

KARL LÜÖND

SPIRIT OF THE TIMES IN GLASS

**100 years from Verrerie de St-Prex
to Vetropack Group**

A DYNAMIC SWISS FAMILY ENTERPRISE AS REFLECTED
IN TECHNOLOGY, THE MARKET AND THE ENVIRONMENT

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The footprint of a pioneer: trial, error and considerable risk

Henri Cornaz (1869–1948) knew nothing about glass production, but he had a gift for sourcing talent, connecting people and turning ideas into concrete projects. Henri Cornaz personified the 19th century entrepreneur. He was a manager. He loved taking risks and often pushed the limits of what, at the time, was deemed acceptable.

Henri was born into a large rural family in the French-speaking part of Switzerland. He was a tall, strong boy, the thirteenth of fifteen children. Upon finishing school, he left home to find work as a farm laborer and found it on an estate near Pontarlier—his first encounter with France! He subsequently learned the German language by working on a farm in Canton Berne. By the time he reached 30, he had already established three factories to manufacture cement pipes and building material and sold the majority shareholdings to partners.

When one of his factories, in Chalon-sur-Saône in France, met with difficulties, the bank cancelled his loan. With courage born out of desperation he made a bid for the construction of 50 railroad stations in the Beaujolais region of France—and was awarded the contract. Other contracts for the construction of track sections including tunnels and viaducts followed. The supplier of building materials became a general contractor in railroad construction. When he had made a tidy sum—100000 Swiss francs—he returned to Switzerland. Henri Cornaz was 37 years of age, he was a wealthy man and could easily have retired. But he chose not to.

Cornaz used a part of his capital to buy a large farm in St-Prex on Lake Geneva. When he drilled for groundwater on the property he found fine sand. The entrepreneur remembered that the white sand mined on the estate in Chalon was used in the production of glass. Glass? Why not! After all, St-Prex is in the heart of western Switzerland's winemaking district. They would need wine bottles!

Verrerie S.A. St-Prex was founded on February 11, 1911. Nine months later, the company manufactured its first green bottles. Cornaz spread his risk prudently. He kept 60% of the share capital for himself, and thus retained control of the company. He then sold the remaining 40% to local investors and business people, among them several wine grape growers and wine merchants who were also his customers.

Henri Cornaz was an old-school industrialist, a patriarch. He built apartments for his laborers and a community center. He hired the entire workforce of a defunct glassblowing company in Fribourg. However, as devout Catholics, these laborers did not feel at ease in a Protestant environment without their own church. So, Cornaz built them a small place of worship on the factory's grounds—and all that while the factory was still under construction.

Wartime, disrupted lines of communication and reduced sales on the few existing export markets added to the eternal struggle for fresh supplies of coal. Despite these major concerns, Henri Cornaz opted for a forward-looking strategy. His aim was to reduce his company's dependence on the wine grape growers and wine traders in the surrounding area, and, in the middle of the war, he took a chance by expanding into German-speaking Switzerland. In 1917, he acquired Glashütte Bülach, a glass works north of Zurich.

Bülach in disarray

After World War I, imported goods flooded into the Swiss market and prices collapsed. Henri Cornaz had to send money every month to Glashütte Bülach to supplement the shortfall. 1920 turned out to be a bad year. The general manager at the time had finally lost his nerves and provisionally filed for bankruptcy. The safe held no more than 500 francs and the production plant had coal for only five workdays. Henri Cornaz intervened, reversed, helped out by sending badly needed funds. Finally, he assembled his staff—170 men—in the courtyard and told them the truth. The com-

pany looked for emergency work and negotiated with Bülach's town council. Problems cropped up everywhere. The quality of the glass bottles was inconsistent, and the factory produced too many rejects. But the market remained the main problem. Foreign competitors delivered products to Switzerland at lower prices.

Henri Cornaz subsequently appointed his 27-year-old nephew, Adolphe Cornaz, as general manager. The young accountant developed into a second patriarch. In the midst of this downturn, he came up with a bright idea that was green and round and would soon be found in every Swiss household.

A preserving jar to fit the times

A company that fights competition by lowering prices has lost half the battle. Every company operating in the field of mass production needs something that later generations would term a "unique selling proposition": a one-of-a-kind, unbeatable product advantage that would fetch an adequate price—a unique feature, a brand.

