



# IN GOOD COMPANY WITH EUROBLOCK

## EDITORIAL

FIRST-HAND INFORMATION



### A forty-year-old brilliant idea

In the 1970s, the pallet industry had a difficult time. Demand for trimmed timber was high but cheap raw material for production

hardly available. Poplar squared timber had to be imported from Hungary and was not, therefore, a good option. In contrast, saw mill residues were at hand in excess and often even disposed of as waste. Out of this distress, 40 years ago, saw mill owner Anton Heggenstaller - a forward thinker and pioneer of the time - came up with a brilliant idea: compressing saw mill residues into pallet blocks. With idealism and perseverance, Heggenstaller mastered the enormous challenges of the technical implementation of his concept, paving the way for a successful future of the entire pallet industry.

Thus, also in 2016, we can look back on a relatively successful year, which was mainly supported by economic growth in Germany and in most neighbouring countries. However, some of the global changes currently taking place are worrying us. How are things going on in Europe after Brexit? How is the election of the American President impacting the rest of the world? How can the high national debt of some countries be tackled? These are some of the most important questions we will be worried about and expected to answer in the coming years. Yet - to go back to Anton Heggenstaller - good ideas and partnerships can also withstand turbulent times and economic crises. In this spirit, we look optimistically into the new year 2017 and thank you for last year's successful cooperation and partnership!

**Leonhard Scherer**  
CEO of EUROBLOCK Verpackungsholz GmbH

A wide product lineup, high international presence and years' of experience in producing pressboard blocks are among EUROBLOCK's strengths.

EUROBLOCK Verpackungsholz GmbH was founded in 1998 as a distribution partnership for trimmed timber packaging. The partners are Pfeifer Holz GmbH (DE) and Presswood International B.V. from Ermelo (NL). Both companies each have a 50-percent share in EUROBLOCK. The advantages offered by this German-Dutch joint venture to all who need and/or produce professional packaging solutions are obvious: extensive expertise and therefore ideal support, high-quality services and optimised products. All in all, EUROBLOCK sells over 1 billion pallet blocks per year. This means that more than 100 million pallets are manufactured every year using EUROBLOCK's pressboard pallet blocks. Product reliability has the topmost priority - the manufacturing process is subject to the strictest requirements and is continually inspected by quality control employees. EUROBLOCK

products are produced at four production sites in Germany and the Netherlands. Three production lines are integrated into a sawmill site, one of which is a pallet block production plant. Ideal customer logistic support throughout Europe and overseas is possible from these sites. To ensure ideal cooperation, 7 sales sites are furthermore operated. On the following pages, we will introduce you to the two partner companies.



# 1,800 EMPLOYEES, 3 COUNTRIES

## PFEIFER GROUP

Wood, this valuable, renewable raw material, is 100 percent processed within Pfeifer Group. At 8 locations, not only “sturdy” products, such as trimmed timber and timber construction as well as concrete formwork products or pallet blocks, are manufactured from logs - also biofuels and even electricity are among the products that Pfeifer produces out of wood.

Dynamics has characterised Pfeifer since its inception. From a small sawmill founded by Barbara Pfeifer in Imst (A) in 1948, a group at a European level has emerged. Pfeifer is one of the most traditional and competitive companies in the European wood industry. The main focus is on the industrial processing of conifer wood. Today, 1,800 employees from 8 locations and 3 countries work for the group. This abundance of individual cultures and structures is valuable because diversity also entails more ideas and developments. Pfeifer’s product portfolio ranges from trimmed timber and planed goods, concrete formwork slabs and beams,

to glue-laminated timber, solid wood panels, through to pellet blocks, briquettes, pellets and bio-electricity. The know-how of highly qualified employees, combined with state-of-the-art production techniques, guarantees the continued development of Pfeifer’s products. High-quality products are supplied to customers in 90 countries around the world.

