

# Meeting Notes EMPHA General Assembly

16 June 2023

Henley Business School, Henley-on-Thames (UK)

**Present** Tom Bewley (Dufaylite Group Ltd), Massimo Bottesella (Tonelli S.p.A.), Manuel Cortes Corripio (Grudem SLU), Frederic Jean (LM Packaging inc.), Guillaume Jean (LM Packaging inc.), Martin Jurascik (Forlit a.s.), Danny Klasens (Axxor bv), Gilles Latil, l'hegagone, Roman Markech (Forlit a.s.), Ashley Moscrop (Dufaylite Developments Ltd), Tony Moscrop (Dufaylite Group Ltd), Gabriel Neumann (Yamaton Ltd), Ram Peleg (Yamaton Paper GmbH), Stephan Schoemaker (Honicel Nederland B.V.), Dirk Schut (Honicel Nederland B.V.), Piero Tonelli (Tonelli S.p.A.)

**Minutes:** Barbara Ginter EMPHA Secretariat

## 1. Opening and President's Message

President Tony Moscrop opened the meeting and welcomed the members to the 14<sup>th</sup> General Assembly. A special welcome was made to Manuel Cortes from Grudem and Frederic and Guillaume Jean from LM Packaging. Both companies attended for the first time and may be interested in joining EMPHA as a member.

The President reported that since the last General Assembly in 2022 the Board met 8 times and in the meantime we have created an animated video, started the social media campaign and we have been liaising with CITPA regarding lobby activities for items that directly affect our industry. Information on legislation has been forwarded to the members and can be found on the members only part of the website. It was decided to postpone the renewal of the Industry Report to next year since it was not the right time and it was better to wait until the market became less volatile.

The President's message started where we left of last year and we are looking forward with a group of entrepreneurs among the membership. Sustainability will be a key industry driver for growth across all sectors and it will be interesting to see where the legislation from Brussels will lead us. More about this in the presentation of Mike Turner, Managing Director of ECMA (European Carton Makers Association). Mr. Moscrop concluded by saying that we have come to a good place with a better place to go to and he looked forward to going there together.

Presentations were scheduled from:

Neil Osment, NOA-PRISM - 'The challenges ahead for the paper supply chain'

Mike Turner, ECMA – 'EU packaging legislation... what does it mean to me?'

Peter Dunn, Independent Business Development Consultant – 'What's happening in the retail sector and with packaging design?'

After the meeting all presentations were shared with the members present.

## **2. EMPHA Antitrust Reminder**

The Secretary General of EMPHA, Mrs. Barbara Ginter, referred to the EMPHA Antitrust Guidelines. The proceedings of this meeting will be in accordance with these guidelines. A statement summarizing these Guidelines was handed out and shown on the screen. Mrs. Ginter then requested all members to read these guidelines and to comply with the statement both in the meeting and during the breaks.

All members present agreed to comply with the EMPHA Antitrust Guidelines.

## **3. Minutes General Assembly 17 June 2022**

The minutes of the last meeting were adopted as a true reflection of the proceedings.

## **4. Round Table**

All members present were invited to share developments at their companies, a tour around the table followed in which all members contributed.

To summarize we can say that everyone is doing well and that legislation is an important topic. Some decisions are put on hold until more is clear about what to expect from Brussels. Overall the outlook is good and hopefully the breakthrough that was predicted in the European Paper Honeycomb Industry Report in 2021 will come soon.

