The future is now!

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FEFCO Vice
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Corrugated: circular by nature and ready for a sustainable future!

Saverio Mayer  
FEFCO Vice President

It is a great honour to have been elected by the FEFCO General Assembly as a Vice President. Let me assure you that not only do I see this as a sign of trust, but also as an obligation to provide input to this European association’s work, and to take our industry forward.

We live in a time of great opportunity with the possibility of gaining momentum in the discussions around the EU Plastic Strategy. European institutions such as the EU Commission were surprised by the general public’s strong reaction to the strategy, which was the biggest ever experienced at the launch of a new piece of legislation. The enormous public response shows that society is very concerned about the pollution of oceans, our environment and subsequently the whole food chain.

We, in the Corrugated Industry, have always known that using paper-based packaging is a “worry-free” choice with regards to environmental impact. The material is 100% recyclable and it is truly circular because after collection all of it goes into the recycling process. New paper used to produce corrugated packaging contains 88% fibres that have already been used at least once. And a new study has proven that a single paper fibre can be recycled at least 25 times – that means 25 return trips of our fibres. Impressive figures. And best of all: if corrugated – by accident – really ends up in the ocean, it dissolves within 2 months without creating harm to any species in the ocean’s population.

Very few people in the institutions and few of our customers or consumers are aware of these fundamental advantages that Corrugated offers. This is the reason why FEFCO is making an extra communication effort addressed directly at the European decision makers. Often called the political “bubble” at European level, we are targeting these people to make them aware of why Corrugated paper packaging is the best choice. The campaign focuses on the circularity of Corrugated (remember: we are already world champion!) and on recycling, using both print and more social media. And we are happy to see that the messages and images are being widely used by member associations all over Europe, thus creating a multiplying effect of what we are doing in Brussels. With the increased pressure of the circular economy and growing sales channels such as ecommerce we expect exciting times for our industry!

FEFCO presented its recent campaign at the Summit 2018 in Stockholm. An event like this is composed of three elements: content (speeches), socialising and learning about the host country. All participants were enthusiastic about the beauty of Stockholm in bright sunshine and they all acknowledged the superb quality of all speeches. The most common comment was “the best Summit ever”.

Congratulations to the team in charge of the organisation!

With bright sunshine and 23 °C the weather offered a magnificent welcome to the FEFCO Summit in Stockholm, hosted at the Brewery Conference Centre.

200 participants from the corrugated industry attended the event running under the theme “Circular by Nature”. A very relevant title since the discussions around the Circular Economy have been very intense in the past months. This was the common theme running through the two day event and we all know that our industry is a very efficient user of resources, minimising waste and reducing environmental impact. It is reassuring to see that the EU institutions, with the recently launched EU Plastic strategy, is acting to push other industries, especially the plastic industry, to become more responsible. This decision was of course discussed and commented upon during the conference sessions. High-level speakers gave presentations on a broad
list of topics, such as key market trends, sales strategies, the development of e-commerce in Europe and retail and end-user’s expectations resulting from this. The programme was very diverse and the feedback from attendees was very positive; just to quote one of them “Excellent presentations and market insights and great networking opportunities”. Too bad for those who missed it!

Conference Wrap-up
24 May 2018

On the first day, an impressive speaker line-up addressed key strategic issues. Jan Klingele, FEFCO re-elected President, welcomed the participants. He highlighted the recent achievements of FEFCO and its committees’ work that constitute the core base of the activities in the technical field, EU affairs, communication and events. He then mentioned the opportunities ahead despite the challenging market situations, principally regarding the supply of raw materials. Jan also moderated the first day of the conference.

Thorbjörn Sagerström, President of SWIF (the Swedish Corrugated Packaging Association) kicked off the day. He noticed that the expectations regarding the corrugated industry have grown significantly over the years, giving the industry some opportunities to expand, progress and innovate. He added that despite inroads from e-commerce, “retail is NOT dead” and this might increase expectations further. He also took the opportunity to introduce Sweden, the host country, and gave the audience some interesting facts on the forests, elks, IKEA, Zlatan Ibrahimovic and the Nobel Prizes!

