April 18, 2022 VOL. 38. NO. 16

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AICC Associates Get Valuable Input From Member Box Makers

BY LEN PRAZYCH

Joe Morelli, Chairman of AICC's Associate Members, has been working with his executive committee on ways to address declining membership at AICC regional events. Member surveys have helped to bring more interest and focus to the events, which was successfully demon-



The AICC Associates Meeting featured a discussion among member suppliers and box makers. From left, Greg Jones of SUN Automation Group, Tim Connell of AG Stacker, Pat Szany of ACM, Matt Davis of Packaging Express, Gary Brewer of Package Crafters, and Finn MacDonald of Independent II.

strated at the Associates Meeting at AICC's 2022 Spring Meeting at the JW Marriott Desert Springs Resort & Spa on Wednesday, April 6.

More than 675 members attended the meeting and more than 100 attended the Associates Meeting that was perhaps the most informative and relevant ever conducted.

Morelli moderated a "round table" of three suppliers – Greg Jones of SUN Automation Group, Tim Connell of AG Stacker and Pat Szany of ACM – and three box makers – Matt Davis of Packaging Express, Gary Brewer of Package Crafters and Finn MacDonald of Independent II – with questions whose answers would bring value to Associate Members when calling on their box maker clients:

Morelli: Keynote speaker Mark Allen Roberts talked about how the pandemic would forever change the way sales process happens. As we've been coming out of the pandemic, has it altered the way you deal with your suppliers?

WestRock To Close Mill In Panama City, Florida

Norcross, Georgia based WestRock has announced that it will permanently end operations at its mill in Panama City, Florida. The mill employs approximately 450 and produces about 645,000 tons of containerboard, primarily heavyweight kraft, a year. Work at the mill is expected to end by June 6, 2022.

The company will switch the manufacturing of select grades of containerboard currently produced at the mill to its other facilities. Following the closure, West Rock will provide employees with severance and outplacement assistance in line with its policy and labor union agreements.

"A decision to close a facility and impact the lives of our employees is never easy to make," said WestRock CEO David Sewell. "As we implement our plans to close the Panama City mill, we do so with great appreciation for the many contributions of the team there. We are committed to assisting our Panama City team with exploring roles at other WestRock locations and outplacement assistance."

The decision to close the mill is part of WestRock's efforts to maximize returns on its capital and increase its assets' performance.

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AICC Associates (CONT'D FROM PAGE 1)

Brewer: We're back to normal, I like that we're back to face-to-face meetings. It's what we all like and what we all want. It's what I want.

MacDonald: It's not what we're doing as far as letting folks into our plant, it's what we're doing inside as far as getting groups together for training, trying to do working lunches and trying to get ahead of problems rather than reacting to them. Internally, as we open the doors to our employees it helps open the doors to our suppliers, as well.

Morelli: One of the statistics that Roberts mentioned was that 70 percent of business-to-business buyers are comfortable purchasing up to \$50,000 worth of product without ever meeting the supplier. Is that something that applies to you?

Davis: Yes, I think that applies but it depends on the product or the piece of equipment that I'd want to be familiar with, like a bander or similar piece of machinery

Brewer: Yes, as long as you have a good "out" and good expectations of what the product is and how it will perform. I recently made a purchase of more than \$75,000 without meeting the folks.

MacDonald: Certainly if we know the supplier or know of them, they have a better shot of making a sale without ever seeing them. Carte blanche is still not something that we're comfortable with.

Morelli: We have a very experienced industry but we're noticing that a lot of purchasing agents are of a younger generation or they're Millennials. Do you have any tips as to how we may have to adapt to a younger buyer?

MacDonald: It's a mix of experienced gatekeepers versus newer entry level buyers. You still have a gatekeeper who will begin by telling you how long they've been in the in-



AICC Associates Chairman Joe Morelli of Huston Patterson.

dustry. Usually they're blocking a lot of good information from even getting into the company. So you've go to get around the gatekeeper to get to all the "hungry fish." I'm willing to help, but they've got to find a way to figure out the challenge.

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AICC Associates (CONT'D FROM PAGE 24)

Morelli: Most box makers feel that post-pandemic, they could be a lot more efficient with their time if they're not dealing with suppliers day in and day out. How much of that do you think is still true or do you think "old school" relationships are going to be around forever?

Davis: I think those relationships are going to be around for a long time. And to your earlier question, spending \$70,000 without seeing our supplier might be our threshold but any bigger, we want to have a relationship. During the pandemic, we never missed a shift. We're used to going into the office and it's still business as usual. That's how we're making decisions. We still want to see our suppliers.

Morelli: So aside from having a great product, what makes a great supplier?

MacDonald: A lot of the relationships I've developed were built over dinners and the exchange of information. We have people in plant who weren't in those positions three years ago. We're open to opportunities for new relationships but we have a deperate need for knowledge and we need that information to be brought to us in a way that's accessible. Don't tell me how much you know; help somebody who knows nothing learn something. Take that first step. If you can do that, then you'll be able to crawl and then run with us pretty successfully.