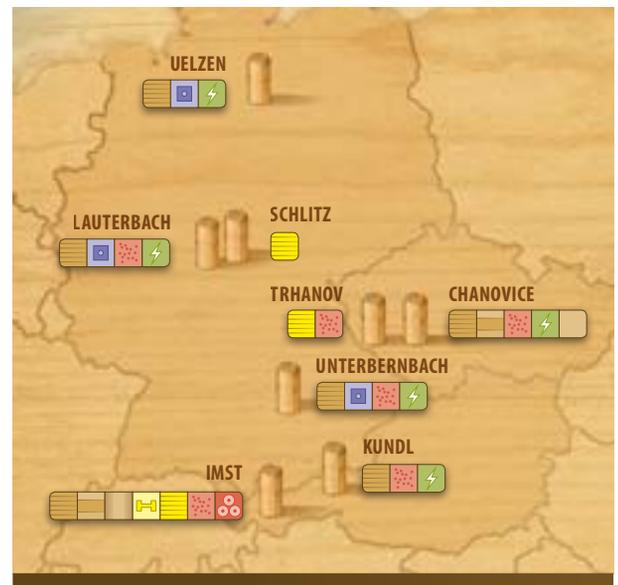
### ALL-ROUND RECYCLING

At Pfeifer, nothing is uselessly thrown away. All the byproducts that are produced during manufacturing processes, such as bark, wood chips and wood shavings, become pre-

cious raw materials. This so-called “waste wood” from pallet blocks is used to produce electricity and environmentally-friendly biofuels. In this manner, the value chain can be completely closed within Pfeifer Group.

### “SUSTAINABLE” WOOD

The logs that are processed at Pfeifer come all from sustainably managed forests. Sustainability is understood here in the classical sense: No more is used than what is growing again. Non-sustainable forestry use would lead to an environmental catastrophe for coming generations. Therefore, the company’s greatest focus is on handling wood as a raw material as carefully and respectfully as possible.



### THE GROUP’S LOCATIONS

in Austria, Germany and the Czech Republic



### PFEIFER’S CONCRETE FORMWORK PRODUCTS

are exported to over 90 countries worldwide.



### THE COMPANY HEADQUARTERS IN A WOOD CONSTRUCTION

in Imst in the Tiroler Oberland (A)

# OLD TURNED INTO NEW BY PRESSWOOD INTERNATIONAL B.V.

The strengths of Presswood International lie in the area of recycling: Hundreds of thousands of tonnes of wood waste are processed each year to obtain pallet blocks, out of which several million pallets are manufactured.

Vierhouten Group - the parent company of Presswood International - was founded in 1965 and has meanwhile grown into a company with currently 250 employees and an annual turnover of around 350 million euros. In 1983, Presswood Holland B.V. was started as a company manufacturing compressed wood pallets.

The strengths of Presswood International lie in the area of waste wood recycling: Every year, the company processes 220,000 tonnes of waste wood and manufactures 330,000 cubic metres of pallet blocks out of it. In addition, more than

5 million compressed wood pallets are also produced. In 1990, Presswood International expanded its production to include particle board pallet boards. This turned out to be so successful that a second production line was put into operation five years later. In 25 years, a production increase from 22,500 to 325.000 cubic meters of blocks was recorded. 8 years later - in 1998 - Presswood and Pfeifer Holz (at that time still Heggenstaller AG) finally entered into a distribution partnership - and the rest is history!

## TOGETHER INSTEAD OF ALONE

Presswood International is in the best of company not only with EUROBLOCK, but also with Vierhouten Group ([www.vierhoutengroup.com](http://www.vierhoutengroup.com)). Numerous other well-known companies from the packaging and pallet industry are part of this undertaking and have embarked on successful paths like, for example, the two wholesale companies for plastic packaging, Dutch Portex Verpakkingen BV ([www.portex.nl](http://www.portex.nl)) and English Westflex Ltd. ([www.westflex.co.uk](http://www.westflex.co.uk)). Mondipal BV ([www.mondipal.nl](http://www.mondipal.nl)), which man-

