

CHAPTER I

INTRODUCTION



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I.1. History of Company

I.1.1. General History of Unilever Establishing

The Unilever Company which initially named Lever Brothers was established by William Hasketh Lever and James Darcy Lever from England in 1885. Initially, that company produced soap with Sunlight brand. That Sunlight soap pieces were covered with anti fat paper and packaged in a covered box. With the support of good marketing concept, packaging, and advertising, Lever Brothers was grown rapidly. Then, toilet soap with Lux and Lifebuoy brand were produced by Lever Brothers Company.

In Holland, there was a Margarine Uni Company which was owned by Van der Bergh family. Because of higher demand from the consumers and some similar companies were grown, this company was merged with Margarine Union Company owned by Anton Jurgens from England in 1927. The combination of those companies was named Margarine Unie which was located in Holland and produce margarine.

Lever Brothers and Margarine Unie expanded their company in European and both of them had some similarities. Both of them produced a high number of products for their consumers, had a wide distribution line, and use same raw materials. On 1 January 1930, those companies were merged and named Unilever. After the merger, Unilever Company was grown rapidly becomes a giant company in the world which

had two centre offices, Unilever Limited in London (England) and Unilever N.V. in Rotterdam (Holland).

L1.2. History of Unilever in Indonesia

In Indonesia, Unilever was established on 5 December 1933. One year later, on 15 December 1934, a soap factory named Lever's Zeepfabrieken N.V. at Jalan Pangeran Tubagus Angke, Jakarta was built based on the notary public's certificate Mr. A.H. Ophrysen no. 23 and legalized by Governor van Nederlansh Indie based on the decision no. 14 on 16 December 1933. This company was then listed to Raad nan Justitie office on Jalan Batavia 3 on 9 January 1934. This company started producing soap on Jalan Pangeran Tubagus Angke on October 1934. The product produced initially was cleaning soap and then toilet soap. And then, in October 1936 a margarine factory with Blue Band brand was built at the same location and named Van Den Bergh's Fabrieken N.V.

In the next development, with diversification of products in the sector of toothpaste and other cosmetics, Unilever took over G. Dralle cosmetic company in Surabaya on November 1941 and named Maatschappij Exploitate der Colibri Fabrieken N.V. The activities of Unilever was stopped for a while when Japan came to Indonesia and started to operate again after The World War II ended. In 1948, Unilever bought Olie Fabrieken Archa N.V. oil factory to ensure the availability of virgin oil continuously for its production.

In 1964, Unilever activities in Surabaya and Jakarta was fully observed and controlled by Indonesian government. Because of a better condition, in 1967 the

company was given back to Unilever based on the decision of "Departemen Perindustrian Dasar, Ringan, dan Tenaga". Since 1967, Unilever was operated based on "Undang-undang Penanaman Modal Asing (PMA)" no. 1 in 1967. And then, in 1970, Unilever built a detergent factory which produced Rinso. Because the virgin oil was easily got from oil treatment local factory, oil Archa factory was closed in 1978. Some assets from that Archa oil factory such as land, building, and machines, sold in 1980.

In the development in 1980, reorganization or consolidation from some Unilever company in Indonesia was done. All passives and actives from Van Den Bergh's Fabrieken N.V. Colibri and Archa were moved to Lever's Zaapfabrieken N.V., and the company's name was changed into P.T. Unilever Indonesia. And then, in 1981, P.T. Unilever Indonesia sold its 15 % investment to the public. The result of that investment selling was used to expand production of this company in Jakarta and Surabaya.

The next development was that the building of Elida Gibbs cosmetic factory in 1982 and Toilet Soap factory in 1990 in Rungkut Surabaya, and also Walls ice cream factory in Cikarang in 1992. The Elida Gibbs and Toilet Soap factory are now known as Personal Care (PC) and Personal Wash (PW) factory, which are located on Jalan Rungkut Industri IV / 5-11, Surabaya 60291. The head office of P.T. Unilever Indonesia is located on Graha Unilever, Jalan Jendral Gatot Subroto Kav. 15, Jakarta Selatan 12930.

