

A report by Daniel Brunton



Townsend Hook Mill

New team at **SMURFIT KAPPA PAPER SALES**

Following the merger of Smurfit and Kappa, integration of the two operations has resulted in plenty of benefits to the expanded group. One area that has certainly benefited is the paper sales division. From January 2008, a new team is in place to drive the commercial entity that is now known as Smurfit Kappa Paper Sales UK and Eire.

With investment in high quality printing machinery at record highs and the aggressive move from the industry to capitalise on Shelf Ready Packaging, the consistent supply of high quality corrugated casemaking raw materials (CCMs) has never been so important. Growth in demand for both coated and uncoated White Top liners is on the increase, as more and more boxmakers look to improve their margins by targeting more value added work.

When Smurfit and Kappa announced their intentions to merge, the most obvious talking point was the expanded network of production capabilities, for both paper and boxes. Both groups operated multiple mill sites, producing a diverse range of virgin and recycled grades. However, one of the most

important differences between the two paper operations — particularly in the UK — was that Kappa, (through their SSK mill), was more of an open market supplier, while Smurfit, (through Townsend Hook), tended to be an integrated supplier within the group.

“When we were given the job of consolidating the two operations and creating a new commercial paper sales organisation, we set to work in marrying the two cultures,” explains Paul Lythgoe, Supply Chain Director. “Having worked for Kappa for many years, most recently at SSK, we had some pretty well established systems in place that we have now successfully integrated into the other UK mill operation. We are still evolving in terms of taking the best from both operations and combining them into one, but we are not far away from the finished product.”

Brought in to head up sales was Martin Ferrari, well known in the UK paper industry. “With my background in high quality coated and uncoated liners, Smurfit Kappa gave me the opportunity to help them develop their commercial market and help drive through the implementation of this new entity.”

The new paper sales division, located from dedicated offices within the group — and referred to in their marketing

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SSK Mill



literature as ‘The Office of Choice’ — offers a dedicated team of sales and after sales co-ordinators, with years of experience in the supply of CCMs. Coupled with group-wide investment,

especially in White grades, the Paper Sales office has a budget figure of about 600,000 tonnes of CCMs for 2008.

The mill structure

To achieve this budget target, the office has access to almost 1.4 million tonnes of CCMs, produced at four mills throughout the UK, Scandinavia and Europe. The mills are as follows:

Pitea — (Northern Sweden).

This mill, with two paper machines, produces 700,000 tonnes of virgin paper. Both PM1 and PM2 have a wire width of 6.5m. The mill produces ‘Royal Cote’, a coated White Top liner in a range from 140 to 190gsm; ‘Royal White’, a White Top liner in a range from 125 to 200gsm; ‘Royal 2000’, a White Top liner in a range from 115 to 186gsm; ‘Royal mottled’ in a range from 125 to 200gsm and finally ‘Royal Brown’ in a range from 115 to 300gsm.

Townsend Hook — (Kent, England). This mill also runs two paper machines,





L to R: Martin Ferrari (Sales & Marketing Director), Andrea Johnson (Sales Office Manager), Tina Mitchell, Samantha Doy, Sian Franks (Sales Co-ordinators) and Paul Lythgoe (Supply Chain Director).

producing 265,000 tonnes of recycled grades. PM8 is a 4.4m machine, while PM7 deckles at 4.0m. PM8 produces Testliner 2 in a range from 120 to 220gsm; Testliner 3 in a range from 110 to 220gsm and Fluting from 100 to 150gsm. PM7 runs only Fluting, in a basis weight range from 90 to 150gsm.

SSK — (Birmingham, England).

Running PM4 with a wire width of 4.75m, this well invested mill produces 195,000 tonnes per year of recycled grades.

Production includes Testliner 2 in a range from 120 to 220gsm; Testliner 3 in a range from 100 to 220gsm and Fluting in a range from 105 to 150gsm.

Sturovo — (Slovakia).

Running one paper machine, the mill produces 200,000 tonnes of Semi-chemical Fluting (112 to 200gsm.)

Investment too

“Even so soon after the integration of the two companies, investment plans are already in place for further enhancing production,” comments Mr Lythgoe. “Whether it be the new shipping containerisation and systems we have put in place at Pitea, or comprehensive upgrades on the machine in Sturovo, we are committed to further improving quality and productivity to make us a world class operation.”

“We have a really diverse, consistent range of quality papers to offer,” comments Mr Ferrari. “From coated White Top through to Semi-chem, our aim is to really service our customers and ensure efficient, consistent supply. Couple this with our belief that the UK and Eire offers an excellent opportunity for us to expand our production capabilities, especially from our Pitea mill, and there is no doubt that we have hit the ground running — and aim to continue our growth. With the capabilities of the extended group at our disposal should we need it, Smurfit Kappa Paper Sales UK & Eire is in the perfect position to help boxmakers maximise their profitability. Our objective is to establish ourselves as ‘The Office of Choice’ in this market.”

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Sturovo Mill