Saverio Mayer, CEO Europe of Smurfit Kappa and newly elected FEFCO Vice President, gave the first keynote speech and tackled many topics. He demonstrated how the industry is characterised by steady growth, a growth that could be sustained the industry can satisfy the transformation resulting from omni-channel retailing, which means many different sales channels and customer types to satisfy. He mentioned the need for efficiency, security and agility: “The greater the demands for corrugated, the greater the complexity to manage, and the more opportunities we have to make the difference.” According to Saverio Mayer, this could be done by, among other initiatives, investing in automation, but also by continuing to invest in sustainability especially since customers are more and more concerned by environmental topics. “The fight against plastics is a perfect opportunity for our industry – we are renewable, biodegradable, and recyclable – ticking all the boxes”. This we can certainly all agree on.

The industries that will win in the future are those that can handle trends and the complexity of the polluted world.”  

Eduardo Posada, CEO of Grupo Gondi, was the second keynote speaker. He presented the Mexican market, a real eye opener for
the European industry. He gave his views on the various paths to growth. Technology was one of the drivers, because it evolves rapidly and allows us to respond to ever-changing customer demands which push the industry to innovate and provide the best packaging. As Posada said, the large companies have not killed their predecessors, they have simply used the technology in the best possible way to better serve their customer. This is something we should keep in mind within our industry, to be more customer, employee and environment centric.  

"We are fortunate enough to work in a company that produces the best product ever invented: light, resistant, recyclable boxes that not only protect the customer’s product but convey a message to the consumer."  

Eduardo Posada

Pia Sandvik, CEO of RISE research Institutes of Sweden, a network of Research and Technology Organisations offering a wide range of competencies and research and development services, gave a forward-looking presentation on innovation. She explained why this is a key factor for economic growth in Sweden and highlighted the importance of research in the field of cellulose-based materials and the enormous possibilities that can be generated from it. To remain competitive in the future, companies will need competencies and cross-border expertise in different technology areas. In this regards, RISE can assist the corrugated industry in its quest for innovation. Then, Pia presented the RISE test beds consisting of the most advanced testing equipment for the paper-based packaging industry. Furthermore, Marco Lucisano (VP Papermaking & Packaging, RISE) highlighted the results of a study called "A cellulose based society", analysing and exploring the environmental concerns of consumers and citizens and their attitudes towards more responsible consumption. The outcome shows that consumers like bio-based solutions and ask for more efficient recycling systems. He also teased the audience by revealing the huge R&D investment of Amazon that was needed to create a new business model. He encouraged the industry to follow this example!  

"Complex challenges require cross-border solutions and fast paced innovation."  

Pia Sandvik

Emma Watkins, Senior Policy Analyst at the Institute for European Environmental Policy (IEEP), explained how EU policy has changed over the last decades, with a shift in thinking from waste to circularity. She listed and summarised the decisions regarding the Circular Economy, notably the recently adopted new recycling targets per material. The target for paper & board packaging is of 75% in 2025 and 85% in 2035, the highest recycling rates among materials. She also reported on the new single-use plastics proposal which according to her could provide impetus for material substitution and also new market opportunities for paper and board products as they could provide a suitable and more sustainable alternative.  

"A lot of waste is made from plastic – according to European statistics the demand for plastic is 49 million tons but only 6% is currently recycled, which makes the recycling targets hard to reach for plastic."  

Emma Watkins

Nathalie Schneegans (FEFCO Communications Director) presented the association’s highly successful communication campaign, “Circular by Nature”, which focuses on demonstrating the overall recyclability of Corrugated Packaging and its circularity. For additional information please read the article on the FEFCO Campaign on pages 8 and 9.  

"Our communication strategy aims to enhance the image of the industry and promote the outstanding benefits of corrugated."  

Nathalie Schneegans
Mats Lindgren, CEO and founder of Kairos Future brilliantly concluded the first day with a very forward-looking presentation. His aim was to open the eyes of participants and get them prepared to adapt their ways of working in a “thought driven” economy. This means implementing more open and collaborative systems and using a systematic approach. In a society where innovation is a top priority for business leaders, he gave some insights on the changing performance drivers and how big data and artificial intelligence are driving business innovation and shaping the field of innovation.

