The key to cockroach control?

Issue 26
March & April 2013
Thinking outside the box

Babolna Bio at a glance
- Turnover euro 13 million (around £11.5 million) made up of:
  - 43% international sales
  - 42% domestic sales
  - 11% pest control services
- 112 employees (plus 36 on the servicing business Babolna Bio Pest Control Ltd)
Sales rose gradually from the launch in 1992 but, since the early 2000s, growth has accelerated rapidly.

Babolna Bio or, to give it its full name Babolna Bioenvironmental Centre Ltd, is relatively unknown in the UK although one of the company’s brands, Biopren, which is based on the Insect Growth Regulator (IGR) S-methoprene, has already built a reputation here for Pharaoh’s ant control. A ready-to-use formulation of the same active substance is also sold in the professional market as a trigger spray for bed bugs and fleas. These are soon to be joined by a concentrate, Biopren BFS 6 EC, for the control of bed bugs which is currently in the latter stages of the approval process with the Health & Safety Executive (HSE).

The company still also holds UK approvals, under the old system, for a range of bromadiolone-based rodenticides under the Protect brand name, but currently these are not sold in the UK market. However that’s a situation which the company’s managing director Dr Dániel Bajomi hopes will soon change: “Along with three other companies – PelGar from the UK, Activa from Italy and the Spanish company Agrochem – we have successfully defended bromadiolone under the Biocides Directive. This means that it is now listed on Annex 1.”

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is

Associate editor, Helen Riby, travelled to Budapest in February to check out Babolna Bio, a European company which specialises in the production and marketing of public health products. She found a rapidly growing company, full of innovative thinking.

József Schmidt in the development lab
Norbert Kormos in the development lab’s rodent breeding unit

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is

Subsequently Babolna Bio has submitted seven formulation dossiers. The first of these, a double waxed compressed block for sewer baiting, achieved the first authorisation from the Swedish authorities last October. “It is our first product approval under the BPD and the mutual recognition system. We hope for two more approvals soon, this time via the UK’s HSE,” adds Dániel.

Babolna Bio is also well on the way to achieving Annex 1 listing for S-methoprene: “Although you can never be certain about these things, we are hopeful that we will receive authorisation towards the end of this year, or early next,” he says. “Our company’s philosophy is to have very good products at the right price. This seems to have ‘hit the spot’ for customers. Over the past few years we have noticed a big change. We used to be the company making contact with other companies. Now we are the company that other companies want to talk to.”

Holding authorisations for the active substances and approvals for the formulated products it manufactures is central to the Babolna Bio strategy. But, this does not come cheap.

Own development facilities

Millions of euros are being invested. This includes investment in its own development laboratories to help produce the scientific evidence required to support EU product applications. The labs are located on the same site as the head office, which is
handily placed for the brand new Budapest Liszt Ferenc Airport, on the outskirts of Budapest.

Importantly, the company also synthesises its own active substances – bromadiolone and S-methoprene – at this location. However the final products themselves are all produced at the factory in the small town of Bábolna, about 60 miles outside Budapest and from which the company takes its name.

But, let’s go back to those seven formulation dossiers – grain, pellet, loose, mixed and fresh bait, plus compressed and extruded blocks. Seven is four more than most other rodenticide companies. So why, when each dossier costs a small fortune to produce, has the company submitted so many?

The answer lies in the company’s approach to product development. Unlike the big multinationals, where public health pest control is a very small part of the business and managers are often moved around every few years, Bábolna Bio has one focus and plenty of pest control experience. Daniel, for example, has been in the business for over 40 years.

In-house pest control service

The trump card, however, is having access to in-house pest control servicing experience. Bábolna Bio Pest Control Ltd is a wholly owned subsidiary. It employs 36 people and has been providing a full pest control service since 1965. It is also the organisation largely responsible for making Budapest the largest state-owned companies in Hungary. To give some idea of the scale, in the late 1980s, it employed around 7,500 people.

Today after considerable effort and a huge loan – which is by now almost fully repaid – the company is owned by its management and, unusually for Hungary, 60% of employees are owners of the business.

In fact, they even have a ‘mother company’ and I soon realised Bábolna Bio is just a small part of what was one of the biggest state-owned companies in Hungary. To give some idea of the scale, in the late 1980s, it employed around 7,500 people.

However, the company’s history goes back much further, to 1789 in fact, the year of the French Revolution when the Austro-Hungarian Emperor established the Bábolna stud farm which provided horses to the Hungarian cavalry. To this day horses continue to be bred at the Bábolna stud.

It was in 1965 that the Bábolna Pest Control Centre was founded as part of the enormous Bábolna agricultural corporation. This was in response to a rat problem in the company’s poultry enterprise and led to collaboration with a German company, Bayer, who provided the technology, in the form of a brand new and very effective product, coumatetralyl. The rats were controlled and the reputation of the pest control business spread. Other companies began to ask for help and pest control became a new service offered by the big agricultural corporation.

In 1989 political change began and the ‘mother company’ was split-up – pig breeding, poultry, horse breeding, pest control and many other businesses were split-off.

