

# Weedon

Group

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# Review of 2023 and a look into 2024

#### With John Weedon

A focus on sustainability and growth...



1)How was 2023 for The Weedon Group? 2023 has been a challenging year. With economic pressures and weak consumer confidence, the corrugated market is nearly 10% down on volume over 2022 numbers.

This has been especially felt in e commerce markets, where the heady days of lockdown e commerce volumes have been replaced by a return to more traditional bricks and mortar retailers. Paper prices have also fallen which has meant corrugated packaging customers have been pressuring the industry for lower prices.

Despite all this, The Weedon Group has performed well, with the business delivering on its budget numbers despite falling prices and cost pressures across the business. We have done well across all market areas including POS Display (October this year was the busiest POS month in our history). Transit and retail packaging demand from our customers held up and e commerce, despite a slow start to the year, eventually came through in a high demand peak season. This was also reflected in the sales growth for Weedon Direct.

12i renewed their Asda contract and have developed our work with The CO OP.

2)What has the Group done this year to address sustainability within the business?

Our customers are increasingly focusing on this area, and ensuring that their supplier base reflects their brands sustainability requirements. There is a great deal of work going on to address this within the group, and we passed our first sustainability audit from Selfridges last month.

# 3)Do you think the sector is going far enough on the issue of recycling?

Paper and cardboard recycling in the UK is a remarkable success story!

Approximately 80% of UK-made paper utilises recovered paper. This recovered paper, once collected, graded, and contaminants removed, becomes the UK's "Urban Forest" – a vital raw material for the paper and board industry. In 2019, 3.1 million tonnes of paper and cardboard products were collected for recycling.

# 4)What are the benefits of using corrugated packaging over returnable plastics?

1.Environmental Impact - Corrugated Cardboard gives a lower environmental impact compared to reusable plastic packaging, Eg Plastic Crates. While reusable, plastic crates have their own environmental implications. The break-even analysis suggests that plastic crates would need to Review of 2023 with John Weedon

#### **Design Focus**

Reducing waste, CO2 and costs through innovative design

Adding value through VMI

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Rissa Edge

be used for a minimum of 63 trips to outperform corrugated boxes. Unfortunately, the average reuse rate for plastic crates is only 24 trips.

2.Recycling - Corrugated Cardboard: It

boasts a recycling rate of 82.9%. The remaining portion is typically sent for incineration into energy generation, with the rest going to landfill, where it biodegrades.

**3.Performance Metrics** - Corrugated Cardboard: Outperforms reusable plastic crates in 10 out of 15 environmental impact categories, including CO2 emissions and water usage.

# 5) What is the Weedon Group vision for 2024?

Our focus is on 4 key areas:

- 1) Expanding sales growth in all areas.
- 2) To invest in key areas and improve efficiencies to deliver better quality.
- 3) To focus on delivering an increasing sustainable business.
- 4) Develop and support to our customers with innovative packaging solutions.

# **Design Focus**

In this column, we introduce some of the innovative ideas which our in-house graphic and structural designers have developed to solve specific problems for our customers.

## Adey

Reducing waste, CO2 and costs through innovative design

Adey are UK inventors and manufacturers of the MagnaClean® magnetic filter for domestic and industrial heating systems.

#### **The Problem**

 Adey approached The Weedon Group to review their corrugated packaging and see if we could identify ways to improve sustainability, cost reduction and add value to the business.

#### **The Solution**

- By flexo printing direct onto the outer liner and removing the litho printed paper element we saved paper usage over the annual volume.
- As a result of amending the blank size of the material needed to make the case we reduced the amount of paper used by minimising wastage from our corrugator when converting the paper into corrugated sheet.

- By fitting more packaging stock on a pallet we reduced the amounts of pallets and deliveries required into Adey's production site.
- This meant that by stacking more packed cases on a pallet, we reduced the amounts of pallets and deliveries required into the retailer.