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AICC Associates (CONT'D FROM PAGE 26)

Brewer: Educate me. We see different methods and practices from suppliers in several different industries. You [suppliers] are in all different types of plants and you see everything, so when you come into my plant, educate me on something you've seen somewhere else. And it may not be related to the product you're selling. I want to work smarter, not harder, so help me and educate me and in turn we can grow our relationship with you.

Morelli: During your onboarding process, do you lean on your suppliers to get new employees up to speed more quickly or is it something you handle internally?

Brewer: I would encourage suppliers to help us get our new people up to speed because this will form a deeper connection with me. If you're a "needs supplier," you'll help a new operator understand what the machine does and get him up to speed more quickly and how to make the machine perform properly. Bring your knowledge and experience to help take that burden off me. I'll appreciate that.

MacDonald: I would agree. The sale doesn't stop after you get the P.O. Help us establish best practices. We need that help all the way through. Come back six months after the sale and do an audit. Put a process in place that helps us catch any inefficiencies that may be happening. These are the kinds of things we really appreciate.

Morelli: One of the questions I had when I was a young rep in the industry was "How do I get to you?" Is AICC a good platform for one of our supplier members to put a "hard sell" on you or is it more of simply introducing themselves and getting to know you first?

MacDonald: It's tough, but getting to me is very different than getting to my plant manager or my design manager, my sheet buyer or my maintenance manager. One thing I would suggest is to use your network. Chances are that if five of you [suppliers] want to get to me, chances are that one of you is getting to me. Use your network to try to see who's trying to reach me. It's a great way of helping each other out. I think you are already doing a good job of that. Davis: For all the newer AICC members, I would encourage you to come to the meetings. I know some associates skip some of the meetings because they may be boring or not informative, but you also need to know that box makers are there. You need to keep coming to the meetings because that's the way you get to know people.

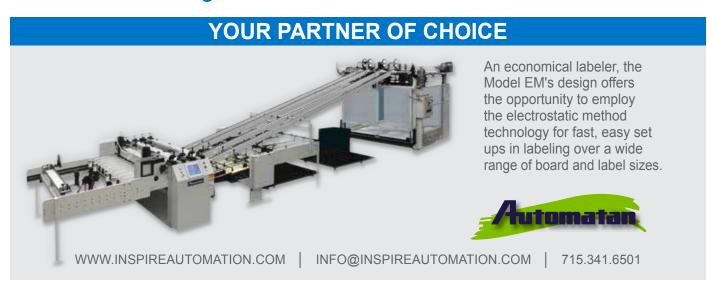
MacDonald: I stlll dedicate a good amount of my time to "old media" and our publications but I'm also extremely bullish and optimistic about our "new media" and a new channel that the Association is working on. I go through those print publications a page at a time -- usually at home and during down time -- but we're also seeing our people at the plant on their phones looking for information, like how to set a machine up or to see how something runs.

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AICC Associates (CONT'D FROM PAGE 28)

Jones: In my experience, AICC regional meetings and regional summits are a great way for new members to meet box makers and other suppliers.

Brewer: Here's a suggestion that most bankers are very effective with: Call us after five. Because we're there.

Morelli: Talking about machinery, considering today's business conditions and the climate we're in, how are you projecting down the road about the machinery you may invest in?

Brewer: I don't buy a machine and build a book of business around it. I build a book of business and then buy the machinery to support it. I'm not looking two years down the road. In the meantime, I might find a partner to help fill a need until I actually purchase the machine.

Morelli: Tim, you're now booking 30 percent of your 2023 budget. How are you managing that?

Connell: It's been a great advantage to us as a smaller company but the communication and the flexibility has been what's really helped us through the long lead times. We're here in the U.S. and a lot of machines are coming from overseas so the delays are on their side, not our side. It's been very challenging.

Morelli: Finn, you're building a brand new facility and putting in new equipment. What are your thoughts?

MacDonald: Time has allowed us to get ahead of the tightness we're in. There's an opportunity for a lot of different folks to be a part of this new growth. We have partners out there who will come to me with options and it's very refreshing to be able to have that. If you can do that, you'll be "in the mix" for a long time.

Morelli: With everything going on in the world today, and especially during the last several weeks, if there any hesitancy given the risk level we may be living in right now?

Davis: A little bit, to be sure, but the encouraging part is that we're blessed to be in this industry. It's been great during the pandemic and that habits have changed; people are ordering things online. The economists that spoke here at the AICC meeting encouraged us to buy equipment so that reinforces what we're doing and gives us confidence that the industry is strong and will continue to be despite inflation and uncertain times ahead.

Brewer: Hesitancy is not on the table. Our industry is doing well. We have our challenges, but we need to press forward, make decisions and keep pressing.

MacDonald: The world's going to slow down and people are going to want much more of the same and much less of what's different and that's part of what we do.

Morelli: Gentlemen, thank you for bringing something a little bit different to this meeting. Hopefully it has brought some value to everyone in the room. Thank you!