I.1.3. P.T. Unilever Indonesia, Tbk.

The purposes of P.T. Unilever Indonesia, Tbk. building are:

1. to get economic advantages for the company because this aspect determines the continuation of a company;
2. to increase the economic social status of populace by providing working field for populace and giving the education fund;
3. to apply the development of knowledge and technology in producing consumer's goods; and
4. to increase the added value for basic materials, oil, which is the side product of fried oil industry.

There are two factories in P.T. Unilever Surabaya, as mentioned below.

1. Personal wash factory which produces toilet soap.
2. Personal care factory which produces personal care product.

I.2. Plant Location

P.T. Unilever Indonesia Surabaya was located on Jalan Rungkut Industri IV / 5-11, Surabaya 60291 which locates 7 hectares land area. That location is a part of industrial estate SIER (Surabaya Industrial Estate Rungkut). The location of factory was shown in figure I.1.

The reasons of factory site selection in Rungkut are mentioned below.

1. Rungkut is an industrial estate.
2. Rungkut is near to means of transportation, 3 km from Wonokromo terminal and 15 km from Tanjung Perak port.

3. Rungkut is near to the marketing area, 6 km from the centre of Surabaya.
4. There are facilities, such as electricity, PDAM, telecommunication, and waste treatment which are managed by P.T. SIER.

The boundaries of P.T. Unilever Indonesia, Tbk. Surabaya are mentioned below.