ufactures plastic pallets and crates, and Portex Holland BV, specialising in big bags, as well as the transport container manufacturer PW Container ([www.pwcontainer.nl](http://www.pwcontainer.nl)) are also sitting in the same boat. Within Vierhouten Group, distribution in the United Kingdom and in Ireland occurs, inter alia, via IPPL LTD ([www.inkapallets.co.uk](http://www.inkapallets.co.uk)), a sales company based in England that manages Vierhouten Group's entire product range. In keeping with the aspects of modern logistics, Vierhouten Group has a strong presence in this industry too: At A2B-online

([www.A2B-online.com](http://www.A2B-online.com)) 450 lorries, numerous containers and 5 freight ships are available for customer delivery to and from the UK.

Thus, Vierhouten Group is a multi-faceted supplier of finished and semi-finished products as well as logistics services.



VIERHOUTEN GROUP'S HEADQUARTERS  
in Ermelo, Netherlands

# HOW PALLETS CHANGED THE WORLD

In 2011, the Dutch association "Transport en Logistiek" drew attention with the slogan: "Without transport, everything is still." A very good idea, which we would like to integrate into this issue of the EUROBLOCK Journal by reformulating it into: "Without pallets, no transport."

Pallets are literally the basis of logistics, because without them transporting goods from ports to transshipment areas, from factories to shops, etc., would be impossible. In Europe alone, 4 billion pallets are in circulation. EPAL (European Pallet Association) announced that it produced 30 million new Euro pallets in 2014.

Can one say that pallets have changed the world? With a little good will, yes! "Pallets move the world," said Dr. Marshall White, emeritus professor at Virginia Tech, a state-owned technical university in Blacksburg, USA, in an article entitled: "The single most important object in the global economy: the pallet."

The invention of the pallet cannot, of course, be compared to that of the steam engine or of the Internet, but if American Lester M. Sears had not invented the prototype of a forklift truck in 1919 and, a year later, a certain Mr. Halliwell had not come up with the glorious idea to nail pallet blocks under boards - what would the logistics world look like today? As early as 1931, the "Railway Magazine" in England assessed the impact of the pallet on the transport sector through precise

calculations. If 3 days were previously needed to unload a wagon with 13,000 goods items, the same task took only 4 hours if a forklift and pallets were used. In the Second World War, the American army integrated the pallet as a new fixed component into the "Big L," a division that supplied troops with goods of all kinds. Historian Rick Le Blanc wrote in the "Pallet Enterprise" magazine: "The use of pallets and forklift trucks was the most important and revolutionary development in warehousing and transport logistics during the war." Norman Cahners, a logistics naval officer, invented the 4-way pallet in 1947 - a simple idea that had an enormous impact on efficiency improvement. Pallets could now be accessed with on 4 sides.

After the end of the war, the US Army provided Australia with forklift trucks and about 60,000 pallets. It organised the first pallet pool - today known as CHEP, one of the world's leading providers of pallet and container pooling services, with a pool of over 300 million load carriers.

With a view to increasing efficiency, this was then followed by standardisation. In 1961, European agreements on pallet sizes were concluded. In

terms of Euro pallets, exactly 2 pieces fitted next to each other in a wagon or on a trailer. As a result, Europe had its own pallet pool. Manufacturers adapted their packaging units in such a way that the best possible volume utilisation could be achieved within the standard dimensions of 80 times 120 centimetres. The triumphal procession of the wooden pallet was no longer to be stopped. A single Euro pallet can easily carry 1,500 kilogrammes if the load is even.

In recent years, the ecological importance of the pallet has enormously increased. The raw material wood made the pallet a sustainability star. Wood is eternally renewable - pallets can be sorted, repaired and reused. At the end of its life cycle, wood is recycled and used, for example, as a raw material for chipboard production or burnt in the form of wood chips, whereby energy is recovered. A unique, environmentally-friendly cycle, which prompts an increasing number of companies to resort to wooden pallets as a basis for their transport logistics.

