

# Ugrinpack

## FOUNDATION

- in 1991

## EMPLOYEES

- small size company

## KEY PRODUCTS/ SERVICES

- production of flexible-walled packaging materials
- packaging of promotional products
- production of POS products
- packaging of blister products

## KEY MATERIALS

- flexible-walled packaging materials
- rigid packaging materials
- blister
- POS



## PROFILE

The participating Hungarian small packaging company is producing paper products and different materials (e.g. paperboard, linerboard, laminated or extruded material, plastic film). Their export share is between 0% and 20%. The company has been founded more than 20 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 most cases in the last three years. The net revenue decreased by 14%, total assets increased by 66% and the number of employees grew by 33%.

The innovation is very important field for the company however the innovation investment of their investment budget was between 0% and 10% in the last 3 years. The innovation is realized externally- within the value chain and the decisions are taken by the top management of the company. The support of the management is medium regarding innovation, the staff attitude toward change for innovation is medium and to find new skilled staff is very difficult. At present the company's resource of innovation knowledge is their suppliers, World Wide Web, conferences and research project. 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 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 very 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 very familiar with legislation for sustainable products (recycling, composting biocontent etc.). The company has a short-term plan for using biomaterials and they have already used biomaterials. According to them the key limitations of biomaterials are the price, knowledge, customer awareness and functional properties. 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 already used biomaterials and they have short term business plan (about 1-3 years) for using biomaterials in the future. Besides, this company specialises in production of traditional and environmentally friendly packaging materials and tools. They also develop packaging materials and tools, manufacture custom industrial packaging materials, furthermore they undertake contract (e.g. promotional, traditional or high frequency blister) packaging.



## 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 replacing Pe (polyethylen) to Ecovio which was recommended. This product is already known at Ugrinpack, so an alternative is Biotec's new development, which is slightly cheaper and also suitable for home composting. This product is currently unavailable but the manufacturer provides 700kg for testing.

During extrusion coating, switching from Pe (polyethylene) to a compostable version is very costly because the machine has to be "thoroughly washed" and passed until the Pe is completely removed from the system. This requires approximately 300kg of material. Therefore, based on our other suggestion, we have also recommended a dispersion lacquer that can be done with a suitable lacquer coating technology. Its conversion cost is much lower and has almost the same barrier water and barrier properties. We also tested the dispersion technology and the results were very satisfying for Ugrinpack.

