

PRESS RELEASE

Progroup's corrugated sheetfeeder plant PW02 is 25 years old

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Enduring success story continues.

Douvrin, 31 May 2021 – On 28 May 1996, Progroup's corrugated sheetfeeder plant PW02 in Douvrin near Lille started operating. Progroup founder and Chief Executive Officer Jürgen Heindl is using this anniversary as an opportunity to thank the 49 employees for their great commitment over the years by paying a Covid-safe visit to the site.

At the corrugated sheetfeeder plant, which is now Progroup's longest active operating plant, a third of the workforce has been working for the company for more than 20 years. Jürgen Heindl emphasises the strong commitment and great solidarity at the site and within the whole Progroup team. The last year in particular has demanded a great deal of flexibility and dedication from all employees. "The past year has demonstrated in an impressive way how responsibly and flexibly all the parties involved know how to handle this challenging period. This fills me with great pride and gratitude," stresses Heindl.

Driver of innovation: Opportunities of digitisation identified early on

25 years ago, PW02 in Douvrin was the second corrugated sheetfeeder plant for what was still a young company. It was constructed in northern France to cater for the market in northern France, Belgium and occasionally also Britain from this location. When it started operating with a capacity of 80,000 tonnes a year, Progroup doubled its production capacities in Central Europe. "Investing in western rather than eastern Europe, as the majority of the industry was doing at the time, gave us the crucial advantage that we were able to grow anti-cyclically," says Heindl with real conviction. "What is more, our competitors in the market did not spot our approach and did not notice the technological edge that we had given ourselves."

When it was commissioned, the PW02 plant was not only equipped with the most powerful machines, but even back then Progroup was ushering in digitisation. This was the first time that two plants were digitally interconnected. For the last 25 years, software which the company developed itself - and has constantly been updated - has been controlling the production and logistics process through to the customer, right across the whole "mill system". The customer has full transparency on the status of its

orders at all times – an important milestone on the road to the “transparent factory” and the desire to be the technological leader in the industry.

The success story continues

And there is no sign of an end to the growth story. “The market for corrugated board is booming firstly because of the trend towards sustainable packaging materials and secondly in light of the change to shopping habits brought about by e-commerce platforms,” says Heindl. “Our long-term strategy puts us in a very good position. To allow us to offer our customers the reliable deliveries and high product quality they are used to, the implementation planning for the construction of a plant in the region around Douvrin as part of a renewal project has already begun. Furthermore, additional growth projects in Germany and Italy are at the implementation planning stage. This means that between 2022 and 2024 a total of 4 “giga plants” will start operating in line with the Two25 strategy and further boost Progroup’s growth in the respective markets.

The level of investment in the current national and international expansion projects is around 300 million euros. A total of around 200 new, highly skilled jobs are being created in Germany and abroad. This means we are increasing our corrugated board capacities in Germany, Italy, Poland and France by almost 50 per cent in total within a period of four years so that we can provide our customers with further opportunities for growth.

We always realise new projects as Greenfield projects and so guarantee the very latest technology. In this region, we will be constructing a plant with an “L-shaped design”, equipped with a 3.35 m corrugator and highly automated logistics,” says Heindl in explaining his future plans for the French site. And we hope that this will safeguard successful development for at least the next 25 years.

About Progroup

Progroup AG, located in Landau in the German state of Rhineland-Palatinate, Germany, is one of the leading manufacturers of containerboard and corrugated board in Europe. Since it was founded in 1991 in Offenbach/Queich, the company has been pursuing a consistent growth strategy which, in addition to technological leadership, is also based on the use of innovative and environmentally friendly production technologies. Progroup operates production sites in six countries in Central Europe. These currently include three paper factories, eleven corrugated sheetfeeder plants, a logistics company and an RDF power station. With 1,455 employees, the company generated sales of around 881 million euros in 2020.

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