The pallet is therefore a prime example of efficiency. Thanks to its flexible raw material that provides the best strength

values, the pallet is a customer-friendly power tool and an integral element of sustainable company management.

We spoke to Michael Nieuwesteeg, the Director of NVC (a Dutch association of companies active in the field of packaging).

**EUROBLOCK Journal: Mr. Nieuwesteeg, how does your association see the pallet today?**

**MICHAEL NIEUWESTEEG:** Since 1953, we have been an association and platform for companies active in the packaging sector. This is, of course, not always easy because our members are often competitors or related to each other in a buyer/seller relationship.

The pallet is an enormously important invention. Today, it still does not fully stand out for its simplicity and effective-

ness, although it is in many ways unbeatable. The number of pallets in circulation is very high: we estimate about 10 billion pieces worldwide! In my opinion, the pallet has actually changed the world - and this for the good; Less effort, more quality and reliability. On a closer look, the pallet is literally as well as figuratively the basis of packaging.



## MODERN WAREHOUSE LOGISTICS

Pallets play a central role in warehouse logistics also in the age of Industry 4.0.

# NEW EMPLOYEES FOR OPTIMAL CUSTOMER CARE

EUROBLOCK has consolidated its sales team with two new employees. Guy Ejeil and Benjamin Klink have been working for the company since early 2016. The goal: even better customer service.

Benjamin Klink is ambitious, full of aspirations and always on the hunt for demanding challenges, which he has found in handling sales at EUROBLOCK. In the interview he reports about himself and his goals.

*EUROBLOCK Journal: Mr. Klink, you were already working for Pfeifer Group before you joined Euroblock. Please tell us how this came about.*

**BENJAMIN KLINK:** I was born in the Hanseatic city of Uelzen in Lower Saxony. Immediately after my high school diploma in 2011, I started a dual course of studies at an energy company. I then completed the training as an industrial management assistant two years later and finally graduated in 2014 as a business administrator in Lüneburg. At that time, there was a free place at Pfeifer and so, still in the same year, I joined the shipping department at the Uelzen location.

*EUROBLOCK Journal: How was it then? What were your impressions about your new employer?*

**BENJAMIN KLINK:** When I started with Pfeifer, the products manufactures in Uelzen such as trimmed timber and pallet blocks seemed to me pretty banal. But when I first saw the processes occurring between the delivery of the raw material and the loading of finished products, I was very impressed. As a result, I began to find my job very varied and interesting. At the time, I was particularly fascinated by Pfeifer's internationality and worldwide customer network.

*EUROBLOCK Journal: How did things go on then?*

**BENJAMIN KLINK:** In September 2015, I continued my university studies with a Master of Science in Sales Management in Hamburg. One year later, I moved from the Uelzen site to Unterbernbach, and also from Pfeifer to EUROBLOCK. I then continued my academic training in Munich.

*EUROBLOCK Journal: And at EUROBLOCK, did you find what you were looking for?*

**BENJAMIN KLINK:** I cannot deny that I am a person who is always on the lookout for new challenges. The latter is something that I need for my personal development. And which I have found in Bavaria and at EUROBLOCK. The variety of activities and the many new tasks I am

entrusted with at EUROBLOCK require all my commitment, so that I can bring all the knowledge and expertise I have acquired so far into my performance. It goes without saying, however, that I can also learn a lot myself from the experiences of the local sales team! Saying farewell to my colleagues in Uelzen was not easy for me, though. I would therefore like to take this opportunity to thank them for sharing the knowledge and experience I could gain in Uelzen and for the support they have always given me.



**BENJAMIN KLINK**

*EUROBLOCK Journal: Mr. Klink, thank you so much for the interview!*

Guy Ejeil, Export Sales Manager and Key Account Manager with EUROBLOCK, spent a turbulent, exciting life in the international world of sales. He worked for the biggest "multis" of the industry and was always on the move. In the interview, he explains what motivated and motivates him, and takes a look at the future of export.