#### **The Benefits**

- By changing the print method to flexo and reducing the blank size of the material, in a year, we saved almost 72 tonnes of paper (the equivalent of 1200 trees), and 1000 gallons of diesel fuel tansporting paper reels with a combined saving of 23 tons of CO2.
- By being able to fit more packaging stock on a pallet and reducing the number of deliveries, we saved a further 128 gallons of fuel, 3 tons of CO2 and an additional 37 trees, that



would previously have used to manufacture new pallets.

Read our other case studies to find out how we have used our expertise to solve specific packaging problems for our customers.

# What's New

### Ground-breaking, retailer compliant POS solutions for Hallmark.



#### What was the issue?....

Hallmark's card units are sent to store empty to be filled by merchandising teams on site. However, the tray needs to be pre-assembled due to complexities associated with assembly in store.

As a result of this, the transit outer is large and the cost to send these direct to stores can be expensive.

In addition, the retailer has a defined specification for these units, so the design and style has to conform once fully assembled.

The courier offers more competitive pricing for parcels that fit within a smaller footprint, so we were tasked to develop a solution that would fit within the couriers guidelines but would look and perform the same in-store.

#### What did we do?....

Our innovative design team looked holistically at the issue and addressed the needs of all parties (the customer, the retailer and the courier), and developed a clever solution that hinges and folds into a smaller outer, allowing us to meet the courier restrictions.

This solution looks exactly the same in-store, meeting retailer requirements and has the added benefit of being quick and easy for merchandisers to assemble and fill.

In addition to this, the new smaller outer uses less material and allows for more units to be stacked on a pallet before individual delivery to store.

A new and innovative solution to meet our customers needs!

# An Audience with...

#### **Rissa Edge - Internal Sales Executive**



# Q) How long have you been with the Weedon Group and what is your role within the company?

I have been a part of the Weedon family for nine years now. Currently I work as an internal sales executive but over the nine years, I have had various job roles which makes me very flexible to help other departments. I'll never shy away from helping even if that means I'm at my desk or on the shop floor – We are all here to hit the same goal and that's get orders out on time and in full.

# Q) What do you enjoy most about your role and what do you find most challenging?

The most enjoyable part for me personally is working on new projects and seeing all the hard work that goes on in the background come together. I would say the most challenging part to the job is not dropping the ball with your multitasking skills. I don't know if this role helped me with motherhood or if motherhood helped me with the role!

# Q) What do you think makes the Weedon Group unique in the marketplace today?

Having the Directors John and Peter working so closely with staff means that we can jump through hoops much sooner than most. We don't have a process ladder the length of a football pitch to be able to get support from them – Any issues and I know they are just a phone call or knock on the door away. Weedon Group is a family run business, and it shows throughout! Not only do I work with my mom Lisa, but I have a work mom, dad and aunties! We are such a strong team and I really do love the family that I have gained here at Weedon.

## Q) What innovations do you see making a real difference to our customers?

Anything that can remove one-use plastics. More and more customers are looking at alternative ideas and moving towards

corrugated which is great! Our i2i team are always eager to get their teeth into innovation projects and use their creative skills.

#### Q) What makes a 'good day' for you?

A good day for me is a happy team. What makes a happy team – Happy customers. Knowing that we as a team have pulled the impossible out of the bag has to be one of the most rewarding things. They say teamwork makes the dream work. It's not been a good day if I haven't made people laugh and smile. I don't care if you are laughing with me or at me... I made your day that bit brighter.

### Q) What do you enjoy doing in your spare time?

My main job in this world is being a mom to my two beautiful boys. As they are young, hobbies aren't really on my radar.

Although I do get to live my best life all over again when we go to the Wacky warehouse... I'm the daft parent who acts like a big kid! I love spending quality time with my children, family and friends. That can vary from walks over Cannock chase (my two dogs included!), parks, day trips out, cosy days snuggled in with a film, or in the kitchen baking.

If I'm not doing any of the above then I'm child free and at the pub with a very large gin, or two.

