

Customer case:
Success in tough markets

M-real Simpele Board Mill
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All of those who follow pulp and paper markets have read about difficult times in the Finnish mills. Mill shut downs, capacity cuttings, and cancelled or delayed investments due to the high uncertainty of the future are controlling the development of the industry. Still, there are mills that meet the same challenges and are able to overcome them. Nobody argues that it is easy, but with a little help of technology, wise business model, and competent people mixing these ingredients you can find the success. M-real in Simpele is a very good example of such fighting spirit. We had a chance to talk with Sami Kerminen about their approach to meet the challenges of the markets.

Sami tells that location of the mill is controversial, it is both an advantage but also a weakness. During its history Simpele mill has been developed into an independent unit. It produces its own power and pulp, and as a consequence of this competences within the boundaries of the mill are high above normal.

Decisions made by the mill have proven to be the right ones, focusing at improving the quality of the products and maintaining the high quality has been above the competition.

The mill has always aimed at long relationships with customers instead of typical customer-supplier relationships. The same objective guides also their relationships with their suppliers.

Sami argues that their competitive advantage is related to the size of the mill. Simpele is big enough to utilize economy of scale but small enough and flexible to meet the changes in the markets. Their personnel have been open to changes and to utilize new technologies. One good example of new technology is the automated roll storage system supplied by Pesimal. The system has made controlling of production easy and resulted in higher productivity due to better process efficiency.



When Simpele board mill recently increased its production capacity the project team was looking for the best possible solution to handle the rolls, and their selection was a storage system, which was able to convince the team with its simple and efficient solution compared with the other alternatives.

The objective of the project team was to find a powerful and cost efficient solution that could handle the material flow between board machine and converting. Pesimal storage system was taken into use not so long time ago but the demands of the markets have already changed, and the system has proven to be an efficient tool while adapting to the turbulences in the markets. In case the future needs require increased storage volume expanding the system is easy.

The governing principles of the converting process in Simpele according to Sami Kerminen are efficiency and reliability. The sheeting process is designed to serve individual customers, and they can order practically any types of sheets that are included in the mill's product range. Consequently every customer order is unique.

To deliver a customer specific order based on any of the 2500 different combinations is challenging, and it cannot be profitable or efficient without a highly automated process.

For Simpele mill Pesimal and its storage systems is an important partner that has been able to find solutions to problems and to develop the process further once the markets change. The ability to work for a common goal is a prerequisite for a long term relationship. Maintaining the success factors also in the future requires continuous improvements in the process, and Sami believes that Pesimal will have in this respect a role in Simpele also ahead. He looks forward to the future co-operation possibilities.

M-real Corporation



Photo: M-Real image bank

M-real is the leading primary fibre paperboard producer and a major paper supplier in Europe. The company's customers include brand owners, carton printers, converters, publishers, printing houses, merchants and office product suppliers.

M-real Simpele produces folding boxboard for food packaging and graphical applications as well as one-side coated papers for food packaging and other flexible packaging, wet-glue labelling and self-adhesive laminates. The mill is located in Simpele, in southeast Finland.

M-real is the industry forerunner in developing lighter boards and papers with high visual properties. Our lightweight products provide superior printability, strength properties and production performance. Requiring less raw material, lower transport weights and producing less waste, our lightweight products decrease environmental impact and costs at all stages of the product life cycle.

<i>Established</i>	<i>1896</i>
<i>Number of employees</i>	<i>450</i>
<i>Production capacity</i>	<i>215,000 t/a board, 55,000 t/a paper</i>
<i>Production lines</i>	<i>1 board machine (working width 4.03 m, speed 600 m/min, grammage range 200 - 400 g/m²), one winder, five sheet cutters</i>
	<i>1 paper machine (working width 2.50 m, speed 800 m/min, grammage range 40 - 110 g/m²), two supercalenders, two winders</i>