“ If you want to grow faster than your competitors think ahead with at least 7 years anticipation,” Mats Lindgren

Angelika Christ, FEFCO Secretary General, opened the second day of the conference in a very packed room. She highlighted the importance of listening to the customers in this rapidly evolving retail environment. Throughout the morning speakers demonstrated how a close partnership between all players could benefit the whole supply chain and the end-consumer.

In his address, Daniel Bornemann, partner at Simon-Kucher & Partners at enthusiastically explained how to optimise a company’s strategy, marketing and sales to boost revenue and profits. He shared his knowledge on the best strategies to put in place to deliver better value. Among others, he underlined that often simple rules lead to simplistic behaviour. This is not what companies should be doing if they want to install a value-based logic. He reminded the audience that clear understanding of market segmentation, customers and order differentiation are key to a successful pricing strategy. Changing the consumer’s perception of value will allow companies to reduce the pressure on margins and escape the commodity trap.

Delegates enjoyed the presentation of Neil Osment, Packaging market researcher and retail expert at NOA-Prism, on mega-trends and their implications for European Corrugated Prospects. Osment said that “the outlook for the corrugated industry has never been better”. Nevertheless, the industry needs to continue to be responsive and to adapt to the changing demands of customers. E-commerce sales have significantly boosted the market for corrugated packaging but the focus on ‘light weighting’, ‘right sizing’, sustainability and an overall drive for a reduction in packaging might lead to an overall slowdown in the growth of paper consumption in the longer term. Another important growth factor is the pressure to move away from plastic. Neil Osment believes that this substitution will not happen overnight, it will take time (maybe 10 years) mainly because investments in machinery and packaging equipment can only happen gradually. In addition, the outlook for SRP (Shelf Ready Packaging), that has been very positive for years, seems to be possible declared Ian Schofield, Own Label Manager at Iceland Foods. On 16 January 2018, when Iceland announced that they would completely ban plastics in their private label by 2023, the reaction was huge. He called on the packaging industry to take the challenge of creating plastic-free packaging. Iceland released some packaging guidelines to help suppliers adopt the right packaging options; the new designs have to be more sustainable, efficient, and economical. He concluded his speech by “we agree with the Circular Economy, it’s going to happen”.

“A switch to a more sustainable packaging alternative seems to be possible” Ian Schofield

“ It is not only fish – plastic packaging is affecting our entire food chain” Ian Schofield

RISE Packaging Science Center inauguration

RISE offered the participants an exciting visit to their newly opened Packaging Centre. The exhibition, organised at different stations, showcased examples of today and opportunities for the future, like bio-based barriers or corrugated board with bio-based glue. The demonstrations and prototypes attracted the attention of the participants, like 3D printed objects, paper for energy storage, package with electromagnetic shielding and others.

“ The corrugated industry in Europe is growing rapidly, with forecasts suggesting an increase of up to 4.4% in Central and Eastern Europe in the next couple of years.” Neil Osment
Uwe Streiber  Lead & Senior Manager, Warehouse Consumables at Zalando, emphasised the importance of packaging. With Zalando shipping 30 million parcels per year, the demand for paper-based packaging is high. Zalando consumes the equivalent of 10,000 football fields of corrugated packaging per year. The box is the most important touchpoint, because it is the first point of contact with the customer. With the help of the corrugated industry, Zalando has simplified packaging design, reducing handling time by 50% and reducing the level of emissions at order level by 7%, all at the same time as improving the brand experience, said Uwe Streiber. As customer convenience is one of Zalando’s key concerns, it uses boxes that can be easily returned by customers. The design incorporates a second tear-strip that allows the customer to reseal the box and ship it back to Zalando with the unwanted product inside.

“Big issues are returns to warehouses, complexities in productivity, efficiency and sustainability and a big focus on driving convenience for the customer.” Uwe Streiber

Ulf Tillman, Sustainable Paper Expert at IKEA, highlighted the importance of packaging which is an integrated part of the product development process and the product offer. “It is also a brand builder” he noted. Ulf Tillman presented the democratic design concept, which is totally in line with IKEA’s vision to create a better everyday life for the many by offering products that are affordable, practical and more sustainable. With around 3.5 billion shipments per year, huge efforts have been put into optimising logistic efficiency. IKEA took an essential fundamental decision when they switched from wooden pallets to corrugated pallets. Furthermore, IKEA keeps experimenting with and developing mono-material packaging solutions, to make it easier for customers to recycle. This is why they have removed polystyrene from their flat packs. With the growth of e-commerce, IKEA is developing new packaging solutions and ideas to meet the demands of each sales channel.

