

# Meeting Notes EMPHA General Assembly

14 June 2024

Parkhotel Heilbronn, Heilbronn (DE)

**Present** Socky Angel (DS Smith Paper Division), Tom Bewley (Dufaylite Developments Ltd), Massimo Bottesella (Tonelli SpA), Jan Brunner (Karl Marbach GmbH & Co. KG), Patrick Dejager (Europal Packaging), Frank Dziejak (schoen + sandt machinery GmbH), Stefano Ganassin (Universal Corrugated), Udo Gassner (SWAP (Sachsen) GmbH), László Gracza (schoen + sandt machinery GmbH), Ingo Graham (Karl Marbach GmbH & Co. KG), Jochen Harmeling (Grudem, Grupo Desarrollo Empresarial SLU), Tim Hecker (schoen + sandt machinery GmbH), Frederic Jean (LM Packaging), Guillaume Jean (LM Packaging), Nina Jung-Vogelsgesang (DS Smith Paper Division), Martin Juraščík (FORLIT, a.s.), Danny Klasens (Axxor), Lieuwe Kool (Honicel nederland BV), Gilles Latil (L'HEXAGONE), Roman Markech (FORLIT, a.s.), Juraj Mikus (FORLIT, a.s.), Tony Moscrop (Dufaylite Developments Ltd), Ashley Moscrop (Dufaylite Developments Ltd), Uwe Müller (SWAP (Sachsen) GmbH), Gaby Neumann (Yamaton), Johan Oude Wesselink (Universal Corrugated), Ram Peleg (Yamaton Paper GmbH), Fernando Rodrigues (DS Smith Packaging Portugal), Gábor Schmidt (schoen + sandt machinery GmbH), Stephan Schoemaker (Honicel Nederland B.V.), Dirk Schut (Honicel nederland BV), Milan Sury (FORLIT, a.s.), Fernando Tena (Grudem, Grupo Desarrollo Empresarial SLU), Piero Tonelli (Tonelli SpA), Matthijs van Hunen (Axxor), Niels van Stijn (Axxor), Tiago Vieira (DS Smith Packaging Portugal), Wieger Wiegersma (Axxor)

**Minutes:** Barbara Ginter EMPHA Secretariat

## 1. Opening and President's Message

President Tony Moscrop opened the meeting and welcomed the members to the 15<sup>th</sup> EMPHA General Assembly. He thanked Marbach for their hospitality the previous day during the factory tour and dinner in the evening. A special welcome was addressed to the new Active members SWAP, Grudem, DS Smith Portugal, Europal and the new Associated members LM Packaging, Marbach, schoen + sandt and Universal Corrugated.

The President reported that since the last General Assembly in 2023 the Board met 6 times and in the meantime we have continued with the social media campaign and drafted the new industry report which will be presented by Neil Osment later during the meeting. One of last year's tasks was also to increase the membership and point 6 on the agenda will show that the efforts in attracting new members have been successful. We also continued 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. Finally, we also joined forces with TwoSides and Carbon Quota and can make use of their marketing materials.

The President continued with the message that the goal was to grow the pie but in the past there were some different views on what the pie was. The first industry report created in 2021 shed more light on this and it was now clear that we were headed from the 'Driving' phase of the association toward the 'Breakthrough' phase. Sustainability is still one of the key industry drivers for growth of the pie where the main characteristics for the 'Driving' phase were membership growth, investments in companies and equipment, entrants from other sectors and new buyer interest.

As interacting market forces we see EPS/Foam manufacturers moving towards paper honeycomb but also into moulded fibre. The moulded fibre market however is moving towards the corrugated market. This all proves there is a big drive toward fibre products and we need to continue to work together, also on marketing, to make people more aware of paper honeycomb and to think about how we can accelerate this move. Maybe the Marketing Committee could be put back together to work on this. We also need to look at the technology side and see how the Technical Committee can contribute to the goal of growing the pie. Volunteers for both the Marketing and Technical Committee were welcomed to come forward.

After the General Assembly Neil Osment will present the updated industry report which is our benchmark to measure success. The President ended with the message 'We have come to a good place, with a better place to go to. Let's keep going there together'.

## **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 16 June 2023**

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

## **4. EMPHA Marketing**

### **a. Infographic on Paper Honeycomb**

An infographic was handed out to all the members showing the advantages of paper honeycomb against polystyrene. A PDF will be sent to the members and more versions can be made for different materials. The EMPHA Board has been in contact with Carbon Quota, an organisation looking at the carbon footprint of the paper industry. They have given their input on the information in the infographic and have endorsed it by adding their logo. The members requested more information on Carbon Quota's process to determine the carbon footprint, maybe they can be invited as a speaker to next year's General Assembly. The members also would be interested in having more information on the Life Cycle Analysis of paper based products. Specifically from the honey comb paper viewpoint. Paper suppliers but also Pro Carton will be able to help with that.