The premise was simple. An average household in Switzerland in the 1920s spent about 40% of its income on food, which provided pretty strong motivation to grow one's own fruit and vegetables. Those who could, cultivated a kitchen garden. The harvest had to be stored, preferably for several years, so it would not perish. At that point in time, for the man on the street, economical and creative handling of supplies was disproportionately more cost-effective than it is today—at the threshold of the 21st century the average household expended approximately 10% of its income on food.

The first boiling flask made of green glass, available in two sizes of one and two liters, was produced in Bülach in 1915. As the method of sterilization used in preservation of food in Bülach jars was complex and required considerable explanation, the cantonal offices of wartime economy as well as women's associations and other charitable organizations arranged courses all over the coun-

try staffed with hastily trained instructors. Industrialists also had to learn the fundamentals of marketing in order to communicate better with consumers.

The final breakthrough came in 1924 when the Bülach glass works introduced a new boiling flask which made the filling of jars with hot or even boiling content much easier and included a new and simple closing method. Patent application for this bail closure was filed immediately. The bail closure was completely water tight and as easy to apply and clean as the swing stopper of a beer bottle.

In 1923, the company produced a paltry 7322 Bülach preserving jars. Four years later, in 1927, more than 179 000 preserving jars were produced. Demand skyrocketed during World War II, and production rose to 2.5 million jars. As a result, green preserving jars became one of the company's most important and reliable sources of revenue.

In World War II, the wartime economy took over organization of everyday provisioning, overseeing the smallest details of business and private life, and Glashütte Bülach's product range reflected the spirit of the times. As was to be expected, competitors and product pirates entered the market. But Glashütte Bülach held a trump card—its well-known and legendary bottle-green was an easily recognizable brand characteristic. Moreover, the company enjoyed a reputation for the quality of its product, nationwide advice on usage and market communication that may appear a little homespun by today's standards, but had all the elements of modern-day brand management. Glashütte Bülach became the center of expertise for thrifty housekeeping and economically priced food storage.

The postwar years: working side by side and drifting apart

During the postwar years, the Cornaz family's glass-producing operations in both St-Prex and Bülach enjoyed strong and enduring growth, which was neither consistent nor coordinated. Between

1947 and 1957 sales in Bülach nearly doubled. Bülach and St-Prex operated independently in the marketplace, and at times even competed against one another. The yearly cash flow throughout the decade was reported at approximately 10%.

When Henri Cornaz passed away in 1948, his 60% share in the company was distributed equally among his six children. Some of his sons and sons-in-law worked for the company. Adolphe Cornaz, Henri's nephew, created a parallel management structure in Bülach and developed a second and strong family branch. When his uncle died, Adolphe had been at the helm of Glashütte Bülach for 28 years, but despite having served on the board of directors in St-Prex since 1927, he did not own any shares in the company.

Adolphe had three sons, Raymond, Michel and Jean-Daniel. Raymond and Jean-Daniel studied business administration at the University of St. Gallen and were ready to enter the family business. Michel studied chemistry at the Swiss Federal Institute of Technology Zurich and emigrated to the United States of America where he remained loyal to the glass industry and ended his career as chairman of the distinguished Emhart Glass Company.

While world politics and economic circumstances, especially the looming vision of a European community and the planned joint market, gave a sense of urgency to concentrating resources and implementing a uniform group management, the Cornaz family seemed to drift apart. Differences in terms of culture and mentality between St-Prex and Bülach became increasingly evident from the 1950s onward. The customer bases of the two production sites were the main reasons why St-Prex and Bülach developed separate corporate cultures.

St-Prex focused on its traditional market of wine grape growers and wine traders. Corporate management was largely concentrated in the hands of family members, a situation not particularly conducive to the introduction of modern management methods. As a result, the required objective differentiation between operational necessity and shareholder interest was often lacking.

Bülach, on the other hand, had experienced the power of brand development during the war years with the success story of its preserving jars and had learned the fundamentals of mass marketing. The stronger the beverage and food industries grew, the more companies merged to become international groups, the more the fast growing supermarket chains competed, the more Bülach had to deal with knowledgeable, demanding customers.