Get-together Dinner on 24 May

This year’s Summit Dinner took place at the Växholm Fortress and participants enjoyed the idyllic weather conditions during the cruise to the island of Växholm. The cruise and drinks were kindly sponsored by SWIF, the Swedish National Corrugated Association. At the dinner, Secretary General of SWIF, Lennart Uhlman welcomed the guests and gave a short history of Växholm Fortress military base. After the dinner FEFCO members enjoyed a short walk around the island and had the pleasure to watch the sun set while returning to Stockholm.

The drinks served at the cruise to Växholm Fortress were sponsored by SWIF.

The dinner was served at the former military base Växholm Fortress.
Gary Saunders, Chairman of the FEFCO Market & Environment Committee, and Thomas Maiwald, (FEFCO Market & Environment Director), presented the positive results of an industry initiative led by FEFCO and national corrugated board associations, to help a major retailer adopt a well-designed corrugated packaging solution for transporting and displaying fruit and vegetables. Gary Saunders told the story of how this project was brought to life, and that despite some obstacles the outcome was positive and beneficial for all - definitely a great example of supply chain collaboration.

In his closing address, Jean-Paul Macharis, FEFCO Vice President, encouraged the industry to build on the momentum created by the increasing consumer demand for sustainable and recyclable packaging. There are fantastic opportunities in e-commerce, in the fight against food waste, and future technical developments that will allow corrugated packaging to stand out! He also thanked the FEFCO committees for their hard work and engagement in the common interest of the industry and the FEFCO team responsible for this successful Summit 2018. He encouraged members to join future FEFCO events!

HP Seminars
HP organised two well-attended seminars during which participants were invited on a digital printing journey. In a short time, they discovered key innovations and breaking news on pre and post print solutions and market trends with real examples of digital adoptions. The HP team shared its experience and key learnings from the digital pioneers. Participants could also touch and feel some real examples of digitally printed packaging and displays.

Cocktail reception sponsored by HP
The opening reception of the Summit 2018 started with a welcome speech by Angelika Christ, FEFCO and Lennart Uhlman, SWIF.
Corrugated paper packaging, the recycling champion

FEFCO Campaign Update

For the past two years, the strategy of the Market and Environment Committee has been to communicate the many strengths and benefits of our material to retailers, packaging end-users and the EU Institutions.

With the importance of the Circular Economy package in 2017, FEFCO communication focused on the Circular Economy theme, with a successful campaign that was built around the slogan “Circular by Nature”. The waste package, one of the most important pieces of legislation for our industry, was officially adopted in April 2018. During these past months, FEFCO has communicated far and wide the circularity, renewability and recyclability of corrugated, which are some of its key benefits. This has been done with the support of many association members who have helped us spread our messages and campaign materials throughout Europe. We have been very active in social media, especially on twitter and we have developed specific gif animations that have been seen and shared by a wide audience with sometimes more than 90,000 views.

In 2018, the anti-plastic movement has shown that citizens and consumers are more and more concerned about the recyclability and sustainability of their packaging. In response to this, the EU Commission has unveiled its ambitious Plastic Strategy, the aim of which is to propose a more “circular approach” to the plastics industry. It presents a vision, sets goals in terms of sorting, reuse and recycling of plastics and proposes directions to respond to the many environmental challenges of the plastics industry.

In this context, FEFCO continues to use this momentum to highlight and advertise the extraordinary recyclability of corrugated, especially as this is a weakness of plastic and is not always well understood. In the past weeks, FEFO has been spreading the word both in the main social media channels to reach a broad
audience, and also on more specialised media targeting EU stakeholders and packaging decision makers.

