

KAS CHT

SPIRITS & BEVERAGE SECTOR

Kassatly Chtaura
Nahr el Mott, Beirut, Lebanon

2 Shrinkwrappers
SMIFLEXI SK 350T



GEO LOCATION



SATLY TAURA



Often the combination of family tradition and strong entrepreneurship is the basis for creating great opportunities for development in industry. If, then, the traditions handed down from generation to generation become real passions, success of the business is assured. An example of how true this is may be seen at the Lebanese company Kassatly Chtaura, which owes its success in the market to a clever fusion of family tradition, technological innovation and entrepreneurial know-how.

The company's historical roots date back to 1974, when the current CEO Akram Kassatly founded a small company dedicated to the production of wine, following the footsteps of his father Nicolas who worked in this field since 1919. Today, after almost forty years, the name Kassatly Chtaura is linked to a wide and diverse range of drinks, in addition to wine, capable of satisfying a growing number of consumers in all areas of the Middle East.

The reason for this success is easily explained: behind Kassatly Chtaura there is an exasperated care for quality, the use of carefully selected



raw materials and a systematic use of technological innovation. As for the latter, since 1997 the Lebanese company has relied on the expertise of SMI that since then has become a trusted partner of Kassatly Chtaura for the provision of a wide variety of high-tech packaging machines for the packaging of the BUZZ and FREEZ branded products. Recently, the Lebanese company acquired two new Smiflexi SK 350T packers from SMI designed to package in shrink film up to 35 packs per minute with or without tray.



KASSATLY CHTAURA

HOW TO SURPRISE THE MARKET WITH NEW PRODUCTS

Kassatly Chtaura's growth since 1974 has been so amazing as to allow the company to achieve major breakthroughs on both local and foreign markets. Kassatly Chtaura annually invests more and more resources in the research and development of new production lines dedicated to a wide range of syrups, liqueurs, alcoholic and non-alcoholic beverages, which meet the growing demand for diversified products from the market. In particular, sales of syrup concentrate with the SYRUP brand are in constant growth since 1980,

and since 1982 the Lebanese company has witnessed a progressive increase in popularity with consumers for its liqueurs with the LIQUEUR brand. Kassatly Chtaura is continually looking for new market opportunities, often generated by new consumer habits, to which it responds with its portfolio of high quality products. In recent years the commercial efforts of the Lebanese company have focused primarily upon alcoholic beverages with the BUZZ brand, i.e. Ready-To-Drink alcoholic beverages made with vodka and flavored



FREEZ[®]

refresh, restart.



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in a variety of tastes. Ever since it was launched, the BUZZ line experienced immediate success and gained a growing number of consumers who can now choose between the traditional refreshing version and the energy drink (BUZZ ENERGY). Following the success of these drinks, Kassatly Chtaura decided to launch another line of products marketed under the FREEZ brand; the latter is a new range of alcohol-free drinks derived directly from the products with the BUZZ brand. In parallel, the Lebanese company also proposed, shortly after, the FREEZ ENERGY version.





IN THE HEART OF THE BEKAA VALLEY

The entrepreneurial activity of Kassatly Chtaura, headquartered in Nahr el Mott (metropolitan area of Beirut), has always been based on the strong desire to offer natural products obtained by traditional methods. It is therefore not a coincidence that the Lebanese company was founded in the Bekaa Valley, i.e. in the "homeland" of the largest producers of fruit, vegetables and wine of this country.

The Bekaa Valley is a beautiful and fertile valley that stretches from Lebanon to Syria; it is located about 30 km east of Beirut and is bounded by the peaks of Mount Lebanon to the west and the Anti-Lebanon mountain range to the east. It is the northernmost part of the Jordan Rift Valley, an area of geological fracture of the earth's crust that extends from Syria to the Red Sea and Ethiopia. The Bekaa Valley is about 120 km long and about 16 km wide. There are two rivers in this area: the Orontes (Asi), which flows north into Syria, and the Litani, which flows south and then veers west toward the Mediterranean Sea.

