

Recycling

International

Diversification a must for
paper recyclers

Country report: Thailand

Chill wind blows through
end-of-year trading

All in the family

Germany's Schuy Recycling looks to the future

Germany's Schuy Recycling turns 100

All in the family



Michael Schuy (right), his daughter Jacqueline and his son Lucien. 'They will lay the base for the next hundred years of the company and business.'

As president of EuRIC, the umbrella organisation for the European recycling industries, he combats ever-more complex European rules and laws that are frustrating the daily work and operations of recyclers. At home in Limburg, Germany, Michael Schuy is the third generation owner and managing director of Schuy Recycling. In 2019, the company celebrates its 100th anniversary and daughter Jacqueline and son Lucien are being prepared to take over.

It is business as usual on this early midweek winter morning at the Schuy Recycling headquarters and main scrap yard at Limburg an der Lahn, a half-hour drive north-west from Frankfurt. Trucks with ferrous scrap come and go; material handlers are busy loading and unloading. Yes, business is OK, confirms owner Michael Schuy. However, as in every scrap operation, there are always problems to cope with. 'One of our shears is broken and now the scrap is piling up,' says Schuy as he guides me around the 80 000 m² facility. 'Trust me, we are going to tackle this as soon as possible. The show must go on.'

LOGISTICS HEADACHES

Apart from damaged equipment, there are concerns of a different kind keeping Schuy and his fellow German metal scrap recyclers awake at night. A major lack of truck drivers increasingly frustrates scrap transportation. 'Like most recyclers, we are constantly searching for drivers,' says Schuy. 'We do our best but it is extremely difficult to find one.'

To make things worse, due to the extreme dry summer and autumn, the water in western Europe's rivers has reached minimum levels which has made the use of inland waterways to transport scrap almost impossible or at best complicated. According to the German steel recyclers confederation BDSV, you normally use only one ship for a typical volume of scrap. In November 2018 six ships were needed to do the job. 'Clearly, in just a few months all this has dramatically pushed up recyclers' costs,' argues Schuy.

A SOLID BUSINESS

It is not the first time Michael Schuy has been confronted with setback.

Having been in the family business for almost 40 years, he has seen both bad and boom times. Schuy Recycling has survived them all. This year, the firm celebrates its 100th anniversary and the entrepreneur is proud of reaching that milestone. 'There will be a big celebration for our employees and business relations.'

MAJOR SCRAP SUPPLIER

Claimed to be among the largest privately owned recycling companies in Germany, Schuy Recycling handles on average 7 000 tonnes of ferrous scrap per month – the amount used to build the Eiffel Tower in Paris. In addition, the company processes roughly 250 tonnes of non-ferrous scrap. In addition, Schuy owns two sister companies: Röhrig Recycling in Altenkirchen, north of Limburg, and Born Recycling in Butzbach, north of Frankfurt. The latter business he took over in the summer of 2018. In total,

TERM ENDS FOR EURIC'S FRONTMAN

'The EU should promote and support the circular economy, not hamper it,' Michael Schuy said in his role as president of the European Recycling Industries' Confederation (EuRIC) during the body's latest annual conference. Schuy, who will retire as EuRIC's frontman in the second quarter of 2019, has repeatedly called on the European Commission to simplify regulations so they can become a helpful tool rather than a major headache frustrating recycling companies and businesses across the continent. 'Running a business in the recycling sector becomes more challenging each day and requires us to constantly adapt to ever-changing rules and market conditions,' he says. EuRIC will elect its new president in the next couple of months.

COVER STORY



A look inside Schuy's 'scrap art' hall.



EUR 4 million were invested in the complex (background) that is currently the company's stylish headquarters and office building.

the three companies handle 10 000 tonnes of ferrous scrap per month.

WELL EQUIPPED

The main pieces of equipment used at the Limburg yard include a dozen material handlers – one of which is a Sennebogen 830, three balers and a 1 000 tonne cutting force shear from Lindemann. According to Schuy, EUR 1.5 million will be invested in a new shear within two years. 'We need additional and stronger shear capacity and hope to receive the permits for this within the next couple of months.' In the early 90s, a special foil was installed at the main yard to protect the ground from environmental pollu-

tion. This yard is supplied by some 1 300 scrap collectors and smaller scrap companies. 80% of the business comes from 10-12 customers Schuy Recycling delivers to – predominantly German car and steel producers located within a radius of 80 km from Limburg.

STYLISH HEADQUARTERS

Schuy Recycling is a healthy EUR 30 million-a-year turnover company (group annual turnover amounts EUR 40 million), not dependent on the banks, according to Schuy. 'We innovate and renovate out of our own resources whenever necessary,' he says. The most recent project has been the

renovation of a building formerly owned by the German railways. EUR 4 million were invested in the complex that is currently the company's stylish headquarters and office building. Inside, eye-catchers include pieces of modern art adorning the light, spacious rooms while the museum room is furnished in the style of the 1920s using the chairs and desks that belonged to Rudolf Schuy, Michael's grandfather and company founder. 'This room is very important,' says Schuy. 'Not only for me but also for future generations who will lead Schuy Recycling. It is good to know where we come from.'

NEW KIDS ON THE BLOCK

The complex also houses the canteen, cloakroom and showers to serve the 50-plus workforce. 'For the younger generation, it is important to work in a modern, innovative environment.' That new, fourth generation leading Schuy Recycling towards a bright future is Michael's daughter Jacqueline (26) and his son Lucien (27), who have been active in the firm for some years. Jacqueline will become a future managing director while Lucien is in charge of logistics. Schuy's third child, Charlène (24), will join the firm as soon she has finished her study. 'Together with a team of dedicated managers, they will lay the base for the next hundred years of the company and business.' ■

LOGISTIC HURDLES TEMPER RECYCLERS' OPTIMISM

Only 7% of German steel recyclers expect business to improve in 2019, according to a survey by the German steel recyclers confederation BDSV. The US tariff policy, increasing trade disputes and high public debt in major scrap consuming countries such as Italy and Turkey, have all put a brake on economic growth. In addition, many scrap businesses across Germany having to cope with a shortage of skilled workers and increased paperwork say these factors are proving to be an obstacle to growth. The biggest headache among recyclers, however, is a lack of truck drivers. According to BDSV, logistic bottlenecks increasingly challenge recyclers, exacerbated by a lengthy drought that affected inland waterway transport during the second part of 2018. Cargo ships could not be fully loaded due to the low water, making additional cargo space necessary. 'For steel recycling companies, this means massive cuts in operations,' says BDSV. 'Sometimes, material could not be accepted because there was a lack of storage capacity.' All this has led to rising costs. The road toll for trucks, in force since July 2018 on all federal highways in Germany, was due to rise in January, putting further pressure on costs, BDSV insists.