*EUROBLOCK Journal: Mr. Ejeil, you are, so to speak, double-rooted. Does this make you particularly proud?*

**GUY EJEIL:** Yes, I am very proud indeed to feel at home in two places: I was born in Lebanon capital, Beirut, in 1969. Then I grew up alternately in Germany, where I attended the Benedictine Gymnasium in Ettal, and in Lebanon. In doing so, I also enjoyed the special privilege of bilingual education, which has always benefited me a lot.



**GUY EJEIL**

*EUROBLOCK Journal: How did it go after the high school diploma?*

**GUY EJEIL:** After finishing high school, I began to study business administration at the University of Augsburg. After successfully completing my studies, I started my career covering various marketing and sales positions in the IT hardware and software industry in Augsburg and Munich. Because of my Lebanese roots, I concentrated more and more on sales management in the Middle East and Europe. In 2005, I finally joined the non-woven fabric industry, where I worked in Italy and then in Sweden until 2012.

*EUROBLOCK Journal: For which regions were you primarily responsible in this area?*

**GUY EJEIL:** I was responsible for the distribution of non-woven fabrics to customers from the European hygiene industry and the MENA region, i.e. from the Middle East and North Africa.

*EUROBLOCK Journal: There you could collect a lot of international experience!*

**GUY EJEIL:** Yes, but that was not all! Among other things, I worked as Key Account Manager for major customer Procter & Gamble, a consumer goods group in 70 countries around the world. Further "key accounts" were some other so-called "multinationals" like SCA or Kimberly-Clark, a hygiene product manufacturing giant with 150 subsidiaries all over the world.

*EUROBLOCK Journal: At that time, were you already working in leadership positions?*

**GUY EJEIL:** No, my first management experience was as Sales & Marketing Director at Rexcell / (Duni Group), a company manufacturing air-laid and tissue products and marketing them throughout Europe. Afterwards, I joined a medium-sized mechanical engineer in Ingolstadt which supplied its customers with industrial paint dosing and mixing

systems, and where I worked as sales manager for France, Middle East and Eastern Europe.

*EUROBLOCK Journal: How did you finally settle for EUROBLOCK after such a turbulent career?*

**GUY EJEIL:** Having worked relatively long in Ingolstadt, this place became home for me. Moreover, I got married here and have 3 children now. That is why I was no longer looking for new challenges at an international level, but in a regional environment. I was looking for interesting tasks in sales with long-term development opportunities. I was and am very happy that my prospects have been met by EUROBLOCK, where I now cover an export and key account manager position. I feel simply comfortable and right there. On the one hand, I have extensive experience with major key accounts and different customer structures in Europe and the Middle East, whereas North America and Asia are welcome newcomers to me - which is again a challenge for me and my skills. On the other hand, I am pleased to have found professional, multi-faceted companies in EUROBLOCK and Pfeifer, which have also enabled me to enter the pallet and packaging industry.

*EUROBLOCK Journal: What is the future potential of your work activities at EUROBLOCK?*

**GUY EJEIL:** On my numerous journeys to the United States, Dubai, Spain and Italy, I was able to realise that our primary sales-related mission is to maintain our leading market position in Europe and, as far as possible, oppose and dismantle our strengthened competitors, while expanding new markets with new products. Also the service area must be given fresh stimulus in the future, for example by continuing to provide excellent service for our pool customers.

*EUROBLOCK Journal: Mr Ejeil, thank you so much for this informative interview!*

# OLD LADY WITH A LOT OF MOMENTUM

At the Uelzen Pfeifer site, extensive investments for optimising customer services and ensuring competitiveness were made.