Already at the time of Roman rule, this valley was an important agricultural resource (mainly wheat) and still represents 40% of arable land in Lebanon.



In recent years the consumption of ready-to-drink alcoholic beverages in Lebanon has experienced a real boom



THE BOOM

OF “RTD - READY TO DRINK” BEVERAGES

In recent years the consumption of RTD alcoholic beverages in Lebanon has experienced a real commercial boom of which Kassatly Chtaura was a major player thanks to its BUZZ-branded products.

The strong increase in demand for ready-to-drink beverages led the Lebanese company to invest in two new Smiflexi shrinkwrappers, SK 350T model, for packaging the BUZZ soft drink glass bottles in tray + film.

For this new project, i.e. the expansion of its production facilities, Kassatly Chtaura chose

SMI technology, which this Lebanese bottler uses with satisfaction as far back as 1997 (when the first shrinkwrapper was installed).

Since then SMI has provided Kassatly Chtaura four other shrinkwrappers from the SK series, two cardboard sleeve packers from the MP series and one wraparound case packer from the WP series.

The main criterion adopted by Kassatly Chtaura in the choice of the supplier was manufacturing efficiency.

In fact, the Lebanese company was looking for technologically advanced secondary packaging machines capable of ensuring best performance in terms of efficiency and reliability and guaranteeing high output levels in its production plants.

The second criterion adopted by Kassatly Chtaura in the choice of the supplier was the flexibility and versatility of the proposed systems, which must feature quick changeovers from one type of package to another and allow the workability of new



types of packaging designed to accommodate the future marketing needs of the product.

For this company, packaging plays a key role in the promotion and sale of its brands since a captivating graphic design or an appealing look help to attract new consumers and therefore increase market share.

Efficiency, flexibility, versatility and



The “Jallab” syrup concentrates

Kassatly Chtaura is the largest Lebanese producer of syrup concentrates, the most popular of which, “Jallab”, is used to obtain the well-known drink with the same name. The growth and development of the company are strongly linked to the success of this refreshing beverage, which has become the symbol of the traditions of Lebanon and the Middle East. The production of “Jallab” began in 1977, when Kassatly Chtaura opened the first bottling factory for what is still the most sold syrup in Lebanon.

This syrup is made from carob, dates, grape molasses and rose water. The popular drink is obtained by diluting syrup with water in a large cylindrical glass. Then crushed ice and a handful of raisins and pine nuts are added that, by floating on the surface, give this product a very particular appearance.



reliability are well-known features of the Smiflexi packers from the SK series, which is made up of automatic machines for packaging plastic, metal or glass containers.

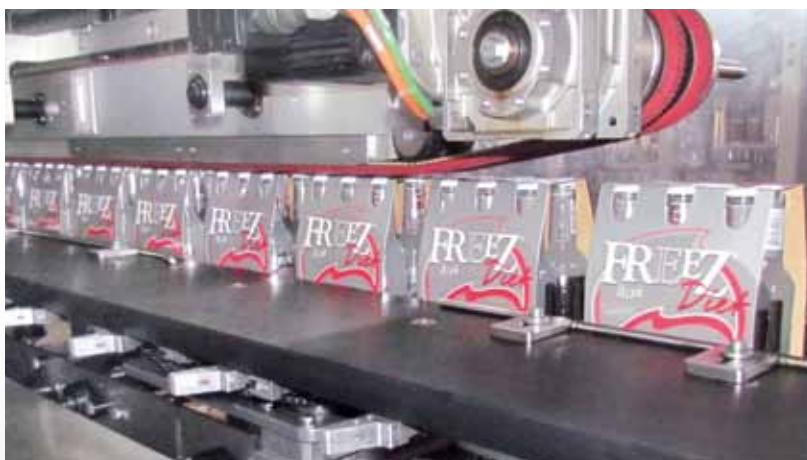
Depending on the model chosen, these systems allow you to manufacture packs in just film, cardboard pad + film, just tray and cardboard tray + film in multiple pack collations, which vary according to shape, capacity and container size.

