

NEWTEC NEWSLETTER

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Dear Newtec dealers,

Since our last newsletter, we at Newtec have seen a steady positive trend of enquiries and orders in 2011. It seems that nearly all markets see an improved market situation.

At Fruit Logistica 2011, Newtec was presented at the stands of our dealers Gillenkirch and HTech.

The last time Newtec (together with production partners) participated with our own stand at the Fruit Logistica was back in 2009.

"When will Newtec participate in Berlin again with their own or common stand?" - many of you have asked.

Based on this expressed wish and need, Newtec has decided to participate in one way or another in next year's Fruit Logistica to be held from 8th – 10th February 2012

We encourage you to bring up your ideas on how we shall present our mutual products and demonstrate our cooperation at the Fruit Logistica 2012. Do not hesitate to contact us with your views.

We need to reserve the necessary space for this important exhibition by mid July 2011.

As said we at Newtec look forward to a very busy spring. Furthermore, we of course continue to develop new products and improve the present ones to the benefit of your customers. We therefore again have added new and extra manpower in the mechanical and control development departments. We have also added resources in the assembly area to keep our relatively short lead time.

I wish you all the best in business for the nearest future. We at Newtec are ready to support you!

Yours sincerely,
Henrik Winther Knudsen
CEO / Newtec A/S

"Ready for Change?"

Celox and Web Services

Utilising full product information to open new possibilities in production optimisation and selection.

The Market Realities

In a changing environment innovation is critical to survival. The ability to find a competitive advantage or to adapt to new external requirements is essential for any healthy business.

The market for agricultural products such as potatoes and carrots is driven by retailer competitive requirements. Given the retailers dominant position in the value-chain this directly creates opportunities and pressures for the pack house.

On commodity/bulk products (products of necessity) the retailer will focus on price to differentiate themselves, resulting in continued squeeze on margins throughout the supply chain.

Reducing unnecessary operating costs such as manual labour can lead to increased margins/sales for early adopters. In the medium/longer term this will become essential to remain competitive. The longer the delay the more margin erosion/sales reduction will be experienced.

On specialised products (products of convenience) the retailer can charge premium prices and target a broader consumer base seeking specialised product (as seen in recent years with the premium small potatoes or baby carrots and to some extent organic products).

Specialised products provide a huge opportunity for the pack house to increase product margins. To take advantage of this the pack house must be able to meet the ever-changing product requirements of the retailer. Therefore the pack house requires a flexible capability to identify and sort on any criteria set by the market. Not doing this means surviving on lower bulk product margins and thereby becoming uncompetitive over time.

As a result of these opportunities and pressures it is clear that the ideal solution must enable both a reduction in production costs for bulk production, whilst delivering the capability and flexibility to meet any market requirements for special selections in the future.

Optimising Your Grading

Newtec have over 30 years experience in supplying a range of weighing and packing machines for pack houses all over the world. To address these pack house opportunities and challenges Newtec have been working for over 12 years designing and building optical sorting machines, culminating in the industry leading Celox RV12 optical sorter.

The Celox sorter integrates all sorting capabilities into one machine to enable the removal of other older/legacy grading solutions including almost all manual labour and thereby significantly simplifying production lines.

In addition the Celox sorter provides industry leading accuracy (>90%) and can simultaneously sort on size, quality and shape.

The benefit of having all sorting capability in one machine, results in a truly flexible solution that can be changed with the push of a few buttons to sort any product combination.

