

Folding Carton

industry



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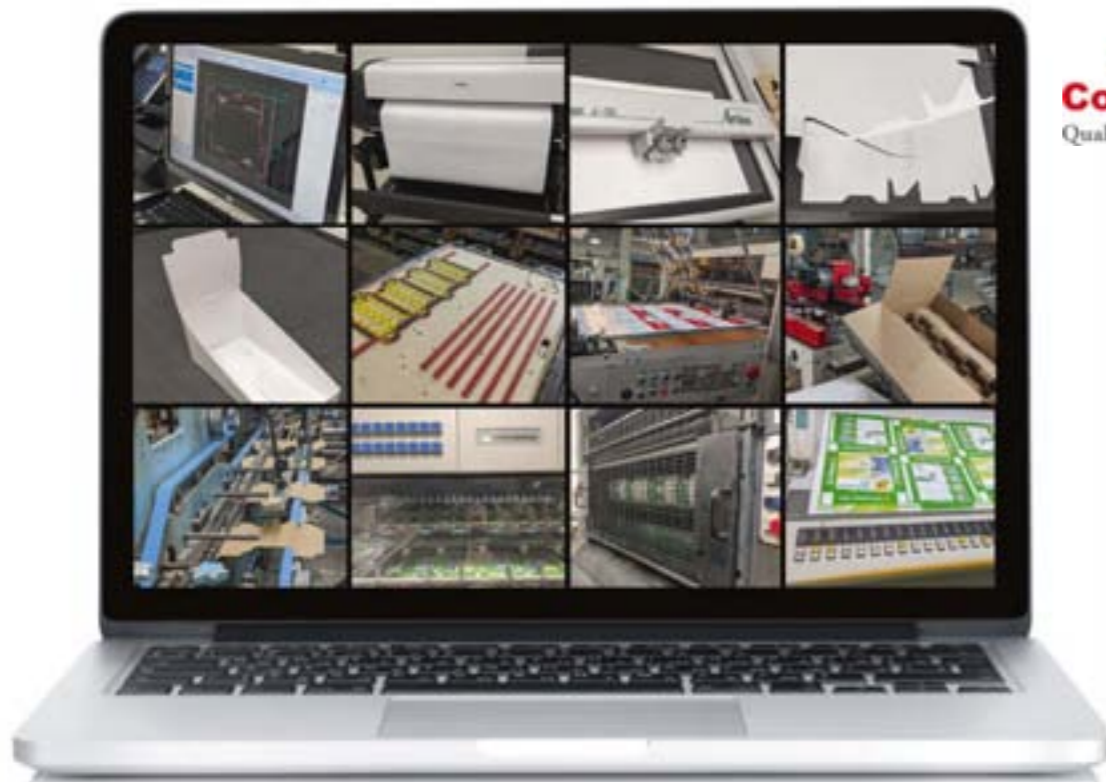
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GETTING THE JOB DONE WITH TECHNOLOGY

NOW MORE THAN EVER, TECHNOLOGY IS KEEPING COMPANIES LIKE U.S. CARTON MANUFACTURER THE SHELBY COMPANY CONNECTED WITH CUSTOMERS AND EMPLOYEES.

BY JACKIE SCHULTZ



The US-based Shelby Company has been manufacturing folding cartons for the Northeast Ohio market for almost a century. Founded in 1923 in Shelby, Ohio, it relocated in the 1930s to Cleveland, Ohio. In 1968 it built and moved into its current 35,000-sq-ft facility in the Cleveland suburb of Westlake. Over the years folding

cartons have remained the principal product, primarily for the food, pharmaceutical and automotive industries. The company also offers sleeves, blister cards, posters, counter displays and various other types of specialized packaging.

During a recent Zoom video conference, President and owner Richard J. Rapacz talked about the

company's successful long existence, attributing it to the core values of providing customers with "top notch service" and creative solutions. Rapacz, who purchased The Shelby Company in 1993, says the key is hiring people who have the qualities that align with those value propositions. "Empathy, a caring attitude, selflessness, those are important qualities. We want people in

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Interviewing the new leadership team via Zoom video conference.



the company to be responsive to co-workers and customers. We try to manage our company to a high degree of the Golden Rule - do unto others. Our current team all have that attitude." Rapacz sets a good example, sending hand written letters to every prospect.

He is gradually transitioning the leadership of the company to a new team of managers, some of whom have spent most of their careers in the folding carton industry and others who are new to the industry. Matthew Tousley, who has 35 years of industry experience, was recently appointed Executive VP. He joined Shelby 14 years ago as a package engineer and then moved to sales. Previously he was with CardPak Inc., another Cleveland-based folding carton manufacturer. Jeff Pascarella joined Shelby about a year and a half ago as General Manager. He has 23 years of industry experience, primarily at Graphic Packaging's

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Cleveland location. The two newest members of the management team are Martina Cook, who heads up business development and marketing, and Donyah Perine, who is the controller.

"We're celebrating our 97th year in business and we're extremely proud of our history, however, we realize that markets and business is changing and the company has to constantly revitalize itself. The addition of Jeff, Martina and Donyah and the promotion

President and owner Richard J. Rapacz in front of the 97th anniversary banner.



"We should be the only supplier in our region for folding cartons. That's what we want to become," Matthew Tousley says.

of Matt to a leadership position provides this revitalization," Rapacz says. "We have to be thinking about where we are today, where do we want to go and how do we get there. And the key element for any company is its management and personnel. It's a major responsibility for a current owner to make sure this company survives and does well. We have a staff on board right now that can carry the company into the future."