North : P.T. Surubuki, P.T. Murty Kurnia Utama

South : P.T. Rungkut Cahaya Industri, CV Erka, P.T. Surya Adisakti

East : P.T. Trakindo Utama, P.T. Irwan Kencana 8

West : SIER public building

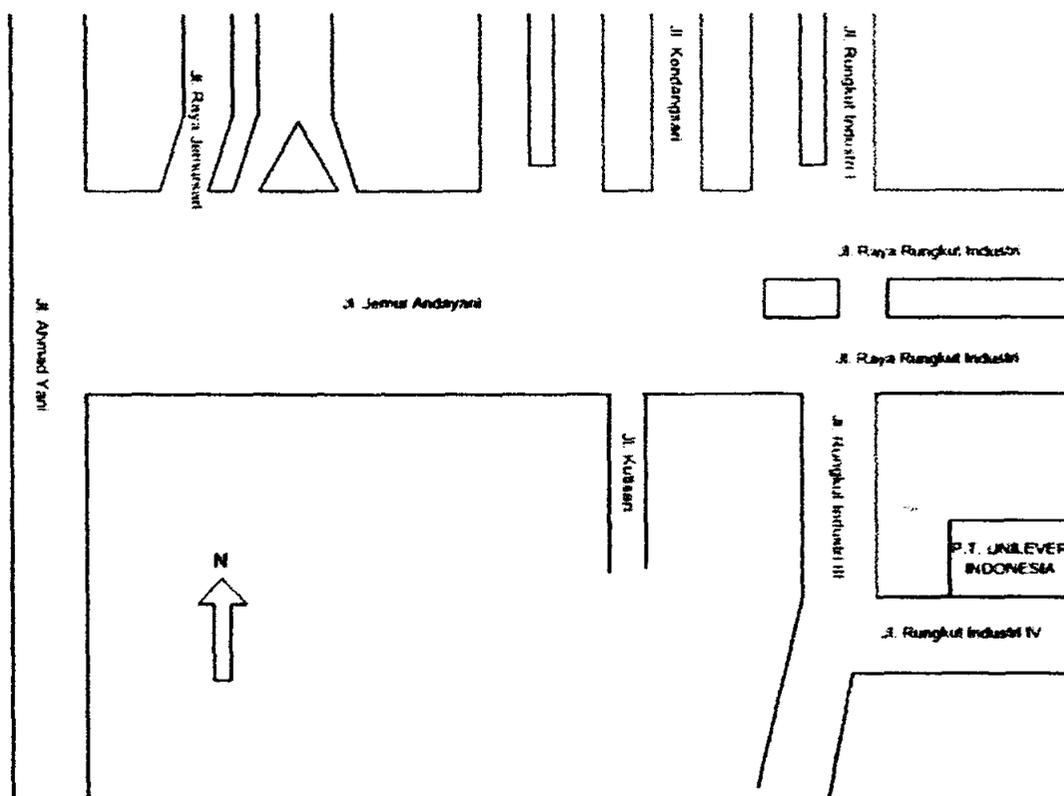


Figure I.1. Plant Location of P.T. Unilever Indonesia, Tbk. Surabaya

I.2.1. Plant Lay Out

Plant lay out is the arrangement of factory which consist of machines placement, employee work place, and product and raw material lay out. This plant lay out will determine the efficiency of room utilization and the total efficiency of process production. The plant lay out of P.T. Unilever Indonesia, Tbk. Surabaya can be seen in figure I.2.

Some factors below are considered for plant lay out arrangement.

1. Land for the plant building.
2. Plant development possibility.
3. Energy and material distribution calculation according to the economic.
4. Building condition which are consist of operational simplicity, employee work safety, equipment safety, equipment reparation, plant safety, employee freshness, and energy and time efficiency.

Plant location is a very important thing, because it's affect the plant life and the plant development. The strategic plant location will be give a profit in economical side rather than the non strategic plant location. Plant location which is far from residential area is more profitable in the plant development side and pollution handling rather than if the location is close with the residential area.

I.3. Products of P.T. Unilever Indonesia

As an industry which initially produced soap and margarine, P.T. Unilever Indonesia started to expand its work by producing daily need products, such as

toothpaste, toilet soap, and cosmetic products. These are products and its trade label which produced by P.T. Unilever Indonesia factories.

1. **Cikarang Factory, Bekasi (Food and Non-soap Detergent Division)**
 - a. **Washing soap: Rinso, Superbusa, Omo, Sunlight, and Surf**
 - b. **Dishes washing soap: Sunlight and Vim Powder**
 - c. **Margarine: Blue Band**
 - d. **Tea: Sariwangi and Lipton**
 - e. **Cooking spices: Royco**
 - f. **Ice cream: Walls**
 - g. **Baby care: Puddle**
 - h. **Washing fragrance: Comfort and Molto**
 - i. **Shampoo: Sunsilk, Organics, Dimension, Clear, Brisk, and Lifebuoy**
 - j. **Hair cream: Brisk**
 - k. **Deodorant: Rexona and Axe**
2. **Kecap Cap Bango Factory, Subang, Jawa Barat**
3. **Rungkut Factory, Surabaya (Personal Wash and Personal Care Division)**
 - a. **Solid soap: Lux and Lifebuoy**
 - b. **Liquid soap: Lux and Lifebuoy**
 - c. **Tooth paste: Pepsodent, Pepsodent Junior, and Close Up**
 - d. **Lotion: Citra, Ponds, Vaseline, and Dove**

