



Bühler

Bühler continues to balance economy, nature & humanity

Innovation driven on a sustainability ticket – that was the order of the day when Bühler gathered the world’s press to share its numbers from 2021.

With its key figures in place including its CEO Stefan Scheiber, Chief Financial Officer Mark Macus and Chief Technology Officer Ian Roberts, the webinar provided us with a catalogue of positive feats from the company that continues to define itself with strong values and a strong purpose.

As well as balancing economy, nature and humanity, Chief Technology Officer Ian Roberts also stressed the importance of remaining humble and cautious as supply chain interruption will likely remain an issue going forward.

As well as long strides of progress and modest humility, much of the presentation was focussed on the development of alternative protein technology, in the context of providing viable alternatives to meat. Mr Roberts stressed that the purpose of this project is “not to castigate meat eaters”, adding that it’s just important that we reduce the CO2 footprint of the livestock industries.

He does caveat this by adding that palatability is key. In other words, there has to be great tasting alternatives – because as Ian Roberts states, “food is pleasure” – a sentiment that I’m sure we can all relate to.

This statement holds a lot of water as eating food has for centuries been a bonding opportunity, there is a wealth scientific evidence which indicates that families who eat together, stay together too. So, food is so much more than a way of killing hunger.

With this positive attitude to embracing new ideas and technology evident throughout this presentation, it really was no surprise that 2021 was another successful year for the Swiss outfit.

Necessity breeds innovation

Staying on the subject of the Bühler Group’s performance in 2021, thanks to its continued development of new products, services, and

applications, the company grew order intake by 16 percent, to more than CHF 3 billion/US\$3.241 billion (CHF1 = US\$1.08).

Owing to its strong global production, supply, and service network, Bühler was able to secure timely deliveries to customers even under difficult conditions. At the same time, Bühler further improved its financial stability with improvements in the net liquidity and the equity ratio.

“Our engaged employees in our strong global network allowed us to prove our reliability to our customers and partners. And we clearly strengthened our innovation power,” says Bühler CEO Stefan Scheiber.

The key markets of Bühler in the food, feed, and mobility sectors underwent fundamental transitions driven by changed consumer requirements and enabled by new technologies.

As a result, the demand for sustainable solutions has clearly increased. As part of the long-term innovation strategy of Bühler, spendings into R&D over the last 3 years including the “coronavirus years” increased to more than CHF 400 million (2021: CHF 141 million, 5.2% of turnover). Bühler has positioned itself as a key enabler and partner for its customers, supported by collaborations with key partners in industry and science.

Positive market demand was noticeable in the results from Bühler’s food and feed businesses too. In its processing solutions for plant-based proteins or for dairy alternatives, for example, services were in high demand and contributed to growth in Bühler’s Value Nutrition business.

New types of chocolates, pralines, and various confectionary and snack products required new applications which the Bühler Consumer Foods segment (which includes the technologies of the former Haas business acquired in 2018) created.

Also, Bühler’s Milling Solutions business grew in the wheat and rye and speciality segments, with processing solutions for high-capacity plants as well as for special applications for local niche markets.

Digitalisation and cloud-based services acted as key enablers to improve performances of existing assets of customers all over the world, and this also addressed the need for improved sustainability and CO2 emission reductions.

A global network teeming with passionate people

The global network of Bühler with 30 factories, 103 services stations, and 24 Application & Training Centers across the globe was key to being successful in a very dynamic business environment.

This allowed the company to secure on-time deliveries, also in times when supply-markets were difficult and logistic chains partly interrupted. In 2021, the company executed over 2000 customer projects, and as part of this it produced and delivered around 50,000 machines and key components. This was only possible thanks to the expertise and dedication of its employees, and their focus on customer success.

In 2021, Bühler continued to prioritise the safety and wellbeing of all employees, while maintaining its focus on training and education. With nearly 12,500 staff across the globe, flexibility and resilience became key success factors in response to public health challenges and all related limitations.

