers, together with the smoothness and automation of the packaging system, ensures high performance in terms of process reliability, quality of the final package, reduction of operating costs and energy savings. Their ergonomic and functional design allow the operator to easily carry out all the activities related to the use and maintenance of the system, in full compliance with highest safety standards. There is no contact between the moving components and the packaged product because the threaded shafts, on which the guide and chain adjusters slide, are housed in a safe environment that protects them from dirt and dust. Moreover, the SMI shrinkwrappers do not use geared motors as they are driven by

brushless motors, servo-driven by digital drives, which are connected directly to the drive shafts, with the consequent advantage of reducing energy dissipation, noise and maintenance.

The packs made by Smiflexi's SK series shrinkwrappers feature a high aesthetic quality of the finished package thanks to the perfect tautness of the film and high precision in cutting the film, made



possible by the electronic control of the film reels unit and the use of brushless motors. The shrink tunnel of the SK 500T shrinkwrapper installed at TCCBCE is equipped with a system that distributes hot air flows by optimized settings to ensure a more homogeneous and even heat-shrinking of the film in every point of the package. Hence, packages have a perfect appearance (no wrinkles or folds) even when produced at high production speeds. The electronically controlled temperature inside the tunnel is maintained at optimum values set by the production program, throughout the working cycle, also thanks to newly designed technical solutions which drastically reduce heat dispersion. Even the permanence of the packs inside the shrink tunnel is set automatically by the machine's control system, keeping it constant for all processed formats. If different pack configurations are necessary, with subsequent shrinkwrapper change of speed, a special device automatically compensates the speed difference between machine and tunnel by adjusting the belts that pass between the two modules, which allow you to achieve high quality shrink-wrapped packs, regardless of the format.



Above, from left Ayman Soud, Plant Manager of TCCBCE, Mohamed Abdel Hamed, Managing Director of Internation Pack (SMI agent) and Hatem Sherif, Project Manager of TCCBCE.



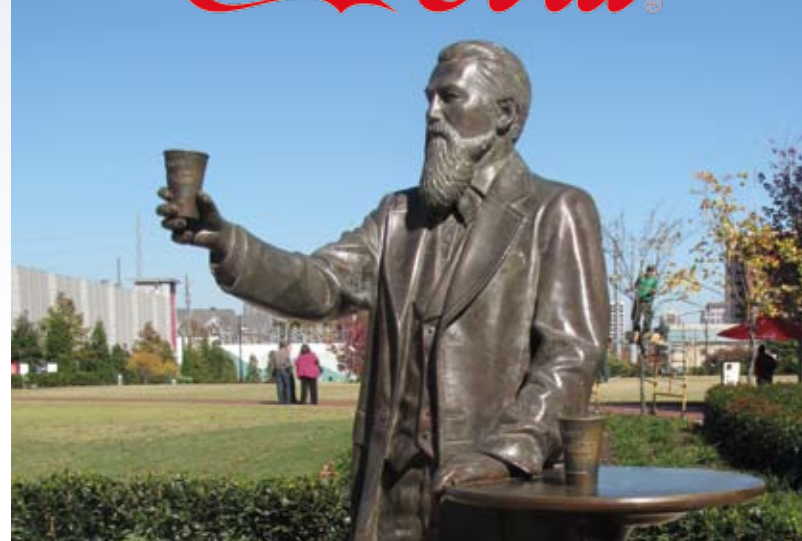


program, which stemmed from this premise, envisages the installation of 1,500 to 2,000 eco-kiosks in 20 nations by 2015. "Ekocenters" are mono-brand outlets that not only provide soft drinks of the Coca-Cola Group but also drinking water, electricity, free internet access and, potentially, even medicines and vaccines in proper storage conditions. These kiosks should be managed almost only by women or small local entrepreneurs in Africa, Asia, South America and North America, in order to ensure maximum social and economic sustainability for this development project. Through this initiative, The Coca-Cola Company wants to bring real help to improve living conditions where it is needed the most. Hence, we are facing an evolution in the marketing operation of "sharing happiness" launched by the Atlanta company in 2009, the aim of which was to associate the idea of happiness with the historic brand.

COCA-COLA COMMITMENT FOR SUSTAINABLE DEVELOPMENT



Since the growth rate of the world population is uninterruptedly anchored to the plus sign, the need for drinking water grows at the same pace. Hence the imperative need for many large-sized companies, including Coca-Cola, to pay close attention to the efficient and responsible use of this important natural resource. With its commitment to become "water neutral" by 2020, and replenish 100% of the water used for the production of its soft drinks, the American company has started-up several projects to optimize the use of water. The Coca-Cola Company's global commitment to sustainable development aims to promote economic growth in every country on the planet. The "Ekocenter"



The Coca-Cola branded soft drink was invented by US pharmacist John Stith Pemberton on May 8, 1886 in Atlanta, initially as a remedy for headaches and fatigue. Despite his discovery, Pemberton had gone deeply into debt and so he sold Coca-Cola formula and rights for US\$ 2,300 to Asa Candler, a local businessman who had perceived the beverage's potential and understood the importance of advertising to entice consumers to buy, and beat competition. After the company's quotation on the stock exchange in 1919, Coca-Cola began to spread worldwide in the twenties of the 20th century, turning into a large business that was managed, starting from 1892, by The Coca-Cola Company headquartered in New York, which also bottled Fanta, Sprite and many other products. "Coke", as the drink is often called in the US, owes its name to the fact that its recipe includes, among other substances, extracts from cola nuts

and extracts from coca plant leaves, after removing toxic substances from the latter. At any rate, the complete Coca-Cola recipe (or even only a part of it) was never revealed officially, and was kept for 86 years in a maximum-security vault of a bank in Atlanta, where the skyscraper in which the company is headquartered is located. At the end of 2011, the original recipe was transferred to a safe inside The World of Coca-Cola museum. From 1886 to today, the Coca-Cola brand has walked hand in hand with the history and life of millions of people throughout the world as it has become the symbol for special occasions and a synonym of unforgettable moments in almost every nation of the planet, where this drink is consumed every day in 1.8 billion single doses (except Cuba and North Korea which have prohibited its sale).