Today after considerable effort and a huge loan – which is by now almost fully repaid – the company is owned by its management and, unusually for Hungary, 60% of employees are owners of the business.

János Daru explains: “Household and veterinary products are important to our business. In our domestic market we have a 22% share of the household market. This is currently being threatened by legal changes in Europe. But, the answer to the problem of consumer mis-use must be to use technology to ‘engineer’ out the risk. For example, by providing rodenticide bait in sealed trays which fit straight into bait boxes, there is no human contact with the rodenticide.”

Choosing to ban amateur use will have one result. It will create a huge black market for rodenticides and lead to a much higher risk of misuse.”

János continues: “Globally across all markets, we have sales in 44 countries, with our main export markets being Switzerland, the USA, Australia, Romania and the UK. Brands include the rodenticide range under Protect, the IGR products marketed as the Biopren range, Peststop, for professional insecticides and Biostop, the name used for non-tox ‘green’ products such as the sticky traps.”

A fascinating history

OK, it’s obvious once you think about it, but, I suppose, I hadn’t really engaged brain. It was only when my hosts started to explain the origins of Bábolna Bio that I realised this used to be a communist state. They kept referring to the ‘mother company’ and I soon realised Bábolna Bio, as we now know, is just a small part of what was one of the biggest state-owned companies in Hungary. To give some idea of the scale, in the late 1980s, it employed around 7,500 people.

Attila Romázs in the S-methoprene synthesis plant

Importantly, the company also synthesises its own active substances – bromadiolone and S-methoprene – at this location. However the final products themselves are all produced at the factory in the small town of Bábolna, about 60 miles outside Budapest and from which the company takes its name.

But, let’s go back to those seven formulation dossiers – grain, pellet, loose, mixed and fresh bait, plus compressed and extruded blocks. Seven is four more than most other rodenticide companies. So why, when each dossier costs a small fortune to produce, has the company submitted so many?

The answer lies in the company’s approach to product development. Unlike the big multinationals, where public health pest control is a very small part of the business and managers are often moved around every few years, Bábolna Bio has one focus and plenty of pest control experience. Daniel, for example, has been in the business for over 40 years.

In-house pest control service

The trump card, however, is having access to in-house pest control servicing experience. Bábolna Bio Pest Control Ltd is a wholly owned subsidiary. It employs 36 people and has been providing a full pest control service since 1965. It is also the organisation largely responsible for making Budapest the largest state-owned companies in Hungary. To give some idea of the scale, in the late 1980s, it employed around 7,500 people.

However, the company’s history goes back much further, to 1789 in fact, the year of the French Revolution when the Austro-Hungarian Emperor established the Bábolna stud farm which provided horses to the Hungarian cavalry. To this day horses continue to be bred at the Bábolna stud.

It was in 1965 that the Bábolna Pest Control Centre was founded as part of the enormous Bábolna agricultural corporation. This was in response to a rat problem in the company’s poultry enterprise and led to collaboration with a German company, Bayer, who provided the technology, in the form of a brand new and very effective product, coumatetralyl. The rats were controlled and the reputation of the pest control business spread. Other companies began to ask for help and pest control became a new service offered by the big agricultural corporation.

In 1989 political change began and the ‘mother company’ was split-up – pig breeding, poultry, horse breeding, pest control and many other businesses were split-off.

Today after considerable effort and a huge loan – which is by now almost fully repaid – the company is owned by its management and, unusually for Hungary, 60% of employees are owners of the business.
A visit to the company’s factory in the small town of Bábolna gave me a first-hand opportunity to see how the products are made. And the first thing I discovered is that plant manager, Vince Pozsár, is a key member of the development team. This means that product ideas are immediately assessed for their ‘manufacturability’. However he admits that the task of producing the Protect Revolution bait system was quite a challenge.

As my hosts, taxi drivers and translators from head office, Susan Papp and Erika Erdei (who, fortunately, both have impeccable English) explained, the factory itself is on the huge site which used to be completely occupied by the ‘mother company’. My tour began with the specialised aerosol unit which produces spray insecticide cans for the household sector. Like the rest of the factory it operates to international manufacturing standards and also undertakes contract manufacture.

Next was the sticky trap line followed by the specialised packing line which, on the day of my visit, was packing clothes moth traps for the consumer market. It was then on to the compressed block rodenticides, complete with double waxing process, to protect the bait from the harsh conditions in sewers.

The wax block extruder wasn’t working on the day of my visit but the special line developed to produce the aroma permeable trays and the unique revolution bait system was.

This specially designed and engineered system starts with a flat sheet of plastic, moulds the trays as either single or duo units depending on the product being produced, before filling them with rodenticide or rodenticide and gel and sealing the trays with appropriate cover – aroma permeable film for the rodenticide and a foil moisture retentive cover for the gel in the Revolution system.

Being winter, the insecticide line was not operational but these products are also made on the site. Interestingly I spotted lots of moth traps dotted around the factory. This is because of the large amounts of grain handled. They have to take as much care to avoid infestation as a flour mill!