Rapacz has allowed the new leadership team a great deal of freedom to implement their ideas for future growth. The results have been impressive. Last year the company had double digit growth and is on track this year for similar results. The team has admirable goals. "Dick and I have a synergy, especially in our thought process and our love and desire for this company," Tousley says. "We should be the only supplier in our region for folding cartons. That's what we want to become."

Technology has provided the cornerstone for growth, facilitating Shelby's ability to communicate with customers and meet their needs, especially with the recent challenges created by COVID-19. Software management systems, video conferencing and even the telephone have been essential tools. "The lack of a physical visit can be filled with a telephone conversation, continuing to know what they need, what they're doing," he says. "Right now we're trying to make plans to start seeing our customers again. That is part of our philosophy. We have to get in front of the customers and see what they're packaging, how they're packaging it and what tools or resources they're

using so we can offer them the most common sense solution."

For now the message to customers is, "We're here, we're open. Within the first day of the Governor ordering all businesses closed, Jeff, Donyah and I, contacted all of our customers and all of our suppliers. It was a full court press," he says. "We made sure that we're going to sustain our business with the thought that we have to keep our customers in business."

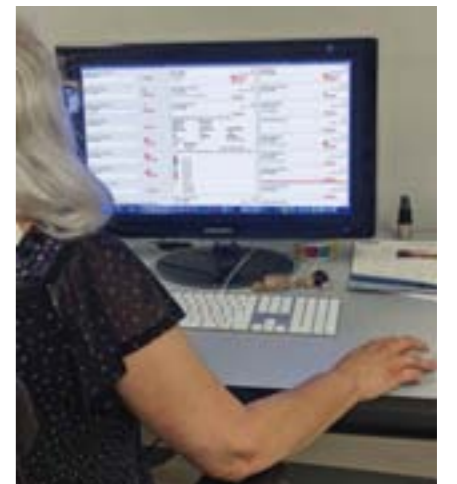
Continuous Improvement

To drive growth and continuous improvement The Shelby Company is leveraging other aspects of technology, such as implementing IIOT with the assistance of MAGNET (Manufacturing Advocacy and Growth Network), a government organization that supports small to mid-size manufacturers, and using new ERP software from Workpack Solutions, a business software company in Michigan.

CartonERP is Workpack Solutions'

custom-designed system for the operational and administrative processes of folding carton plants. Tousley says it is a valuable data tracking tool. "We were very poor at data collection as far as manufacturing and finding out our true costs and performances. We're about 90 percent there which is incredible considering the short amount of time that we've been doing it. We still have a ways to go on the interpretation of that data and what we do with it. Jeff and Donyah and I meet weekly and that's probably most of what we talk about, using the software for bettering our management styles and our communication. We work our sales team through it. It's trying to find better ways of efficiency for our employees through the CartonERP system and we spend a lot of time working with Workpack. Donyah is a perfectionist so she is always questioning everything."

Kristie Vos, co-founder of Workpack Solutions, says Perine is



The Shelby Company is using software technology to drive continuous improvement in all departments.

“Year to date our printing department has a nine percent run time efficiency increase year over year and our cutting department gained 150 hours year over year in makereadies,” Jeff Pascarella says.

always looking for more ways to use the software. “She is asking really good questions as well as looking at costing and how profitable the jobs are and how she can use the shop floor data to analyze the efficiencies in the work force.”

Shelby has five main machine lines, including a seven-color Heidelberg press, two Bobst diecutters and Bobst and Post folder-gluer. The company also has a sheeter and full pre-press capabilities. When Pascarella began using CartonERP for production tasks, he says he was impressed. “We recognized that there was a lot more that the system could do for us. It started with data collection and removing the paperwork from production reporting which used to be hand-typed into the system,” he says. Employees have computer terminals that they use to access the production schedule. Previously, they typed entries into the computer. “We not only streamlined that but we also started to get more accurate data. We are close to collecting almost everything that we need. It allowed us to see where we’re at, how we’re doing

and how do we continuously improve.

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CartonERP’s data collection also has been expanded to other departments, such as shipping and sales. “It helped streamline everything for customer service and our person responsible for shipping on a daily basis,” Pascarella says. “We’re taking it from A-to-Z. We still have a lot of work to do but I feel like we’ve done a lot in a relatively short period of time.” “We use the sales and CRM functions to keep us organized and on track,” Cook says. “It goes hand-in-hand with our marketing plan so we know where we are, where we need to be, who we’ve touched, who we haven’t touched in a while and the steps we need to take to maintain our relationships or secure new ones.”

Vos says the new leadership team didn’t waste any time embracing the technology. “It was like a rocket ship. It was not like pushing a rope,

which you sometimes see during a leadership transition. They grasped hold of the technology and tools and asked all the right questions and they reached out to their suppliers, software manufacturers and the employees, looking at every process and re-thinking it. You could see the growth on the numbers and the data mirrors the effort they were putting forward. It was neat and refreshing to see from our perspective that revitalization that was happening.”

‘Can Do Attitude’

What would folding carton converters be surprised to know about The Shelby Company? “Our response time, quality and what we say we mean,” Tousley says. “We don’t say no. Customers might need 100,000 cartons by the end of the week and instead of saying ‘That’s impossible,’ we say, ‘We’ve got to figure out how to make this happen.’ We just turned around a large quantity job around in three days. That is our approach and that goes back to hand writing letters by the owner. It’s not cliché. We really do put the customer first. That is our priority.”

“It’s the can-do attitude, it’s not we can’t do it,” Perine says.

Pascarella adds: “They might be surprised at how much empowerment our employees have with the operators owning the preventative maintenance plans and running their own machine schedules.”

“Shelby has a humble resilience,” Vos says. “Other carton converters would be surprised by the momentum the leadership team has for improving and streamlining and taking advantage of technology.” ■

With the onset of COVID-19, technology is keeping employees and customers connected.



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