

## FOUNDATION

- in 1895

## EMPLOYEES

- small size company

## KEY PRODUCTS/ SERVICES

- producing paper products with a tradition of 124 years
- boxes
- cardboard
- packaging end use product (food, nonfood, primary, secondary)
- single use products

## KEY MATERIALS

- cardboard
- recycled/virgin paper
- type of coated paper.



## PROFILE

The participating Hungarian small packaging company is producing paper products with a tradition of 124 years (boxes, cardboard, etc.) as packaging end use product (food, nonfood, primary, secondary) and single use product. Their export share is between 0% and 20%. The company has been founded more than 120 years ago and the ownership is domestic private.

The continuous growth of the company is confirmed by financial numbers. The revenue growth, total assets and number of employees has been increasing in the last three years. The net revenue increased by 12%, total assets by 23% and the number of employees grew by 10%.

The innovation is an important field for the company however the innovation investment of their investment budget was between 20% and 30% in the last 3 years. The innovation is realized predominantly within the group and the decisions are taken by the top management of the company. Although the support of the management is very high regarding innovation, the staff attitude toward change for innovation is medium and to find new skilled staff is difficult. At present the company's resource of innovation knowledge is their customers and conferences. The company's willingness to develop their innovation is influenced at high level by the possibility of having public funding for research.

## SUSTAINABILITY, USING OF BIOMATERIALS

The sustainability focus of the company is in priority, they have some sustainability goals and report and certificates. At present their activities on sustainability are caused by external factors and around 10% of their investment budget goes towards improved sustainability. The importance of bio-based content is high in their packaging technology, however for their costumers the price is the more important and the sustainability less.

Paper and combined paper/bioplasic material using is important for their environmental sustainability strategy however they are familiar with legislation for sustainable products (recycling, composting biocontent etc.). The company has a short-term plan for using biomaterials and they have already made test trials with biomaterials. According to them the key limitations of biomaterials are the price and legislation. On production side their main sustainability goal is the material and regarding the main sustainability goal on end of life side, they are focusing on promoting renewable biobased product and on compliance with standard and to follow buyer specifications.

## PRODUCTION SPECIALITIES

The company have made test trials with biomaterials and they have short term business plan (about 1-3 years) for using biomaterials in the future. Besides, their factory has a high capacity printing machine with 5 colors plus UV lacquer, offset technology. Small print products are produced using a digital printing press and a laser cut plotter. They have 5 punching machines and 4 gluing machines.



## SUMMARY AND SOLUTION

Considering the financial position and strategy of the company and taking into account the Hungarian market and demands the best solution would be creating new bio-coated material that can replace the plastic foil. This solution is based on the bio-coated material (dispersion lacquer). This lacquer protects against wetting. The environmental awareness increased massively and consequently, also interest and bigger demand for environmentally friendly products, furthermore Hungary has a potential for a development of bioplastics and paper-bioplastics products market.

At the personal meeting with the company our experts suggested that biodegradable coated material alloyed with paper should be a new ecofriendly product for the already existing international market.

Relating to the technological background of the company, they could create this coated material with their own machines, so they do not have to purchase a new one. In order to produce the suggested innovative material, their products would be composted at home, decomposed and ecobio.