The group's northernmost site, Uelzen (DE), was put into operation in 1991 and taken over by Pfeifer in 2005. Uelzen, therefore, celebrated its 25th anniversary last year. A lot has been done since then: One year after the acquisition – 2006 – the existing saw mill was modernised, which allowed timber production quantities to be significantly increased. In 2008, a biomass heating plant was put into operation. In the meantime, capacities speak for themselves: 165 employees process 480,000 solid cubic metres of pine into trimmed timber and pallet blocks each year. In addition, 55 million KWh of bioelectricity are generated. A delightful record was achieved in 2015: never before has so much packaging trimmed timber been sawn in a year.

## MODERN PACKAGING STANDARDS

Additional investments were made in Uelzen in order to continually increase the level of service for customers: with the help of newly-installed kilns, the product range was significantly expanded. The chambers have a yearly drying capacity of 35,000 cubic metres of trimmed

timber. Smaller batches are dried in three separate chambers. For this purpose, mainly low-temperature heat from the existing biomass heating plant is used; also energy from the flue gas condensation of the plant is used.

So there is now also the possibility to offer trimmed timber in accordance with ISPM 15. This import regulation represents an international standard for phytosanitary measures for wood packaging in goods transport worldwide. The wood in the core must be constantly heated to a temperature of 56 degrees over a period of 30 minutes. This is done by means of technical drying, which has the additional advantage of avoiding mould.

## MORE STORAGE SPACE

In addition, a tent warehouse was set up for the intermediate storage of dried trimmed timber. Here, wood can not only be stored but also protected from weather influences. The hall has an area of 1,600 square metres. It can be dismantled without great effort and rebuilt in another location at the site. This will allow us to remain flexible when future investments must be made in Uelzen.



New kilns at the Uelzen site



Tent warehouse for dried timber



The group's northernmost site: Uelzen (D)

# EUROBLOCK & PONTRILAS PACKAGING

As the market leader for pallets, EUROBLOCK supplies numerous customers worldwide. We asked one of our UK customers, Pontrilas Packaging, some questions.



EUROBLOCK Journal: *Mr. Turner, what is your role at Pontrilas?*

DARREN TURNER: I am Pontrilas Packaging's Managing Director.

**DARREN TURNER**

Managing Director of Pontrilas Packaging

EUROBLOCK Journal: *Could you tell us a bit about Pontrilas and the company's business?*

DARREN TURNER: Pontrilas Packaging is one of the largest pallet manufacturers in the United Kingdom. We produce up to 50,000 pallets a week on 9 production lines. Our factory site has an area of more than 64,000 m<sup>3</sup>. We also operate a sawmill with a daily production capacity of 850 m<sup>3</sup>.

EUROBLOCK Journal: *How does EUROBLOCK Palettenklotz support your business?*

DARREN TURNER: Due to the high level of automation and strong demand for dry pallets, we can dramatically shorten our delivery times with EUROBLOCK pallets.

EUROBLOCK Journal: *In your opinion, what are the advantages of using our pallet blocks?*

DARREN TURNER: Essentially, uniform block sizes and low moisture content. The main advantage for us, however, is that the blocks do not have to be cut - which reduces waste to a minimum.

EUROBLOCK Journal: *Pallet blocks made of chipboard seem to be gaining ground in pallet production in the United Kingdom. What do you think is the reason for this success?*

DARREN TURNER: In my opinion, supply continuity in the case of wood scarcity, but also prices not being influenced by market changes are decisive success factors.



EUROBLOCK Journal: *Would you recommend chipboard pallets to your customers and other pallet manufacturers?*

DARREN TURNER: Absolutely, the advantages are obvious!

EUROBLOCK Journal: *What does the future hold for Pontrilas?*

DARREN TURNER: We are in the process of installing a new biomass boiler which will allow us to use our own wood waste to operate a new pallet dryer with a capacity of 1,200 pallets. But also several plans for further automation are already lying in store!

EUROBLOCK Journal: *Thank you, Mr Darren, for taking the time to answer these questions. Your answers clearly show that using EUROBLOCK pallet blocks offers many advantages. And as Pontrilas is growing, we hope to also grow with your company!*

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