The next generation moves up— roundabout stock purchase via the USA

In Bülach, during the course of the 1950s, a young generation of management trained, highly motivated and innovation hungry Cornaz sons was ready to take on responsibilities within the company. Adolphe Cornaz had introduced his own sons to the company when they were teenagers. Raymond Cornaz (born 1927) graduated in business administration in 1951. His technical interest and understanding were remarkable, which deemed him well suited for technical management. Jean-Daniel, his younger brother by seven years, had also earned a degree in business administration from the University of St. Gallen. Jean-Daniel initially followed his father's wishes and managed Müller + Krempel Ltd, a Zurich-based company specializing in the trading of glass products for the pharmaceutical industry. He soon developed talents in the fields of marketing and management accounting for the glass manufacturing group, an area of expertise not yet well developed at the threshold of the 1960s. However, Jean-Daniel gained valuable insight into the two core capabilities required to successfully run a company.

When Louis Cornaz, one of the sons of the patriarch, Henri Cornaz, looked to sell his shares in the company, he did not offer them to Adolphe Cornaz, his successful cousin running the Bülach plant. Instead, he offered his shares to a manager of the Emhart Group, an American manufacturer of glass technology, with whom

he had recently negotiated the purchase of a machine. What Louis Cornaz did not consider was that Michel Cornaz, the second son of Adolphe Cornaz, worked for Emhart. Over the years, Michel had served his father and brothers as a valuable resource in the world of technology. He knew the glass markets all over the world, and he reported the latest market trends at the many meetings of the closely connected family. In this way, Michel Cornaz made a significant contribution to corporate development without appearing on the company's roster.

The Emhart manager informed Michel Cornaz of the offer, and Adolphe Cornaz was as a result able to buy his first stock package via the United States. Traditional and stable connections to Banque Cantonale Vaudoise were helpful in financing the deal.

Unwelcome visit—internal competition!

When the important minority shareholder of Verrerie S.A. St-Prex, Arnold Schenk, died in 1962, his son, Pierre, inherited his shares. Pierre Schenk used every opportunity to acquire additional stock. In the spring of 1945, he owned 45% of the company's stock and was its principal shareholder. He had most likely considered selling his shares, and a majority would have provided him with a considerable share block premium. "Ceux de Bülach"—"the Bülach clan", in other words, Adolphe and his three sons—was not welcome as shareholders in St-Prex, and at that time owned only 15%.

Adolphe Cornaz and his sons advocated the establishment of a joint management company for the two production plants. The necessity to streamline the product range and combine market development became increasingly urgent. Against this background, Vetropack Ltd was established on January 26, 1966 as a management company headquartered in Bülach with Pierre Schenk as managing director.

Three months later, on April 1, 1966, the general management of Glashütte Bülach received three high-ranking and unexpected visitors. Eberhard Reinhardt, at the time president of Credit Suisse Bank, Pierre Schenk, and a distinguished, aristocratic-looking gentleman, Comte Arnaud de Vogüé, chairman of Groupe Saint-Gobain, stepped out of a limousine. Groupe Saint-Gobain was, at that time, one of France's largest industrial conglomerates and one of the world's most important glass manufacturers with some 200 000 employees. Saint-Gobain was also the foremost competitor outside Switzerland of both St-Prex and Bülach. The news was short and animated: Max Cornaz, the predominant son of founder Henri Cornaz, had sold his stock, and the majority shareholding was now in the hands of the largest competitor!

A new era at Vetropack

1966 will go down in the history of Vetropack Ltd as a year of major insecurities. At long last, Pierre Schenk had reached his goal—at least, he thought he had. Max Cornaz had sold him 600 of his 927 shares, and Pierre Schenk was able to immediately pass on his majority shareholding of 54.48% to Groupe Saint-Gobain. At least, that is how it had been presented to the board of directors. However, the strangely hesitant and considerate behavior shown by Saint-Gobain during the ensuing period suggested that Saint-Gobain was unable to dispose of Max Cornaz's shares unconditionally as long as one irrevocable condition had not been satisfied: Max Cornaz's appointment to lifelong chairmanship. But, the competent and indispensable young Cornaz managers in Bülach vehemently objected to his appointment.