**b. Social Media Campaign**

Mandy Beckett from NOA Ltd gave an update on the social media campaign she has been running on behalf of EMPHA. The campaign started in March 2023 with 58 followers on LinkedIn and this has now grown to approx. 650 followers. One message per week has been posted with a spotlight on all the members (in alphabetical order), examples on using paper honeycomb as a substitute for other materials and facts on the paper industry provided by TwoSides. Mrs Beckett explained that the number of impressions from the EMPHA posts on LinkedIn have doubled over the past year. More people have been looking at EMPHA's LinkedIn page and this was based on organic growth and not driven by algorithms.

The top three industries who are following EMPHA on LinkedIn are:

- Packaging and Containers Manufacturing 142 (22.5%)
- Paper and Forest Product Manufacturing 50 (7.9%)
- Wholesale Paper Products 41 (6.5%)

The top three end user markets where we need to grow more followers are:

- Transportation, Logistics, Supply Chain and Storage 8 (1.3%)
- Wholesale Building Materials 7 (1.1%)
- Construction 6 (< 1%)

The conclusions are that the social media campaign has boosted followers from within our industry (approx. 200 of the 627) which included designers and packaging experts. We have also gained a good number of industry-linked followers (e.g. machinery manufacturers). Interesting to note was that the posts with the most reactions have been the ones promoting replacements of EPS. And our posts appealed most where sustainability was involved (this was expected to grow further with the development of the EU's PPWR initiative).

Attracting more brand owners and relevant end user market followers will widen our appeal. Also showing different practical packaging solutions to encourage end user designers to swap from their current packing to paper honeycomb will support the message of paper honeycomb as the more sustainable packaging solution.

By liking symbiotic industries posts, EMPHA will gain more traction and notoriety. We can also spotlight some of the people within our industry (people buy from people) and it would offer a more human face to EMPHA. The members were requested to give EMPHA permission to use images of their products – a photo (or picture!) paints a thousand words.

**5. Finance****a. Report Audit Committee on financial outcome 2023**

Wieger Wiegersma reported that he checked the financial outcome of 2023, together with Dirk Schut as members of the Audit Committee. They had come questions that were answered to their satisfaction by the EMPHA Secretariat. The result is better than budgeted and this is mainly due to more income from membership fees.

With a total income of € 50.500 and total operating costs of € 46.716 the result at the end of 2023 was € 3.783 (budgeted was - € 2.645).

The Audit Committee proposed to the members to discharge the EMPHA Board for the financial outcome of 2023. This proposal was accepted by the members.

Both Mr. Wiegersma and Mr. Schut will be retiring this year so new volunteers for the Audit Committee needed to be found. Mr. Kool (Honicel) and Mr. van Stijn (Axxor) both came forward and will form next year's Audit Committee.

#### **b. Budget 2025**

The budget for 2024 was based on 13 active members, 6 associated members and 2 new members. The total income from membership fees was set at € 56.000.

The total expenses for 2025 had been budgeted at € 53.105 which includes the costs for promotion activities and the continuance of the Social Media Campaign. The result at the end of 2025 was expected to be € 2.895.

The members present approved the budget for 2025 (see page 7).

It was mentioned once more that the update of the Industry Report 2024 could not be financed by the association like last time. The report cost € 19.000 to produce so therefore all members will receive an additional invoice of € 1.000 after they have received their copy of the report.

#### **6. EMPHA Membership update**

Since the last General Assembly 3 new Active Members joined EMPHA:

- Grudem Spain
- DS Smith Packaging Portugal
- Europal Belgium

Also 5 new Associate Members joined:

- Emballages LM Packaging inc
- DS SMITH Paper
- Karl Marbach GmbH & Co. KG
- schoen + sandt machinery GmbH
- Universal Corrugated

In total the association now has 19 members, divided into 13 Active Members and 6 Associate Members.

Some member questioned why the membership application of Wetropa was refused. The focus of this company was too much on the production of EPS and not enough (yet) on paper honeycomb. Although we like to see businesses moving from EPS to paper based products some members sent objections to the Board and the Board decided to refuse the application. The members mentioned that many non-member companies will be moving into paper honeycomb and the process how to handle their (potential) membership applications should be clear. The Board will look into the membership application process

and will draft guidelines for accepting membership applications. The members can vote on this in the next General Assembly.