# Adding value to our customers through VMI solutions

As part of an end to end, integrated corrugated packaging solution, we offer VMI services at our Manchester and Hednesford sites.

# What does this mean for our customers and how does it work?

A Vendor Managed Inventory (VMI), system means that customers don't have to worry about ordering packaging or deciding on quantities.

Customers provide a forecast of potential use within a 6 week cycle in conjunction with weekly stock reports, and we take care of everything else!

We manufacture to ensure we always have sufficient stock to meet customer demand.

This frees up customers to make their own products without worrying. The system frees up space, reducing stock held on customer sites and increases cashflow, reducing the cost of storage.

## What is the difference between VMI and stock and serve?

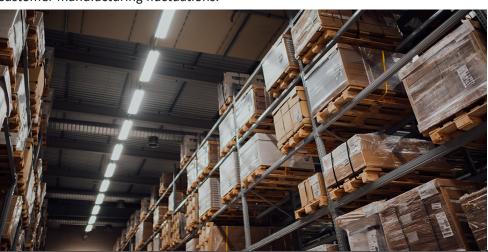
With stock and serve systems, the onus is on the customer to order a certain amount of stock. This stock is then held, awaiting delivery to the customer as and when required.

However, as we work to a fixed amount of stock (per order placed), it is not a dynamic process and doesn't allow for customer manufacturing fluctuations.

This could result in customers being out of stock or left with too much obsolete stock.

With a VMI system, we manage the peaks and troughs to ensure excess stock isn't held or that customers aren't left without packaging.

For more information on our VMI services, call 01543 423838 or email contact@weedongroup.com





# Wishing you a very Merry Christmas and a prosperous New Year!

From all of us at





# 2023... 3 things you may not know

1) The 'Weedon Warriors' took part in the final Staffordshire Ironman 70.3 triathlon in June!



As part of a relay team, Peter Weedon completed the 1.2mile swim, Sarah Howson cycled the 56miles into Stafford, where Scott Hastings completed the half-marathon run in scorching heat.

The team finished in a very respectable 7th place against very strong competition.

2) Both Weedon Corrugated products and Weedon PSC sites have achieved and maintained an outstanding 'AA' grade in recent BRC audits.

At the Weedon Group, we take pride in our strict quality procedures, ensuring that we provide the best packaging solutions to our customers. It is an important part of who we are to maintain our high standards and we are delighted to achieve 'AA' grade again, particularly from an unannounced audit.

This gives our customers peice of mind that our corrugated packaging is of the highest quality and safe to use for non-direct food contact.

# 3) Transit cases don't have to be plain!

Have you though about the value you can add to your business by printing on the inside and the outside of the box?

Our Manchester site have produced these cases for Dukeshill, with QR codes printed on the inside of

the box.
Clever use of print can drive vistiors to your website and increase sales through brand awareness!



# **Industry Insight**

A brief overview of the corrugated market in from 2019 to 2023...

- Corrugated volumes for FMCG declined steadily from Q1 2019 through to Q2 in 2023, but levelled out for the rest of 2023.
- Volumes for e-commerce and logisitics rose from 2019 levels to peak in lockdown due to the amount of online orderin, with a high point in Q4 2020.
- Q2 2021 saw an 51% increase in e-commerce packaging with a subsequent decrease of 11% each year to Q2 2023.

- Volumes for industrial, heavy duty and other categories also rose in 2021, with a peak in Q3. Since 2022 it has fallen away.
- Q2 2021 saw a 5% increase and Q2 2022 saw an increase of 8%. The year to 2023 saw a decrease of 24% each year.
- CPI Observations on UK corrugated December 2023



# Weedon

Group

Weedon Group Ltd, Anglesey House, Anglesey Business Park, Littleworth Road, Hednesford, Staffordshire WS12 1NR

Telephone: 01543 423838 Email: contact@weedongroup.com Web: www.weedongroup.com