Groupe Saint-Gobain seconded two board members to Bülach for day-to-day business. Soon, the draft of a technical cooperation agreement was submitted. Vetropack was to acquire both procedural know-how and raw material from Saint-Gobain, neither of which were either necessary or desired. Jean-Daniel Cornaz, Adolphe Cornaz's youngest son and a member of the Vetropack Ltd board of

directors from 1972 to 2005, remembers: “We kindly listened to all of their suggestions, and consistently said no to all of them.”

The two young business administrators were able to act freely as their relatives in St-Prex, who still owned shares, had no alternative appointments to corporate management. It is clear that Raymond and Jean-Daniel put pressure on the new majority shareholders by threatening to step down immediately. In such an event, many years of development and restructuring work would have been compromised and shareholder value drastically diminished.

In the meantime, “ceux de Bülach” unrelentingly worked at returning majority shareholding to the family. This was possible in part thanks to outstanding networking and in part to unexpected circumstances. Nearly six hectic years passed until the unloved competitor and minority shareholder finally withdrew.

Initially, moral pressure was built up in the region surrounding St-Prex, which had an effect within only a few weeks. In October 1966, Max Cornaz and his father-in-law, Oscar von Gunten, sold 950 of their 967 shares to Adolphe and his brother Maurice Cornaz. In addition to the payment, Max Cornaz was assured of a seat on the board of directors, if not chairmanship. Obviously, the shares had not yet been delivered to Saint-Gobain! Either the transaction with Saint-Gobain had been reversed, or it had not gone through.

The family pool fortified the new corporate concept

Be it as it may, the first step had been taken and the foundation for a family pool lain down which, after Gaston Cornaz (one of Henri Cornaz’ six sons) joined, had a wafer-thin majority of 50.03% while the Saint-Gobain shareholding was thought to come from the 44.48% share package sold by the Schenks. In the meantime, Adolphe Cornaz had expanded his shareholding to 27.75%, creating an initial foundation for the Bülach faction’s uppermost goal: disengagement of shareholders and management.

The family pool, which controlled exactly 50.03% of the group's shares, was all but stable. A uniform strategy could not be established. Moreover, the family pool was saddled with Europe's most powerful competitor with a shareholding of just over 44%. This precarious state of uncertainty lasted several years until the wind began to turn against Groupe Saint-Gobain:

At the end of 1968, Saint-Gobain's strongest competitor, Boussois-Souchon-Neuvesel (BSN), launched an unfriendly takeover bid for Groupe Saint-Gobain. The steel group Pont-à-Mousson supported Saint-Gobain as a white knight, and the unfriendly takeover bid ended with a merger between Saint-Gobain and Pont-à-Mousson. In order to finance the expensive defense, Saint-Gobain decided to divest itself of all minority shareholdings. Here was the historic opportunity for "ceux de Bülach" to take on control of the entire Vetropack Group.

Groupe Saint-Gobain gave up

In a cunning move, Adolphe Cornaz and his sons decided to take advantage of their friendly connections to the US glass industry—this time the Ball Corporation. The company played along with the Cornaz family and showed mock interest in Saint-Gobain's Vetropack share package. Hardly had they made contact, when Eberhard Reinhardt phoned Bülach to inform Vetropack's top management that as a member of Saint-Gobain's board of directors he would veto any attempt to sell the company's shares to an American company. For three months, negotiations were held in a triangle before Reinhardt was informed of the true context. He subsequently proved to be a loyal ally.

Together with Banque Cantonale Vaudoise, he helped the Cornaz family pool finance the share buyback. Heinz R. Wuffli, an old university friend of Raymond Cornaz, who had risen to the top management of Schweizerische Kreditanstalt (later renamed as Credit Suisse Bank), directed the financial operations and was sub-

sequently appointed to the Vetropack Board of Directors. Jean-Daniel Cornaz was also appointed to the Board, while his brother Raymond became chief executive officer.

Vetropack goes public

After a long and winding road, new and sound ownership of the group and its management had been established. In the spring of 1975, Vetropack went public with 3000 of the 8000 registered shares at a par value of 500 francs and offered at an issuing price of 2500 francs. The financial newspaper, “Finanz & Wirtschaft”, wrote: “Sales per employee of 137500 francs suggest capital intensity and a high degree of rationalization in production.” The issue was oversubscribed. Vetropack has been listed on the Zurich Stock Exchange ever since.