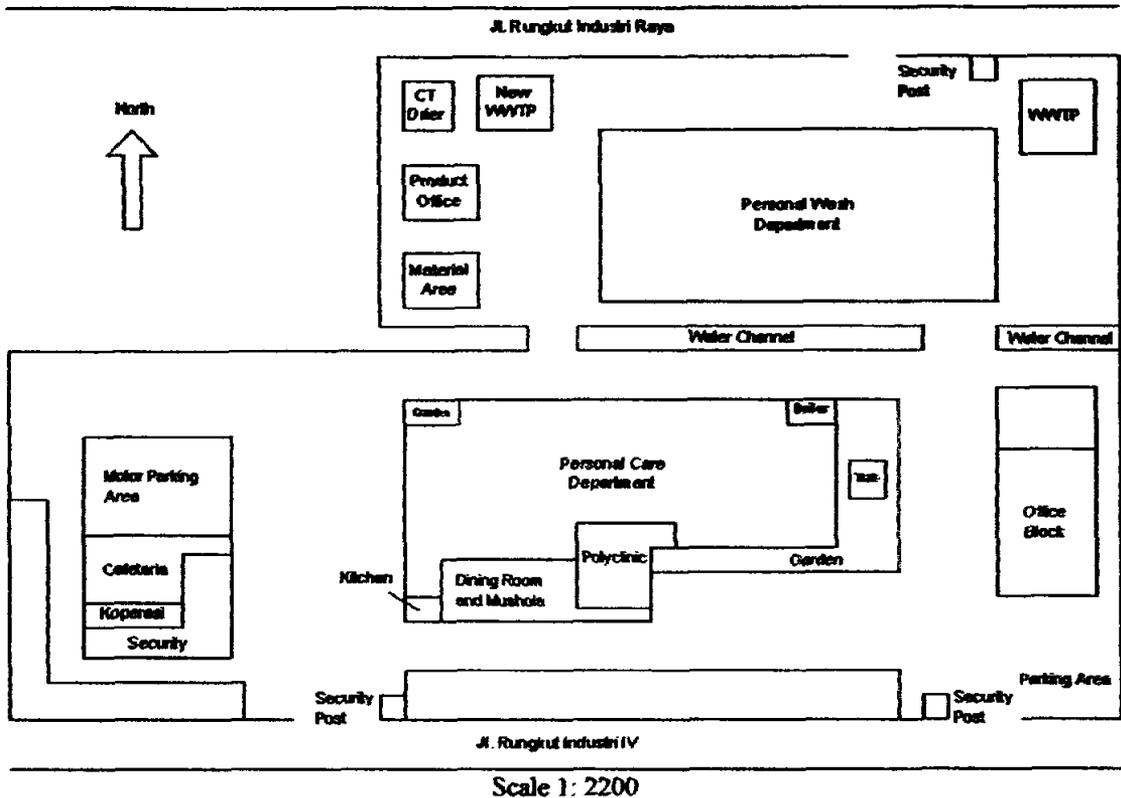


Figure I.2. Plant Lay Out of P.T. Unilever Indonesia, Tbk. Surabaya

L4. Objectives of Field Practical Work

Field practical work is one of requirements for undergraduate student to achieve Bachelor of Engineering degree in Chemical Engineering Department, Widya Mandala Catholic University Surabaya. The objectives of field practical work in P.T. Unilever Indonesia, Tbk. are mentioned below.

1. To get a real illustration about process structure and processing system.
2. To understand the production process input, such as raw materials, energy, and employees.
3. To understand the production process output, such as side products, energy, and wastes.

4. To know the process equipments' characteristics.
5. To get a real illustration about working organization, management system, and company's economical side.
6. To know the environmental work in the field.

L5. Brief Description of Production Process

The production of toilet soap and glycerin treatment in Personal Wash (PW) Factory P.T. Unilever Indonesia, Tbk., Surabaya is divided in some parts which are mentioned below.

I. Processing Unit

1. Continuous Soap Making Unit

In this unit, saponification reaction occurs between oil mixture and caustic soda (NaOH) to produce soap (which is known as neat soap) as the main product and glycerin as the side product.

2. Lye Treatment Unit

Lye which consists of 25 % glycerin from Continuous Soap Making Unit will then treated by adding specified chemicals (acids, bases, polymers, and the others) to eliminate NaOH content and soap excess.

3. Crude Glycerin Unit

Glycerin content in the lye, as product from Lye Treatment Unit, will be increased from 25 % to 80 % by evaporating the water and taking the salt which is left in the lye.

II. Finishing Unit**1. Drying Unit**

The purpose of this unit is to increase the Total Fatty Matter Content (TFM) in the soap from 63 % (neat soap) to 77 % (Lux) or 76 % (Lifebuoy).

2. Packing Line Unit

In this unit, soap chips from drying unit will completely treated in colour, contents and shape by the addition of additives, forming, and packing.