## **5. EMPHA Industry Report**

In 2024 an update of the EMPHA Industry Report will be produced again by NOA-PRISM. Neil Osment from NOA-PRISM gave a presentation on the challenges ahead for the paper supply chain and how the futures of the European Corrugated and Folding Carton Industries are shaping up in 2023? The full presentation was shared with the members after the meeting and the summary is as follows:

- Demand for corrugated has dropped back in 2022/2023 after a huge leap in 2021.
- Demand for folding cartons continued well until October 2022; then halted and has fallen back in 2023.
- 2021 was an exceptional year for corrugated demand due to WFH; an “out of kilter” year. Overall corrugated consumption was +8.1% and eCommerce corrugated was +18.4%.
- When WFH changed into “Hybrid Working”, demand slipped back over the subsequent 12 to 18 months.
- Corrugated and Folding Carton output trends tend to “track” each other = demand for both has returned to pre-2019 levels.
- Increased Mill capacity available for all packaging sectors = a potential for other packaging industries to benefit!

## **6. EMPHA Social Media Campaign**

The EMPHA Social Media Campaign started in March 2023 by NOA-PRISM. The campaign was started to encourage new followers to the EMPHA website and LinkedIn page. To share posts that inform, educate and inspire and encourage our network of members and interested parties to grow. One or more messages are posted weekly and messages from allied industries are liked and reposted. The number of followers has grown from 58 to 114 in 3 months but we need more therefore the members were asked to follow EMPHA’s LinkedIn page and to like and share the post in order to grow our network.

## **7. Finance**

### **a. Report Audit Committee on financial outcome 2022**

Dirk Schut reported that he checked, together with Wieger Wiegersma as members of the Audit Committee, the financial outcome of 2022. They had come questions that were answered to their satisfaction by the EMPHA Secretariat.

The result is a little less than budgeted and this is mainly due to more marketing expenses. With a total income of € 45.750 and total operating costs of € 39.893 the result at the end of 2022 was € 5.857 (budgeted was € 7.250).

The Audit Committee proposed to the members to discharge the EMPHA board for the financial outcome of 2022. This proposal was accepted by the members.

Mr. Schut confirmed that he is available to check the finances again next year. Mr. Wiegersma could not join this meeting so Mrs. Ginter will check with him if he is available for next year.

### **b. Budget 2024**

The budget for 2024 was based on 13 active members and 1 associated member. An updated of the Industry Report was planned for 2024 but we cannot afford to give the report for free to the members like last time. Therefore extra income was added for the industry report which will result in a total income of € 61.500.

The total expenses for 2024 had been budgeted at € 69.275 which includes the costs for the Industry Report and the continuance of the Social Media Campaign. The result at the end of 2024 was expected to be - € 7.775.

The members present approved the budget for 2024 (see page 5).

## **8. EMPHA Membership Update**

Currently EMPHA has 12 Active Members and 1 Associate Member. Since the last General Assembly we gained 1 new Active Member with SWAP from Germany. Unfortunately Pallite cancelled their membership per the end of 2023.

The Associate Member category includes manufacturers of paper honeycomb core and paper honeycomb core panel makers outside of Europe but also suppliers to the paper honeycomb core industry. It was agreed to put some effort into attracting more suppliers to join as Associate Member, such as machine and glue suppliers.

## **9. Election Board Members**

The current Board consist of:

- Tony Moscrop – Dufaylite
- Ram Peleg – Yamaton Paper GmbH
- Giles Latil – l’hexagone

The 3-year term of all Board members has ended and all have expressed their wish to continue as Board member. No volunteers came forward so the members agreed to re-elect all three Board members.

## **10. Next EMPHA Meeting**

The next EMPHA General Assembly was scheduled for 13 & 14 June 2024. In the past one of the members hosted the meeting but since there never is a company visit included the meeting can also take place in a general venue with easy access. The venue for next year's General Assembly will be decided at a later date and it was agreed that EMPHA will take care of the whole organisation of the meeting including a social activity.

## **11. Any Other Business**

Mr. Moscrop explained that there will be a change coming in EMPHA's registered address.