In 1974, the Bülach arm of the family formed a new incorporated company, Cornaz AG-Holding (“COHO”), which was independent of the family pool, and into which they contributed their Vetropack shares. They hoped to protect the distribution of ownership in case one of its members—for whatever reason—was to withdraw and sell his shares. They addressed the problem by means of preemption agreements, which secured control of the company by Adolphe Cornaz and his two sons, who were employed by the company. Their registered shares, which were privileged compared to bearer shares, guaranteed them a voting majority.

The Cornaz AG-Holding strengthened the stability of the company, a precondition for subsequent expansion moves. The company’s listing on the stock exchange now showed another advantage: in case one of the family shareholders wished to withdraw, the value of his shares was indisputably provided by their trading price on the stock exchange.

Glass recycling—a productive pile of shards

One of the major and lasting innovations that the young Vetropack group introduced was the recycling of glass. In 1972, a pilot operation was started which from 1974 onward developed into a major and ongoing social and environmental project. It became a role model not only for other countries, but also for other industries with similar waste problems, such as aluminum, paper, wood, construction rubble, electronic waste, synthetic materials, textiles, batteries, etc. Glass is the star among reusable materials in Switzerland with a collection rate of 95%. It is with pride that the Swiss glass industry claims they initiated a trend long before it was state mandated or financial incentives were introduced.

People fight for markets

In the wake of the 1973 Yom Kippur War, the price of oil skyrocketed by 500% within a period of four months. The company was forced to charge an energy surcharge. The oil crisis and the subsequent recession represented a serious test for the extremely energy dependent glass industry in a high cost country such as Switzerland. In the second half of 1974, sales caved in and continued to decrease throughout 1975, resulting in a production cut of 25%. At times, of the 21 production lines in total only ten were in operation, while at least 14 should have run year-round in order to ensure profitability. From an economic point of view, a painful consequence recognized as early as 1975 would clearly have been to close one of the three production plants which, by international comparison, was one too many for a small country like Switzerland.

Vetropack reacted to the market trends in a different way. It diversified in two directions, in terms of geography and sectors, as well as markets and technology. In 1981, Vetropack acquired Wirth-Plast AG, a Swiss company that produced plastic packaging material and posted annual sales of 23.5 million francs with a workforce of 160. Then, in 1985, Vetropack acquired Alex-Folien AG,

Wirth-Plast's Swiss competitor also producing plastic packaging material with comparable annual sales. In that year, Vetropack's glass business continued to stagnate at 777 million packaging units produced. During the same time period, Vetropack's development department was spun off and offered its services internationally as a consulting and engineering company with the name of Vetroconsult.

Today, the decision to diversify continues to be considered bold and visionary. The mistake was in the timing. Diversification in two directions was not economically feasible. Following long internal debates, a decision was taken in favor of new markets in the traditional and familiar sector. The companies producing plastic packaging were divested in 1996.

Growth in Central and Eastern Europe

In the following years, the group expanded outside Switzerland, but not in Western Europe. When the Iron Curtain fell in 1989, enormous new markets opened up in Vetropack's traditional sector. The Swiss company suddenly evolved into an international group. This became apparent in 1995 when Vetropack positioned itself as a new management holding company headquartered in Bülach, where the central services—strategy and corporate development, finance, IT, marketing, and production management—were set up.

Internationalization at Vetropack began in Austria in 1986. Vetroconsult held a consulting mandate for Glaswerke Stölzle-Oberglas owned by Creditanstalt, an Austrian bank, from which an economic participation resulted. In 1991, Vetropack acquired the glass works Moravia Glass in the southern Moravian town of Kyjov in the Czech Republic which it re-outfitted as a modern glass plant for the Central European region. The plant operates with two melting furnaces and a production capacity of more than 670 tons of packaging glass per day.

Vetropack's expansion eastward continued in a rhythm of two-year steps. In 1993, Lutzky Glas in Kremsmünster, Austria, was acquired and subsequently integrated into Vetropack Austria GmbH. With this capacity increase in nearby Austria and the expansion of the Bülach glass works' melting furnace in 1991, the time had come to close down glass production in Wauwil in Canton Lucerne. Glashütte Wauwil had become part of the company in 1959 as a subsidiary of the Müller + Krempel trading firm acquired by Verrerie S.A. St. Prex.

