

IN EARLY AUGUST 2014, THE NEWEST CORRUGATOR ENTRANT TO THE UK OPENED ITS DOORS FOR BUSINESS.

AN EXCLUSIVE REPORT BY DANIEL BRUNTON

CorrBoard UK NOW A REALITY

In late September 2012, the rumour mill went into overdrive when we exclusively published a statement from Corrugated Synergies International, Inc., the Seattle, US-based specialists in sheet feeding and corrugated operations, confirmed the set-up of a sheet feeding plant located in the UK. At the time, the company stated that, "The timing is right for a new entrant into UK sheet feeding, bringing an independent alternative and extending capacity in a relatively tight market."

The speculation that followed was worthy of its own gossip column in the tabloid press! Who was

involved; who was funding it; where would they build; what machine would they buy; who would be in charge; would it even get off the ground. All the nay-sayers are now silenced. The site is up and running and the impressive 2.8m duplex corrugator is producing board – and plenty of it.

Why now?

CSI's business model is one of pulling together progressive, like-minded sheet plant owners who can not individually justify their own corrugator. The model has worked very well in the Americas, many times over. CSI's industry experience over the last three decades or so, extends to the establishment of nine sheet-feeder operations throughout the US and Canada. In addition, a sheet feeder in Mexico went live recently, three major full-line corrugator equipped box plants have been established as far afield



Simon Holmes and John Perullo.



as Chile, along with sheet plant and other existing plant improvements, all on behalf of clients worldwide. This represents a total of 15 full line corrugators as well as multiple upgrades to existing machines.

Their entrée to the European market is possibly not that well known. “CSI had looked at coming to the UK back in 1994,” recounts John Perullo, President and CEO of CSI. “Unfortunately, things just didn’t pan out at that time. In 2006, we took yet another look at the UK market to see if we should make a go of it, but we came to the conclusion that the UK market was well served, as there had been some recent consolidation. CSI’s decision was to shelve the project again.”

But then, what followed in the next decade paved the way for the culmination of a well researched and fully funded project, affectionately called ‘Secret Squirrel’ by the founding partners. “There has been a great deal of consolidation over the last decade and we felt that the time was right to get the project underway,” explains Mr Perullo. “A group of privately owned sheet plants came to the table as they needed a new dimension of sheet supply to fully service their needs. The demise of



Western Corrugated had in part opened the way for our project, so work started in early 2012 to draw up the stake-holders and put together the blue print.”

Mr Perullo adds, “The introduction of additional capacity, using the latest technology and advanced manufacturing methods, will significantly improve our partner’s sheet plant capabilities and subsequent performance benefits to their customers. We believe that improving the current service levels to UK sheet plants will enhance their flexibility and competitiveness without disrupting the overall market for corrugated products.”

Where are they?

Operating from a 320,000 sq ft facility in Scunthorpe, Lincolnshire, CorBoard UK is housed in a building that started off in life as the home of Hypac and more recently Mondi Hypac. “We had been doing a

lot of research into leasing a suitable building,” explains Simon Holmes, CSI’s Managing Director for the CorBoard UK project. “We tried to position the plant as central as possible to parties involved and of course, this map changed shape over the duration of the project as we gained or lost a prospective partner. However, we struggled to find anywhere suitable for lease and then the old Hypac site was presented as an option. Our initial thoughts were that it was way too big for us, but when we looked at the cost for an outright purchase, it made much more financial sense for us to own the land and real estate than to lease elsewhere. We also discussed the project with the local council, who were keen to incentivise us to move there – we secured significant employment grants the more people we employed — a win-win for us and the community.” As of the official start-up, CorBoard UK employs 55

people, running two shifts. The company confirms that within the next 12 months, that number is likely to increase to 100 people.

“Some of the team are ex-Mondi people who have experience with corrugated,” continues Mr Holmes. “However, we were keen to bring in fresh faces, new ideas and to ensure we get the most out of the machine we didn’t want too many pre-conceived ideas from operators — well over half of the team are brand new to corrugated, which is good.”

In its previous life, the factory had been home to two corrugators and many converting lines with materials handling and storage. Anyone who visits the site over the coming months will no doubt be aware of the physical size and scope of the factory, something CSI will no doubt look to leverage with its partners.