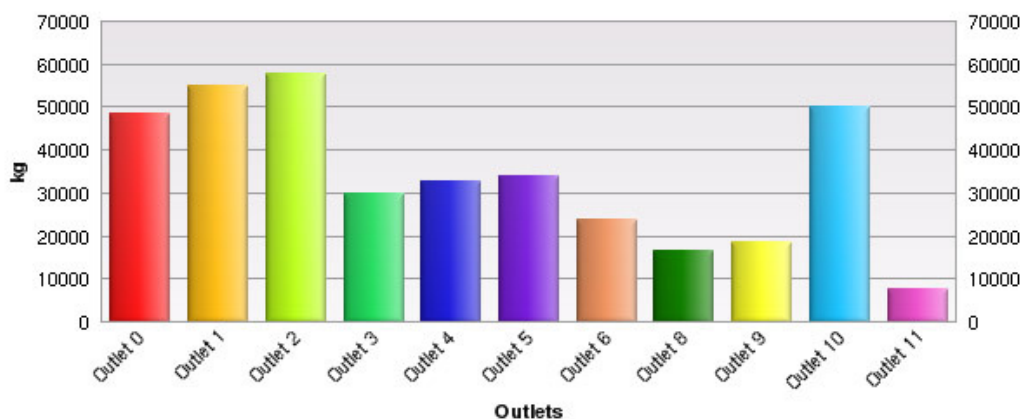
All Celox sorting machines are built with stainless steel to the highest standards and are enabled for remote diagnostics and maintenance. This helps to ensure in-life reliability and performance assurance.

Investments to re-engineer production lines to support this capability can have a significant capital expenditure. The typical Celox payback is usually between 6-24 Months varying upon whether it is utilised just for reducing or for sorting specialised products.

The Value of Information

In the last 3 years Newtec have built on the Celox sorting capability with the addition of the Web Services system for remote diagnostics and statistics reporting.

Outlet Production Volumes Graph



Web Services provides a series of tools for storing and querying traceability data. In addition Web Services captures all grading data generated from the Celox and provides statistical reports and data mining functions. All information is stored indefinitely and made available for the pack house via the Internet wherever and whenever it is needed.

Traceability is becoming a legal obligation with increased pressure coming from international and state regulators. Storing this data in Web Services enables a quick identification of the deliveries relating to an order and vice versa, thereby enables the pack house to meet their external traceability obligations.

Once the grading and traceability data are combined many possibilities for business enhancement become available; such as grower profiling on quality, estimating the quality/size of product still stored at the grower based on historical data, tracking yearly trends on quality, generation of detailed batch/delivery reports for growers (on their entire crop) and helping to answer important questions like "Will I have enough usable product available to meet my orders?" and "Which grower gives the best match of good product to meet the requirements to fulfill my current orders?"

Expectations for what you will receive from a grower is usually fulfilled based on a physical sample being taken, usually no more than one or two boxes of 20-30 Kg per truck delivered, sometimes as low as 1x 50Kg sample taken for a whole field. This is statistically problematic. In general one must be very careful with statistics when the sample size is small. In the case of 1 x 25Kg sample from a truck of near 25 Tonnes = a sample size of 0.1% leading to a significant error margin of that sample being reflective of the whole. This whole process may become unnecessary if the pack house can look back at a delivery of 50,000KGs from the week before.


The key benefit of having this information is to enable the pack house to affect the product before it even arrives. Clearly the packhouse can only work with the product they receive, and by utilising the Celox they can sort any combination of bulk and special selections required. With Web Services they can enhance their intelligent supplier/product selection based on detailed grower profiles created from all historic data.

Additionally, the ability to provide complete detailed feedback of the quality, size, and shape of the product to the grower enables them to combine grading data with their own extensive field treatment information. Thereby, providing the grower with a goldmine of information for comparing and improving their production.

Today the grower will almost certainly know what the pack out was for their product, but they will not have detailed information as to why. This lack of feedback leaves an information gap which hinders the grower's ability to target treatment for improving the quality of their product. Therefore, leaving the emphasis solely on the pack house to make the best of what they get. This is a sub-optimal approach given that in many cases there are strong relationships between the pack house and the grower, or they may even be the part of the same company.

For example: A carrot grower employs several people (or different harvesting machines) to perform their harvesting, the packhouse can see how many tubers from each batch/delivery were broken. This information provided back to the grower can enable them to identify differences in the results between their harvester operators. Where there is a difference in the values the grower can take action and through Web Services monitor the results.