The company continues its commitment to its global apprenticeship program and to the development of employees on all levels. The same was true for the training of personnel of customers, both in Bühler schools as well as in dedicated training centres.

A service portfolio enjoying growing demand

It has long been the company's strategy to be in the region for the region with Bühler's global Services & Sales organisation. This

strategy was key to its ability to continue important service offerings at all times for its customers globally.

Having experts present in all key markets proved yet again to be a key success factor. Understanding the challenges its customers were facing in the different countries and continents has allowed it to make decisive steps towards providing an even more customer-centric approach in its service offering.

The recently renewed and expanded services portfolio – including new digital services and Service Level Agreements – grew in orders by 15 percent to CHF 746 million. Combined with Bühler's Single Machine business, the Service business represents about one-third of the overall turnover.

Orders on the online platform 'myBühler' grew by 50 percent to CHF 90 million; nearly 100 customer sites are now connected to the Bühler Insights platform; and RemoteCare contracts, of which the company's customers make use of online support functions, have increased by a factor of six to nearly 400.

Nearly 160,000 service orders were carried out. "It is not only that we grew volume, but that we changed the character of our Service business to specific value additions for our customers, enabling them to improve the performance of existing and new assets. This, at the same time, is a key contributor to improved sustainability in the value chains of our customers," says Mr Scheiber.

Despite stable turnover volume, Bühler managed to further improve its financial position. Driven by a strong operating cash flow which stood at CHF 256 million at year end, net liquidity more than doubled to CHF 329 million. Consequently, the equity ratio rose to strong 47.2 percent.

"Our balance sheet is stronger than before the coronavirus crisis,"

Industry Profile

says CFO Mark Macus. “This financial strength gives our customers and stakeholders security in a volatile economic environment and enables us to continue executing our strategy, including strategic investments into assets and innovation. We are a reliable partner for our customers – in critical times, this is more important than ever.”

Strong order intake

Across all of the companies that constitute the Bühler Group, order intake increased by 16% to CHF 3 billion. Because of the time gap in the plant business between order entry and turnover, the upward trend on orders is not yet visible in turnover, which remained stable at CHF 2.7 billion. Net profit amounted to CHF 113 million, also slightly better than last year. Orders on hand by year-end 2021 increased strongly by 27.2% to CHF 1.9 billion.

“Our innovations, both for plants and services led to growth in

The key markets of Bühler in the food, feed, and mobility sectors underwent fundamental transitions in 2021. Much of this is believed to be driven by changed consumer requirements and enabled by new technologies. As a result, the demand for sustainable solutions has noticeably increased.

In order to adapt to this shift, research and development spending over the last three years, which forms a key part of Bühler’s long-term innovation strategy, has also increased to more than CHF 400 million/US\$432.7 million, a year-on-year increase of more than five percent.

our order book. Our strategy to position ourselves as an innovative solution provider for material transformation has been paying off,” adds Mr Scheiber.

All three business segments of Bühler contributed to this positive development, with Grains & Food orders growing by 12% to CHF 1.8 billion, Consumer Foods by 6% to CHF 584 million; and Advanced Materials showed the strongest growth of 37% to CHF 620 million. Although the business areas with the highest grow rates were die casting, grinding & dispersing, grain quality & supply, and milling solutions.

From a regional perspective, the Americas, Europe, Middle East & Africa, and India experienced the strongest upswing, with China representing the single largest market for the company in 2021.

Accelerated impact in 2022

Political tensions, climate change, supply chain issues, and rising inflation continue to be key factors impacting the economic climate, and it is unlikely that these issues will change in the foreseeable future. At the same time, new market opportunities continue to emerge. Bühler considers itself well positioned to continue a growth path in the running year and beyond.

“During the past two years of coronavirus crisis, we have learned to master the demanding environment with a strong purpose and value orientation, with a positive mindset, and a focus on innovation and on people,” says Mr Scheiber.

“We look forward to again bringing decision-makers and partners from the global food, feed and mobility industries together. We would like to create positive, accelerated, and sustainable impact together with our partners.”