For the first time, in May 2018, FEFCO advertised in Politico, (the leading European media platform in Brussels). We encourage you to read the article in Politico [https://www.politico.eu/] by simply typing FEFCO in the search button. The aim of this new campaign is to reinforce the sustainability image of corrugated and to reach EU decision makers working on Circular Economy issues.

This campaign ran simultaneously in various retail and packaging online platforms and magazines.

With this revitalised campaign, FEFCO will increase knowledge about recycling thanks to a simplified visual of the corrugated recycling loop showing the endless uses of recovered fibres. FEFCO is proposing a series of visuals showcasing several types of packaging and end users’ experiences.

You can see some examples of the new campaign in these two pages but also on the various FEFCO social media channels. FEFCO counts on your active support, so please follow us on Twitter, Facebook and LinkedIn. You can also disseminate FEFCO communication materials and spread the message.

Share these with your colleagues, friends and acquaintances... in person and on social media. Like us, retweet and share - our messages know no borders!
EU Activities

After two years of discussions and negotiations, the review of the Waste Directives, which are part of the Circular Economy package, was officially published.

The updated Waste Framework Directive (WFD), the Packaging and Packaging Waste Directive (PPWD) and Landfill Directive (LD) entered into force on 4 July 2018. As directives, they have to be transposed into national legislation, which should be completed within two years. What is in them that concerns us?

First, there is an increased recycling target for all packaging (65% by 2025 and 70% by 2030). Paper packaging, as the most recycled type of packaging is expected to make the highest contribution (75% by 2025 and 85% by 2030), compared to plastic (50% by 2025 and 55% by 2030). All other materials have targets in between.

Secondly, there is a requirement to establish an Extended Producers Responsibility (EPR) scheme for all packaging by the end of 2024. For countries where this is not the case today, it could mean a smaller or greater impact on the financial contributions for the waste management schemes.

Thirdly, materials that are separately collected for recycling shall not be incinerated anymore, and by 2030, no waste suitable for recycling may be put in landfill. The positive impact of this will be that more valuable materials will enter the recycling streams.

The Commission has already started working on a series of guidelines, delegated or implemented acts which will support the waste directives on several technical aspects. FEFCO is closely following this and is prepared to engage when needed.

The EU Plastic Strategy is under discussion at the European Parliament and the Council, with conclusions expected soon. Meanwhile, in May 2018 the Commission published its proposal for a directive to regulate certain plastic products, with an emphasis on single use plastics and litter prevention. The ambition is to have it adopted before the legislative term of this Parliament ends in 2019. The scope of the directive is solely for plastics, but the current text allows for different interpretations that may see some paper products covered as well. FEFCO together with the paper value chain is actively working to reconcile this.

FEFCO is organizing a workshop for a fourth consecutive year. These one-day events are dedicated to a specific technical topic as part of our production process, which is of high interest to our members and suppliers.

In 2018, the focus will be on the Corrugator, which is the heart of our business. This is the first essential step in making corrugated boxes and has a major impact on efficiency, waste reduction and quality throughout the manufacturing process in our corrugating plants.

The objective of this event is to develop and exchange good practices to improve corrugator running speed, increase reliability and optimize the process control, leading to improved corrugator performance.

This is a unique opportunity to see new developments and upgrades proposed by the corrugator manufacturers and discuss with colleagues future challenges and opportunities.

We look forward to welcoming you to Brussels on 20 September 2018.

More information and online registration is available on the FEFCO website www.fefco.org/fefco-workshop-corrugator-heart-our-business.
The Czech National Library in Corrugated Cardboard!

Design and create an original model of the Czech National Library exclusively from corrugated cardboard? That’s the task that contestants were set for this year’s “Corrugated Cardboard Constructions” competition, an annual event organised by the Czech Union of Corrugated Cardboard Manufacturers in cooperation with the packaging company EKO-KOM.

This year’s winner was the Technical Institute and High School of Civil Engineering from the town of Vysoké Mýto. The finals were held on 13 June 2018 in the Mirror Chapel of Klementinum, the seat of the National Czech Library and the competition was held under the auspices of the Ministry of the Environment. Guest of honour at the finals was Angelika Christ, General Secretary of the European Federation of Corrugated Board Manufacturers (FEFCO).

