

Case Study

Swallowfield plc.

Swallowfield plc, based in the West of England is a European leader in the contract manufacture of cosmetics and toiletries. It produces the highest quality products for most of the world's leading brand names as well as 'own label' for supermarkets and stores. It has a significant R&D presence in Devon.



Contract manufacture of all products is under continual threat as customers demand ever more sophisticated products at even lower prices year on year.

Swallowfield decided to seek a lower cost manufacturing base for some of its more labour intensive products in Central Europe where production and quality control could be exercised easily. The company turned to Alpha to identify possible options including acquisition, sub-contract and establishing a wholly owned subsidiary. The scope covered Central Europe as a whole and visits were made by Alpha and Swallowfield to several interesting prospects.

However, Swallowfield decided to keep management control of manufacturing in house and elected to have a purpose built factory constructed in Tabor, South Bohemia in the Czech Republic.



During this construction and build up phase, Alpha was given responsibility for project management of the facility and the recruitment of management, specialists and workers. The project was successfully completed at the end of 2007 and the facility officially opened in January 2008.



Swallowfield will receive substantial benefits from cost savings over the UK. In particular the high quality labour force remuneration will be between 1/4 and 1/5 of UK rates. In the future, the location in Tabor is ideal for shipping product to all countries in mainland Europe.

For further details of Swallowfield plc, see www.swallowfield.com.