

ROCK OF AGES

Corrugated packaging powerhouse leverages strong Canadian asset base to consolidate its leadership positioning in the competitive marketplace

Hitting rock bottom is a harsh price to pay for past overindulgences and excess excesses.

And for the venerable forest products industry, facing up to a terminal decline in market demand for many once-essential commodities like newsprint since the start of the new millennium has been an exceptionally painful ordeal manifested by multiple mill closings, massive job cuts, staggering financial losses, and continued public criticism of the sector's alleged environmental legacy of mass pollution and deforestation.

But while it may be too early to assume that papermaking business is now out of the woods for good, the painful industry restructuring, consolidation and downsizing triggered by an onset of a prolonged M&A (Mergers and Acquisitions) frenzy throughout the forest industries at last appears to be bearing fruit, as evidenced by emergence of new industry leaders working hard to put the sector's destiny back into its own hands.

Headquartered in Atlanta, Ga., the publicly-traded corrugated packaging group **WestRock Company**—currently ranking as the second-largest packaging producer in America—provides compelling evidence of the industry's resilience and ability to reinvent and transform itself for the greater good of all the key stakeholders.

Formed as a result of a landmark US\$16-billion merger of one-time industry goliaths **RockTenn Company** and **MeadWestvaco Corporation** in the summer of 2015, the company is one of the world's largest paper and packaging companies, with over US\$18 billion in annual revenues and nearly 50,000 employees in 30 countries.

In addition to the many synergies and economies of scale that the milestone merger offered, the new corporate entity can also boast nearly 300 years of combined industry knowledge, expertise and leadership in the papermaking business.

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The company's origins date back to the 19th century with the founding of **Rock City Box Company** in Nashville, Tenn., in 1898, which eventually became RockTenn Company.

For its part, the origins of MeadWestvaco can be traced back to 1846 with the founding of **Ellis, Chafin & Co.**, which adopted the **Mead Paper Company** moniker in 1882.

In 2002, Mead acquired the assets of **Westvaco** (originally **Piedmont Pulp and Paper Company** and then **West Virginia Pulp and Paper Company**) to form MeadWestvaco.

Happily for Canada, WestRock's formidable manufacturing assets and prowess are currently well represented in the Great White North with a well-run operational network comprising 16 modern and highly efficient production



A cheerful commemorative group staff photo outside of WestRock Company's folding carton manufacturing facility in Montreal.

plants.

“WestRock is proud to do business in Canada, where we operate a number of consumer and corrugated facilities,” says WestRock's corporate communications manager Courtney James.

“We have six consumer packaging facilities in Canada to serve the food and beverage markets, our largest, and the consumer mills segments,” says James, citing a beverage packaging plant in Ajax, Ont.; two Quebec-based folding-carton plants in Warwick and Sainte-Marie; and three designated MPS (Multi Packaging Solutions) plants in Montreal, Toronto and Mississauga, Ont.

Additionally, West Rock also operates 10 corrugated plants that include:

- Two display facilities (manufacturing and assembly) in the GTA (Greater Toronto Area) region;
- Two Quebec-based mills in Pointe Aux Trembles and La Tuque;
- Six container plants in Milton and Guelph, Ont.; Town Mount Royal, Que.; and in Calgary, Winnipeg, and Regina.

WestRock's prolific Canadian presence is suitably underlined with its continued active membership in **PAC Packaging Consortium**, the leading packaging industry advocacy in Canada.

Originally obtained back in 1950 by one of Rock's many ancestor companies **Martin Paper Product Limited**, the company's PAC membership remains a source of pride and a strong show of respect for the markets that WestRock serves, according to James.

“WestRock's membership in PAC is part of our efforts to be better informed and connected to the packaging industry as a genuine global sector in its own right,” says James.

“Being able to sit on the PAC board and advise on how to engage in some of the shifts pertaining to sustainable packaging is exceptionally valuable for us.

“It is great to hear other perspectives on the markets that might come from other segments within the packaging market,” James adds.

“We genuinely appreciate the opportunity to listen to and learn from a wide range of perspectives from the market, and to branch out past our industry into

CPG (consumer packaged goods) and retail communities.”

According to James, PAC’s well-recognized knowledge and expertise in the area of packaging sustainability aligns perfectly with the company’s deep-rooted commitment to its own sustainability agenda.

Citing the widely lauded **WestRock Packaging Sustainability Study**, released in December of 2018, “Three-quarters of consumers say packaging is an important way for them to learn more about a brand’s interests around sustainability,” James points out.

“Helping our customers win means developing new ways to connect people to products through packaging that enhances relationships between brands and their customers, while also minimizing environmental impact,” James explains.

“Our Packaging Matters data show that these two priorities are not mutually exclusive.”

As James proclaims, “It’s time to think of sustainability not only through the lens of reducing our impact on the environment, but also increasing our transition to the Circular Economy at large.”

While WestRock acknowledges the positive impact on paper producers generated by the unfolding public backlash against plastic packaging, James stresses that material substitution alone is not the answer to true packaging sustainability.

“Plastics replacement is important, but we are thinking beyond replacing plastics and exploring ways to advance the strength and sustainability of fiber-based packaging,” James explains.

“The challenge facing us all is to move towards packaging that is right-sized, made from renewable materials, and recyclable and/or compostable,” she states, while complimenting PAC president and chief executive officer Jim Downham for maintaining a “material-neutral” agenda for PAC membership.

“The PAC does a great job of remaining bipartisan and ‘packaging neutral,’ giving its stakeholders the security that they are in a safe place to discuss key topics to the market,” James states.

“Both PAC and Jim Downham have been solid advocates for the packaging industry that they represent, with the PAC positioning itself very well with governmental and non-governmental stakeholders throughout the years,” she adds.

“Above all, PAC continues to add value to our business through educational programs and industry collaborations,” says James, stressing the importance of cross-industry collaborations going forward to address mounting environmental challenges for the packaging community.

“Our vision is to be the premier partner and unrivaled provider of winning solutions to our customers,” James proclaims.

“WestRock delivers value to our customers by helping them grow their sales, lower their total cost, minimize their

risk and improve their sustainability.

“Our ability to bring innovation and insights to help our customers win is unmatched,” says James.

“We understand the global marketplace and we always strive to implement new, improved ways of meeting customer needs through the solutions we deliver and the ways we operate—especially when it comes to advancing sustainable packaging,” James concludes.

“It’s the right thing to do for the planet, and it’s the right thing to do for our customers.”



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