The Dutch Supervision of Trust Offices Act of 2018 (Wtt 2018) is part of the Dutch regulatory framework to combat money laundering and terrorism financing and concentrates particularly on the financial sector. Because of this Wtt, however, Lejeune Association Management (where the EMPHA Secretariat is based) has been forced to adjust their services because it is no longer allowed to combine the provision of their primary association services (membership administration, accounting, debtor and payment transactions, ICT, document management, board and committee work, hallmark management, events and projects, communication, policy development, advocacy, in short, the whole gamut of professional association management) with the provision of a registration address (postal or visiting address) in the Chamber of Commerce register.

Traditionally, most of Lejeune's clients (like EMPHA) have also registered their postal or visiting address at the Lejeune office address for practical reasons. However, according to the literal definition in Article 1 of the Wtt 2018, this then currently constitutes the trust service 'Domicile Plus', which requires a trust license from De Nederlandsche Bank (DNB), the Dutch central bank. DNB has recently challenged Lejeune on this.

Obviously, Lejeune's work for the non-profit sector has nothing to do with the world of trust offices in the financial district of Amsterdam dealing with international corporate structures, but due to a serious drafting error in the Wtt 2018, the scope of the definition goes far beyond what that law was ever intended for. The associated compliance requirements and supervisory costs are disproportionate.

The EMPHA Board has discussed this issue with Jules Lejeune, Managing Director of Lejeune Association Management. The primary services as expressed in the cooperation agreement will of course remain unchanged and a suitable solution has been found. Mr. Moscrop expressed that nothing will change for the members and that this is just an administrative change.

No other matters were raised so the President thanked all those present for their attendance and contribution and closed the meeting.

### **Disclaimer**

*EMPHA operates within the regulatory framework of competition law as set out by the European Union and national legal systems and respects all rules thereof. EMPHA actively raises awareness about competition law among its members and encourages its members to comply with these rules. The purpose of the discussions within EMPHA is to identify general trends and market developments without identifying individual company data. EMPHA does not accept responsibility or liability for any type of restrictive agreements concluded by its individual members during EMPHA meetings or within the context of EMPHA events, in spite of the aforementioned precautionary measures.*

## EMPHA Budget 2024

European Manufacturers of Paper Honeycomb Association				
	Budget 2023	Projection 2023	Budget 2024	
<b>INCOME</b>				
Entry fees	3.750	5.000	0	
Membership fees ( see right )	36.000	39.000	39.000	
Associated members	3.000	1.500	1.500	
Sponsors			1.500	
Other income	PM	0	19.500	
<b>TOTAL INCOME</b>	<b>42.750</b>	<b>45.500</b>	<b>61.500</b>	
<b>EXPENSES</b>				
<b>Secretariat</b>				
- Daily management Secretariat	6.310	6.310	6.800	
- Financial administration	3.930	3.930	4.200	
- Supporting Board and committees	14.730	14.730	15.900	
	24.970	24.970	26.900	
<b>General expenses</b>				
Meeting costs (room rental)	3.000	3.530	5.000	
Travel and stay secretariat	750	750	750	
Telephone- fax costs secretariat	150	150	175	
Office expenses	200	200	225	
Legal cost	0	0	1.250	
Bank costs	200	200	200	
Provision bad debtors	PM	PM	PM	
Other	725	725	725	
	5.025	5.555	8.325	
<b>Marketing expenses</b>				
- Promotional activities	8.000	8.000	8.000	
- Industry statistics	800	800	18.300	
- Third party subscriptions	3.000	3.000	3.000	
- External web provider, incl. hosting, technical updates CMS	1.350	2.500	2.500	
- Website maintenance & update	2.250	2.250	2.250	
	15.400	16.550	34.050	
<b>TOTAL EXPENSES</b>	<b>45.395</b>	<b>47.075</b>	<b>69.275</b>	
<b>RESULT</b>	<b>-2.645</b>	<b>-1.575</b>	<b>-7.775</b>	
<b>CAPITAL 1st January</b>	<b>45.484</b>	<b>45.484</b>	<b>43.909</b>	
<b>CAPITAL 31 December</b>	<b>42.839</b>	<b>43.909</b>	<b>36.133</b>	