



# DRIVEN BY INNOVATION

ASTOS Machinery, based in the western part of the Czech Republic on the German border, is a major producer of sophisticated conveyor systems, filter stations and comprehensive plant and equipment covers. Over the past few years, the company has gone from strength to strength and now plans to open a new manufacturing plant to meet rising demand. Romana Moares reports.

ASTOS Machinery is the successor of a local company that for many years produced conveyor belts for machine tool manufacturers. In 2006 the company was taken over by its current owner Machinery Equipment Technology Group a.s., with its single shareholder and managing director Mr Michael Ondraschek, who set a new direction for the business – to become a system manufacturer, ranking amongst the top European companies in its field. He has not only succeeded in achieving this goal, but exceeded it: ASTOS, having transformed from a simple product manufacturer into a comprehensive solutions provider, is now a recognised player on a global scale.

## Stability through diversification

Michael Ondraschek's objective was to diversify the company's product portfolio to lessen its vulnerability to market fluctuations. "When I

took the company over, I knew the only way forward was to transform it into a sophisticated engineering business producing bespoke products with high added value and, rather than a single product manufacturer, operate as a general contractor. The fact that we have succeeded in achieving this goal has been demonstrated by rising sales as well as increasing demand from new customers," he says.

As a result of this diversification, ASTOS survived the recession years relatively unharmed and managed to penetrate new markets outside Europe. "We provide unique solutions for our customers' very individual technological needs. Reliability, quality, long service life even in the most heavy duty conditions and, last but not least, low operating costs are some of the reasons why numerous companies have chosen to pursue a long-term partnership with a.s. ASTOS Machinery," he explains.



The core business continues to be conveyors and conveyor systems. These include chip conveyors and magnetic conveyors for CNC machines and presses, and a unique, patented solution – a circular chip conveyor developed from numerous applications of the special scrape conveyor.

The second business is the production of machine covers. The range includes designing and manufacturing various types of products such as CNC machine covers, booths (stationary and moving) and covers for entire production lines, from jacketing machines to highly customised solutions. These typically include small to medium-sized CNC multi-axis machines, large vertical lathes, horizontal boring machines, grinding machines and production lines. The third pillar is the production of coolant filtration and separation instrumentation, such as different kinds of belt filters (PF) and magnetic separators. All three product groups are growing and all are expected to remain important parts of the company's portfolio.

## Innovative approach

Mr Ondraschek knew that the only way to secure lasting success for the company was to focus on innovation. All three areas of the business are therefore moving steadily towards more sophisticated, complex solutions. The conveyor systems are provided with automated controls to communicate with other technologies, while the filtration systems now represent a technologically comprehensive product meeting the highest parameters. Significant developments have also been made in machine coverings both in design and actual manufacturing. The company has recently applied for an EU grant to support a four-year project aimed at filtration innovation: the objective





is to develop a unique solution which would move the company to a higher level still. "The conveyors and conveyor lines currently make up about 60 per cent of our business, filtration systems represent about 25 per cent and the rest is machine covers," explains the director.

To support product development and innovation, the company has established its own product design subsidiary in a prestigious R&D location – the Innovation Park Bory near Plzen, which houses numerous international industry leaders and their product development departments. The subsidiary recruits new experts every year, and today employs 15 designers and specialists.

### For industry leaders

ASTOS's quality and expertise were confirmed two years ago when the company won the largest and most prestigious contract in its history – delivery of an automated conveyors system for Toyota Motor Corp. for its body shop in manufacturing plant in St. Petersburg. The contract was won within a Europe-wide tender and ASTOS was the single non-Japanese technology supplier. Toyota chose in this case not one of its traditional Japanese suppliers but a relative 'newcomer'.

"The project was a big success and confirmed our reputation as a trusted supplier. We won a subsequent contract for a second part of the line for this Toyota plant the following year. The irony is that success in the export markets has improved our position locally: as a result of the partnership with Toyota we were contacted by Skoda Auto, who had not considered us seriously before. We were invited to

participate in a tender for Skoda's plant extension and now are among the three finalists," says Mr Ondraschek.

But although the Skoda contract would be significant for the company's growth, ASTOS is not dependent on it. Sales are rising in all of its EU markets, with recent successes including a contract for one of the biggest conveyors ever made in Europe – a carousel with a table of 16m in diameter made by a local producer. "We were considered the only company capable of producing a conveyor in such dimensions," says the managing director proudly.

### A strong reputation

He explains that the next challenge for ASTOS, which today employs about 150 people, will be to increase its production capacity and to start establish another production location. "We have started to look at potential locations but that choice will depend on whether we win the contract for Skoda," he says, and confirms that increased capacity is essential to enable further growth.

Judging from increasing demand and inquiries from such distant locations as South America, Australia and India, one may assume that the company's future looks rather promising. "We are pleased that we have achieved such a strong position in the market and that we have become a key strategic partner for our customers. We receive positive feedback on all continents, which certainly promotes and spreads the reputation of ASTOS. We can be truly proud of what our team has achieved," Mr Ondraschek concludes. □