## 7. Change of Statutes

Currently there are 2 membership categories, Active Member and Associate Member. The Associate Membership category is open to 2 different types of companies:

1. manufacturers of paper honeycombcore and paper honeycombcore panel makers from outside of Europe.
2. individual firms and organizations that are suppliers to the paper honeycomb core industry.

The Board proposed to split the Associate Membership category into 2 separate categories:

1. Associate member: manufacturers of paper honeycombcore and paper honeycombcore panel makers from outside of Europe.
2. Supplier member: individual firms and organizations that are suppliers to the paper honeycomb core industry.

Article 4 of the EMPHA Statutes would be changed as follows:

- 4.1 Active membership is open to companies based in Europe that manufacture paper honeycombcore as their main or secondary activity and to companies that use paper honeycombcore for the manufacture of panels (panel makers) and paper for the covers.
  - 4.1.1 Paper honeycomb core is specified as hexagonally shaped
- 4.2 Associated membership is open to manufacturers of paper honeycombcore and paper honeycombcore panel makers from other continents. Again it is stipulated that the covers of the panel must also consist of paper.
  - ~~4.2.1 Associated membership is also open to individual firms and organizations that are suppliers to the paper honeycomb core industry.~~
- 4.3 Supplier membership is open to individual firms and organisations that are suppliers to the paper honeycomb industry.
- 4.4 All members can attend the General Assembly, however associated members and supplier members have no active or passive voting rights.
- 4.5 All members agree to comply with the EMPHA Code of Conduct.

The proposed changes were accepted by the members.

## 8. 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 2023 was a difficult year for some but the conditions are improving in 2024. Overall the outlook is good and it looks like the breakthrough that was predicted in the European Paper Honeycomb Industry Report in 2021 is happening.

## **9. Next EMPHA Meeting**

The next EMPHA General Assembly was scheduled for 12 & 13 June 2025. A host still needs to be found for this meeting and members can contact the EMPHA Secretariat in case they wish to host next year's meeting or if they need more information on what is expected when hosting a meeting.

## **10. Any Other Business**

Past President Wieger Wiegersma announced that he will retire at the end of this year. Mr. Wiegersma was thanked for his contribution to EMPHA and his role as one of the founding fathers of the association by presenting him a gift.

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 2025

European Manufacturers of Paper Honeycomb Association					
	Budget 2023	Actual 2023 Euro	Budget 2024 Euro	Budget 2025	
<b>INCOME</b>					
Entry fees	3.750	8.750	0	5.000	
Membership fees ( see right )	36.000	37.500	39.000	42.000	
Associated members	3.000	2.750	1.500	9.000	
Sponsors			1.500	0	
Other income	PM	1.500	19.500	PM	
<b>TOTAL INCOME</b>	<b>42.750</b>	<b>50.500</b>	<b>61.500</b>	<b>56.000</b>	
<b>EXPENSES</b>					
<b>Secretariat</b>					
- Daily management Secretariat	6.310	6.310	6.800	7.000	
- Financial administration	3.930	3.930	4.200	4.325	
- Supporting Board and committees	14.730	14.730	15.900	16.380	
	24.970	24.970	26.900	27.705	
<b>General expenses</b>					
Meeting costs (room rental)	3.000	3.207	5.000	5.000	
Travel and stay secretariat	750	780	750	750	
Telephone- fax costs secretariat	150	116	175	175	
Office expenses	200	241	225	250	
Legal cost	0	0	1.250	1.250	
Bank costs	200	184	200	200	
Provision bad debtors	PM	0	PM	PM	
Other	725	653	725	725	
	5.025	5.181	8.325	8.350	
<b>Marketing expenses</b>					
- Promotional activities	8.000	7.840	8.000	8.000	
- Industry statistics	800	783	18.300	800	
- Third party subscriptions	3.000	3.000	3.000	3.500	
- External web provider, incl. hosting, technical updates CMS	1.350	2.691	2.500	2.500	
- Website maintenance & update	2.250	2.250	2.250	2.250	
	15.400	16.564	34.050	17.050	
<b>TOTAL EXPENSES</b>	<b>45.395</b>	<b>46.716</b>	<b>69.275</b>	<b>53.105</b>	
<b>RESULT</b>	<b>-2.645</b>	<b>3.784</b>	<b>-7.775</b>	<b>2.895</b>	
<b>CAPITAL 1st January</b>	<b>45.484</b>	<b>45.484</b>	<b>49.268</b>	<b>49.268</b>	
<b>CAPITAL 31 December</b>	<b>42.839</b>	<b>49.268</b>	<b>41.493</b>	<b>52.163</b>	