Outlet Production Volumes

Outlet Photo		Total Grading Information	
		Outlet 0	
Active Class	Graded Volume	Graded Tubers	
<input checked="" type="checkbox"/> Rejected	130 935,62 kg	1 149 710	
Total	130 935,62 kg (24,18%)	1 149 710 (22,88%)	

The above scenario is common, however the criteria is configurable by the pack house. So if the pack house and grower agree, they can track any selected information they want so that similar comparisons can be made. The pack house can then use Web Services to generate reports that may be shared with the grower.

Alternatively when purchasing product from external suppliers it is very helpful to have more than just a few KG's sample data from which to estimate the usefulness of the product you will get. Building profiles of each grower over an extended time period enables the pack house to identify patterns of behaviour. E.g. "How does the grower's product quality change over the course of a season?" These trends provide a greater insight to support pack house projections on how much usable product they have in storage at the grower.

Conclusion

The flexibility and accuracy of the Celox optical sorter provides an unparalleled solution for pack houses to simplify, optimise and future proof their sorting requirements, giving them the ability to match or even exceed the capabilities of any other pack house.



With the addition of Web Services the problem of improving product margins can be enhanced by moving the challenge from just "How to make the best of what we get?" to "How can we control what we get and can we use it to the best effect?" This can be achieved by working together with growers and sharing the information that enables them to target treatments. Or by utilising the profiling information to more accurately aid in your supplier selection.

If you would like to find out more please contact your local Newtec Dealership or visit Newtec's website at www.newtec.com

A Story about Old Documentation !

A Finnish customer having a G20-30 Newtec machine from 1979 (number 241) wanted a manual and electrical documentation to maintain his still working equipment.

The customer contacted Newtec's After Sales service and in few minutes the necessary papers were found in the archive.

It is a funny story. Of course you sometimes can be lucky in such a case, but we can't guarantee. Isn't it probably more fun to sell a new machine?

4015B2 with Servo Controlled Revolver

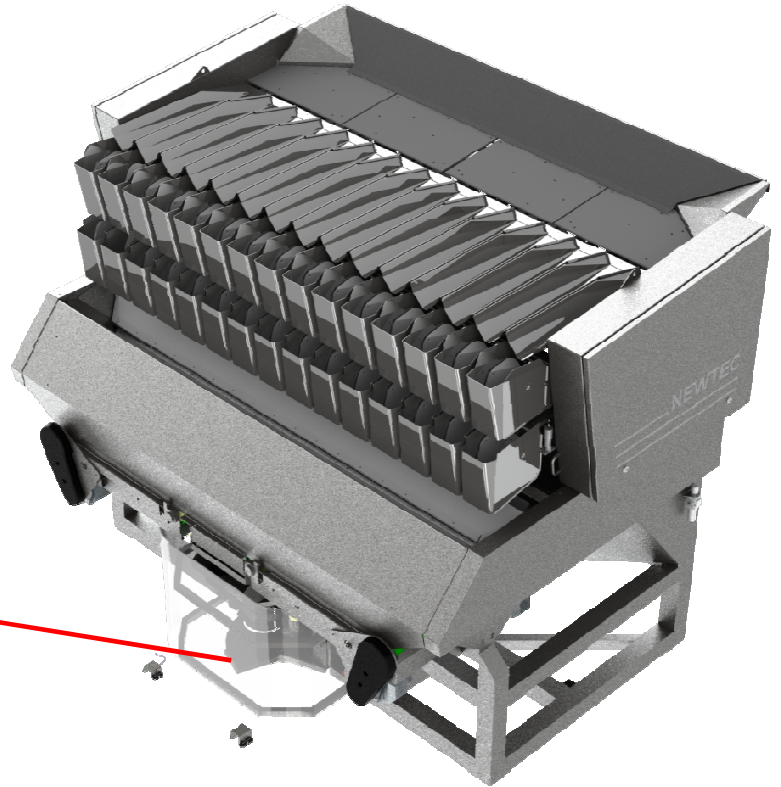
In the December issue of Newtec Newsletter we informed you about the introduction of 4015B2 weighing machine running at high speed over a VFFS at high speed.

We have now developed a servo controlled revolver in connection to PCS delivering the products through the center down into the VFFS packaging machines.

Contact us for more information and options.



Servo controlled revolver



4015B2 with Revolver