The “Corrugated Cardboard Structures” competition has been running for 12 years and has long illustrated the many benefits of corrugated. “Corrugated cardboard is a packaging material that is not only very versatile with a wide range of applications, but it is also environment-friendly. It is made of renewable sources and is 100% recyclable. Compared to other packaging materials, corrugated cardboard is far better in terms of sustainability and CO2 reduction goals,” said Adam Wisinger, Chairman of the Czech Union of Corrugated Cardboard Manufacturers.

A total of 28 civil engineering schools from across the Czech Republic entered this year’s competition. Students had several months to create a cardboard model with six of the best structures advancing to the June finals. The competition theme reflected a society-wide discussion about the need for a new modern seat for the National Library, which has over 7 million documents in its care, and which receives annually more than 700,000 visitors, putting it on a list of the most important libraries in Europe.

Director General of the National Library, Dr Martin Kocanda, explained why a new National Czech Library was the theme of this year’s competition. “The Klementinum has been the centre of Czech education since the 13th century. However, running a modern library in the 21st century with all the modern elements and aspects needed is unrealistic. We have again raised the question of a new building, and welcome all ideas and suggestions. I was excited by the idea to create a competition around this issue and agreed to join the project without hesitation.”

The competition had several new aspects this year. Students were asked to incorporate used cardboard into their models, and additionally to show the interior design of the building. A new category entitled “Best presentation on a given topic” was also introduced for the first time and was won by the Civil Engineering Secondary School from Ostrava, who also came third overall.

Second place winners were the Josef Gočár Secondary School of Civil Engineering from Prague and the winner of the category “Best corrugated cardboard packaging” was overall competition winners the Technical Institute and High School of Civil Engineering from Vysoké Mýto.

Future builders competed for prizes worth a total of 42,000 CZK (around 1,600 euros).

The finalists’ models will be on display at the Klementinum until 31 August 2018.
FEFCO Activities

FEFCO Governance
At the General Assembly on 22 May, Dr. Jan Klingele (Managing Partner, Klingele Papierwerke) was re-elected as President and Jean Paul Macharis (President, VPK packaging) was re-elected as Vice-President. Saverio Mayer (CEO Europe, Smurfit Kappa) was elected as first term Vice-President and Nina Iversen (Managing Director Glomma Papp) was confirmed as honorary Vice-President.

FEFCO Board
Chris Murray (Cluster Managing Director UK & Ireland, DS Smith) will replace Richard Coward on the FEFCO Board of Directors as of September 2018. In June, Richard Coward handed over the Presidency of the CPI Corrugated Council after serving as President for 8 years.

National Association Directors
In May, Lennart Uhlmann retired as Managing Director of SWIF, the Swedish Corrugated Association. FEFCO welcomes Klas Elm as incoming SWIF Managing Director.

New Members
A big welcome to new members who have recently joined FEFCO.

Corresponding members
Royal Containers Limited
www.royalcontainers.com
Canada

Sympathiser members
Lamina System AB
www.laminasystem.com
Sweden

Flint Group Ltd.
www.flintgrp.com
Sweden

Events

FEFCO Workshop - Corrugator: the heart of our business
20 September 2018 – 10.00-17.00
Van der Valk Hotel Brussels Airport Culliganlaan 4b – 1831 - Diegem
www.fefco.org/fefco-workshop-corrugator-heart-our-business

Save the date!
FEFCO Technical Seminar 2019
9-11 October 2019
Palexpo, Geneva, Switzerland

Forum Wellpappe 2018
26 September 2018 – 11.00 - 12.30
Congress Center, NCC Ost
Raum St. Petersburg

ProPak China 2018
11-13 July 2018
SNIEC Pudong Shanghai, China
www.propakchina.com/en

PPMA 2018
25-27 September 2018
NEC, Birmingham, UK
www.ppma.co.uk

Fachpack
25-27 September 2018
Exhibition Centre Nuremberg
www.fachpack.de/en

PACK EXPO
14-17 October 2018
Chicago, IL USA
www.packexpointernational.com

Fruit Attraction
23-25 October 2018
Feria de Madrid, Spain
http://fruitattraction.com/en

Corrugated cardboard bust of Winston Churchill created to launch CPI campaign BeyondTheBox on D Day