SK packers reach a production speed

up to 450 packs per minute (working in three lanes), according to the machine model and type of product to be packaged.

They are equipped with an electronic system that groups the containers and features automatic format changeover.

Moreover, they are available for packaging operations in single, double or triple lane variants (option).





THE HOMELAND OF EXCELLENT WINES

The Bekaa Valley is the Lebanese wine-growing hub where wines with a particularly pleasing taste are produced through advanced wine-making methods with an emphasis on yield per hectare and finished product quality.

The choice of the date on which to begin the harvest is a very important decision for the entire industry: the grapes must be harvested when they can ensure an adequate alcohol content to the wine, which varies according to the type of wine you want; in addition, the acidity must be such as to provide freshness and durability to the product.

The best productions incorporate an optimal aging potential and, often, the producers wait even up to seven years before selling the bottles of wine aged in the cellar, some of which, such as those of Château Ka produced by Kassatly Chtaura, have made Lebanese wine famous abroad.

Akram Kassatly, founder and current CEO of the homonymous company, planned to follow in the footsteps of his father who in 1919 had opened a small company for the production of wine. Driven by a great entrepreneurial spirit, the young Akram settled in Dijon, France, where he obtained a degree in winemaking. But it took thirty years of hard work before transforming his dream into reality. In fact, Akram Kassatly was able to found Château Ka only in 2005, dedicated to the production of high quality wines that conquered the Lebanese, French and English markets in no time.



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THE WORD TO THE CUSTOMER

Interview with Nayef Kassatly, Kassatly Chtaura Vice Chairman



*Akram Kassatly
Chairman
Kassatly Chtaura*



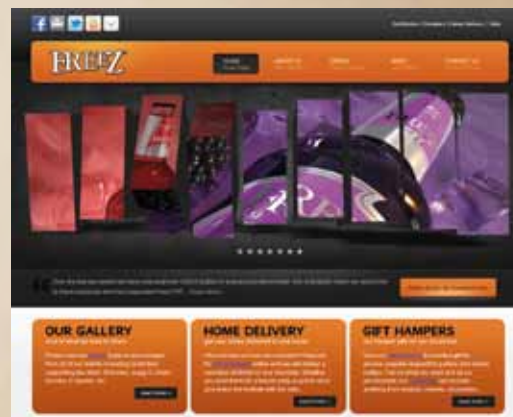
*Nayef Kassatly
Vice Chairman
Kassatly Chtaura*

Kassatly Chtaura is the largest Lebanese producer of a wide variety of beverages. What do you expect from your packaging machine suppliers?

“When choosing the machinery for packaging our product range we give priority to efficiency and reliability, to ensure a high degree of utilization of the production facilities to our company”.

How important is the cooperation with SMI for the success of your products?

“Packaging plays an increasingly important role in determining the success of our products with consumers, especially since Kassatly Chtaura sells quality soft drinks the price of which is higher than that of common carbonated beverages available on the market. From SMI, our supplier of secondary packaging machines, we demand technologically





in the production lines of Kassatly Chtaura's many beverages, able to quickly and easily adapt to the different types of bottles we use and the different pack collations that we market. From this point of view I can say that SMI did quite a fine job".

What do consumers demand from your company?

"Our customers expect Kassatly Chtaura to be innovative and constantly up to date, to keep offering new, high quality beverages to satisfy their tastes and that its packages are pleasing to look at and easy to use".

advanced systems capable of creating a wide range of packages having a "strong personality" and an attractive and original "look", which can convey the specificity and quality of the product also through the wrapping that contains it".

Innovation, flexibility and efficiency: how important are these aspects for the growth of your company?

"With a range of products as diverse as ours, I would say that these three aspects really matter to our company. Specifically, we chose to install only very flexible machinery and systems