In 1996 an opportunity arose to open up a new market, in Croatia, by acquiring a majority shareholding in glass works Straža in Hum na Sutli. Vetropack comprehensively modernized the plant and, as it did with all plants, had it certified in accordance with ISO 9001. Production in Croatia focuses on the rising demand in South-Eastern Europe. In 2002, expansion in Eastern Europe continued with the acquisition of the Slovakian glass works Skloobal in Nemšová. In 2006, Vetropack acquired the majority shareholding of the Gostomel glass works in the region of Kiev, Ukraine, completing the most recent internationalization of Vetropack.

Bülach's furnaces cool down

1997 was a turning point in the history of the Vetropack Group. The recently acquired markets were not ready to fill the revenue gaps that had opened up in the Swiss home market. The plunge from the high Swiss price level to that of the European Union occurred much faster than expected. In addition, concentration on the customer side put further pressure on prices, which was particularly apparent in the case of international beer brewing groups that acquired one national beer brand after another. For the first time since its stock exchange listing, Vetropack suffered a loss of 11 million francs on total sales of 406.6 million. Market share in Switzerland had dropped to 60% despite considerable price concessions. Development in the following years left no doubt: while the

markets in Central and Eastern Europe as well as in Austria began to rebound, capacity in Switzerland had to be reduced. Would this mean the end of one of the two production plants in Switzerland? And if so, which one?

The die was cast in March 2001 to the disadvantage of Bülach. 180 men and women were laid off. Thanks to placement efforts made by the company, the unions and a number of friendly companies, many found new employment.

Looking back, Jean-Daniel Cornaz said that “The decision was right; in fact, it should probably have been taken earlier. But, there were emotional considerations to be taken care of. In the meantime, the desired restructuring was completed. For St-Prex it was also the right decision. But it hurt all the same!”

Focus on growing markets— Vetropack Group’s strategy for the future

In an extensive interview given for this anniversary publication in 2011, Vetropack’s CEO, Claude R. Cornaz, emphasized the group’s aim to expand its leading position by means of operational excellence, i.e. continuous process optimization, to diminish the differential between Swiss cost structure and European prices. While growth is brought about mainly through acquisitions in Central and Eastern Europe, the market potential seen in the home markets of the newly acquired companies plays a decisive role.

According to Claude R. Cornaz, “The ownership structure and the corresponding future prospects of Vetropack are very clear. The families hold 75% of voting rights, providing us with security and continuity. Our traditional structure—low-priced registered shares and high-priced bearer shares—will not be called into question for as long as it remains lawful. After all, the family owns about 43% of shareholders’ equity. If anyone wishes to acquire us, they would be able to hold no more than 25% of the votes. They could request a seat on the Board of Directors, they could make life difficult for

us, but they wouldn't have the say. We have had that before, with Groupe Saint-Gobain. In the 1990s, not a single year went by without take-over rumors. The situation today is absolutely clear: the family pool has the say, the balance sheet is strong, and the willingness to continue within the present parameters is uncontested. Independence is our clearly formulated goal.”

MILESTONES

1911

Foundation of Verrerie S.A. St-Prex by Henri Cornaz, who acquired 60% of the shares, and 38 other shareholders

1913/1914

Acquisition of Verrerie de Semsales, Canton Fribourg; closing of production and transfer of staff and plant to St-Prex

1915

Lease of Glashütte AG Wauwil, Canton Lucerne

1917

Gradual acquisition of Glashütte Bülach AG

1921

Commissioning of first American semi-automatic machine tool (replacement for mouth blowing)

1922

First preserving jars produced in Bülach. During World War II, production rose to 2.5 million jars per year

1930

First American automatic glass blowing facility went on line in both Bülach and St-Prex

1940

First electrically heated annealing lehr put into operation (as a result of disrupted coal supplies during World War II)

1948

Acquisition of Glashütte AG Wauwil by Müller + Krempel AG, a Zurich trading firm

1959

Upon acquiring the trading firm of Müller + Krempel AG, which in turn owned Glashütte Wauwil, Verrerie S.A. St-Prex became market leader for glass packaging in Switzerland.