Interestingly, there is no sales team. “As our stake-holder partners will account for a majority of the machine output in the early stages, we have no need to put salesmen on the road,” states Mr Holmes. “The last thing we want anyone in the UK market to think is that we are desperate to sell capacity, because that is simply not true. We will grow our production capacity as our partners grow their businesses. We are producing top quality board and deliver efficiently – this will help our partners and our outside customers to grow. We

have no need to attract low margin business to meet our output capacity. Our philosophy is one of being a true service supplier. Our prices will be realistic and well positioned.”

Green corrugator

With an exceptional team of technical people, CSI had a wealth of experience to draw on when deciding which machine to specify for the CorrBoard project. The company specified a state-of-the-art Fosber line. The machine, which is 2.8m in width, is a duplex line capable of running B, C and E flute, as well as finer flute formations.

The machine has some enhanced and modified characteristics, (which the company declined to discuss), as well as a Kohler glue unit and a complete suite of control systems from Escada. JKSP Services were the chosen contractor for the installation of the corrugator and overall project management for all equipment. The starch kitchen was supplied and installed by Crespel & Deiters which utilises their high performance starch. Plant scheduling is undertaken using Avista’s board plant software, a package that CSI has used at its other project sites. This is believed to be the first time



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Kohler Glue Unit

Avista has been used in Europe.

Stacks of board are taken away from the downstackers by way of a Semi materials handling system and finished stacks are strapped on Mosca unit presses. Interestingly, the company opted for palletless stack formation, something that each of the stake-holder partners progressively adopted. "We met with the partners and showed them why no pallets. Once they understood our reasoning and looked at what they needed to do at

their own plants, it became clear that there would be significant advantages to each and all." says Mr Holmes.



"The order from CSI for the new corrugator at CorrBoard UK was important and significant for Fosber," explains Massimiliano Bianchi, General manager of the Fosber Group. "I can not emphasise how proud we are to be associated with CSI and with this project in particular. We have enjoyed a long and close relationship with CSI in many projects in America, so we were already familiar with their professionalism and commitment to constantly push the boundaries on innovation and technology. This new project for the UK is no exception. CSI's decision to select the highest possible technical specifications on the new

corrugator is a further testament to their uncompromising approach in this respect. This corrugator is one of the most technically advanced lines in Europe, not only in terms of performance, production flexibility and new innovations, but equally importantly it will also be one of the 'greenest' lines ever installed. CSI's decision to fit Fosber's bespoke full line Environmental Enclosures provides an operator-friendly working environment. All this is then fully complimented with systems that allow the line to produce board at the lowest possible steam pressures and temperatures, as well as enabling maximum energy recovery and re-use."

Team work

The 55 strong team of employees has worked hard with all the contractors to be up and running within budget. Mr Perullo is quick to point out that although CSI is the project co-ordinator, each of the stake-holders played important roles in the launch. "All of them have been involved in some way or other," he states. "Whether it was negotiating with local council for Grant funding, or assistance in securing contractors, every single one of them has been critical in our successful launch."

Unlike its earlier projects in the Americas, (where CSI fulfills project management responsibilities only), at both CorrBoard UK and Cartro (a recent Mexico City sheet-feeder), CSI is one of the stake-holders. "Our partners have told us that having

us as a stake-holder has certainly put their minds at ease," confirms Mr Perullo. "To be quite frank, CSI were happy to invest as we recognised the enormous potential of this project. The more we worked the model, the more we realised that this project would have a huge impact in the way the stake-holder partners would see growth in their own businesses. We wanted to be instrumental in them achieving these ends."

But one thing that really got CSI excited was the way that the stake-holders started to gel and develop ideas. "Put a group of entrepreneurs around a table and then sit back and listen," says Mr Perullo. "These guys are so excited by this project that is started to spawn other ideas and hone relationships further. Now they are partners in the CorrBoard UK

project, they have been able to look at ways they may further their sheet plant businesses by working together. Whether it be utilisation of casemakers, design expertise or using digital print, they have now seen that this is not just about putting in a corrugator and making your own board, it is so much more than that. CorrBoard UK should be the platform for the stake-holders to grow their businesses dramatically over the coming months and years – and all in the safety of knowing the board they will be running will be of the best quality achievable anywhere in the market. This is synergy at its best, it's in our name and it's what we do!"

It is certainly going to be interesting to see how the UK sheet feeding market reacts to the launch of CorrBoard UK. ■