1963

The age of glassblowing came to an end when the production of glass balloons for wicker bottles was discontinued.

1964

Introduction of the VETROPACK trademark for the products of the group's three glass works in St-Prex, Wauwil and Bülach

1966

Foundation of Vetropack Ltd as a central sales and management company for the operations in St-Prex, Bülach and Wauwil

1969

Foundation of Vetropack Holding Ltd as a financial holding company uniting the three legally independent glass works and the Müller + Krempel Ltd trading firm under a single roof

1972

Discontinuation of production of the legendary Bülach preserving jars

Beginning of waste glass recycling in Switzerland based on a private initiative by the Vetropack Group and without public subsidies. Initial trial operations in several towns provided encouraging results.

1972-1975

Continuing shakeout in the Swiss market for packaging glass: Siegart in Küssnacht am Rigi closed down, and its Hergiswil production plant was taken over by the glass artists, Roberto Niederer, and turned into a factory for decorative glass specialties.

1974

Foundation of Vetro-Recycling Ltd specializing in ecologically meaningful recycling of packaging glass; Vetropack organized the nationwide collection of waste glass in Switzerland, a pioneering act in waste disposal, also by international standards. In 2009, Vetro-Recycling Ltd was merged with Vetropack Ltd, operating as an independent division.

1976

Vetropack Holding Ltd acquired Gloor Recycling AG with its sorting plant in Dagmersellen (Canton Lucerne).

1977

Gloor Recycling AG was renamed Vetro-Recycling Ltd. Subsequently, further processing plants in Renens (1978), Rümlang and St. Gallen (1979) were taken into operation.

1981

Vetropack diversified into plastic packaging materials and acquired Wirth-Plast AG (1981) and Afex Folien AG (1985).

1986

Start of PET bottle production; the acquisition of Fermit AG opened the doors for expansion into plastic packaging material for pharmaceutical and cosmetics products.

Vetropack expanded outside Switzerland through the acquisition of Glaswerk Pöchlarn in Lower Austria; foundation of Vetropack Austria GmbH

1991

Acquisition of Moravia Glass in Kyjov (Czech Republic); upgrading to one of Central Europe's most up-to-date glass works

1993

Acquisition of Lutzky Glas in Kremsmünster (Austria); integration into Vetropack Austria GmbH

Discontinuation of glass production in Wauwil; start of PET bottle production on the site of the former glass works

Divestment of the packaging foil business

1995

Within the framework of adapting its legal structure to meet the needs of internationalisation and expanding the group's activities, Vetropack Holding Ltd changed its function to become a management holding company. Vetropack Ltd, which had previously been responsible for group management activities, was reorganised into a Swiss operating company, with Verrerie S.A., St-Prex and Glashütte Bülach AG merged into it. Internal services as well as external consulting activities were brought together in a newly established firm, Vetroconsult Ltd.

1996

Vetropack acquired a majority shareholding of the Croatian glass works Straža in Hum na Sutli. The plant underwent comprehensive technical modernisation, as all of the other acquired operations, received ISO 9001 certification, and its product range was geared toward the markets in South-Eastern Europe.

Discontinuation of PET bottle production; Vetropack again focused exclusively on packaging glass.

2002

Glass production at the Bülach plant was discontinued in its 111th year of operation. Prices collapsed due to internationalization of the markets; the cost level in Switzerland was definitely too high. St-Prex and the Vetropack production facilities in Austria continue to supply the Swiss market.

Vetropack acquired the Slovakian glassworks Skloobal, a.s. Nemšová. The production plant was modernised within a few years through substantial investments in two completely new furnaces.

2006

Vetropack acquired the majority shareholding in the Gostomel Glass Factory (Ukraine), representing a step into a new world: a country in the throws of change thanks to the Orange Revolution, politically unstable, but with a high potential for growth.

This brochure is a summary of the original edition, which was published in German: *Zeitgeist im Glas. In 100 Jahren von der Verrerie de St-Prex zu Vetropack*, Neue Zürcher Zeitung Publishing, Zurich, 2011. The edition was also published in French under the title: *Le verre, reflet de l'esprit du temps. 100 ans d'histoire de la verrerie de St-Prex à Vetropack*.

