



# Newsletter

12/03

- 1/ Pasta & Cartonboard
- 2/ Forecasts for 2004
- 3/ Frozen Food
- 4/ E-mail versus Paper
- 6/ Research & Development
- 7/ Procarton/ECMA Award 2003
- 7/ News in brief
- 8/ Grease-resistant Cartonboard

**Barilla**

## Pasta & Cartonboard – Heading for Mutual Success

Tradition, innovation and quality – not only concerning the product itself, but also in terms of packaging. Those are the key factors in many years of successful cooperation between the Italian pasta maker Barilla and Mayr-Melnhof Karton.

**T**radition plus innovation and quality: that's exactly what makes this authentic Italian pasta successful. Barilla, the world's leading pasta manufacturer, is aware of these ingredients and has been producing premium traditional Italian pasta for more than a century. The brand name Barilla was born in 1877, when Pietro Barilla senior opened his first pasta shop in Parma. Along with classic and new pasta formats, Barilla's product range today also comprises a number of instant sauces as well as fancy cakes and savoury crackers. Barilla attaches utmost importance to the quality of the basic commodities and therefore uses high grade types of durum wheat only. However, Barilla's quality standards apply not only to the manufacture of their top quality products, but also to their packaging. On the one hand, this needs to

fulfil all functional and function-related requirements; on the other, its outward appearance needs to convey a touch of Italian life style and the values of the Barilla brand name. In order to do so, the packaging material must comply with certain requirements: good printability, high colour brilliance, and all that is needed for an appealing design. That's why the Italian "pasta guru" uses hardly anything but cartonboard as packaging material. "Top level cooperation at its best", is how Luigi Ganazzoli, head of purchasing at Barilla Alimentare Spa, describes their partnership.

Barilla banks on Mayr-Melnhof Karton as a long-term supplier and partner. The two companies have a similar concept of values which is based on tradition, consistent quality and innovation.

Together with Barilla, the Frohnleiten plant has developed a special cartonboard grade with kraft back. It has been used for traditional pasta for many years. Virgin fibre cartonboard made by Baiersbronn is used for "Pasta a l'uovo" (pasta containing eggs) and classic recycled GD/GT types for packaging pastries.





Franz Rappold

**Board**

## Ladies and Gentlemen, Dear Business Friends!

The year 2003 is coming to an end - time to take stock and outline the challenges of the year to come.

**Weak economic growth – vague forecasts for 2004**

The sluggish world economy continued throughout 2003. The OECD is expecting a marginal growth rate of around 1 per cent for Europe and unemployment to rise to nearly 9 per cent. The overall conditions, worsened by the war in Iraq, SARS in Asia, the impact of the high oil price and the strong Euro, have aggravated this trend. The outlook for next year's economic development is still very vague. While Japan and the USA showed some first signs of recovery in the past few months, the Euro area is still lacking a definite stimulus for economic revival. These countries are therefore predicted to show only very moderate economic growth in 2004.

**Cartonboard demand as a cyclical indicator**

The trend in the cartonboard market is similar. The year 2003 was marked in particular by a continued short-term demand from European businesses and a drop in orders from Asia and the Middle East. We therefore needed to adjust our cartonboard production to suit the new market situation. However, despite the prolonged weak demand, we still managed to maintain our market shares, and we even gained additional ground in the odd country.

**Waste paper prices rising**

While the overall level of prices on the procurement markets remained fairly steady in the first half of 2003, the third quarter entailed a significant upturn in waste paper prices, thus continuing the brief surge of April and May. Smaller quantities of waste paper in the Euro area as a result of the market conditions as well as growing exports to Asia finally caused prices to increase by up to 30 per cent. This tendency together with the rise in energy prices and the upcoming road toll for lorries will sooner or later also affect cartonboard prices, so we fear.

**Recycled cartonboard on the up**

Yet as a leading manufacturer of folding box board made of recycled fibre, it is important to us to keep our products' price level as steady as possible. And despite rising waste paper prices, our recycled cartonboard qualities increasingly present a valuable alternative to virgin fibre cartonboard - after all, they comply with all the requirements set out in the strict guidelines of the food and drug act. Long-standing experience and ongoing development concerning recycled fibre cartonboard continually provide our customers with new kinds of application and designs. These imply in particular food packaging solutions. Moreover, we've developed a new cartonboard grade featuring a grease barrier, which not only offers perfect functionality, but also lowers costs. For more information, please also see our latest newsletters.

Finally, I would like to thank all our customers and business partners for their confidence in Mayr-Melnhof Karton and wish you all, a

**Happy  
Christmas  
and a successful  
New Year**

**Yours cordially,**

**Franz Rappold**

*Member of the  
company board*



## Frozen Food

# Frozen Food à la Carte

Whether it's salami pizza or creamed spinach, potato chips or cream cakes - frozen food is popular. Especially in the low-harvest winter months many freezer foods are a good alternative to scarce market produce, widely travelled exotic imports or tinned food.



The market for frozen products has remained one of the fastest growing segments in the retail business. Not really surprising, considering that many people's lifestyle and cooking habits have changed. Fresh, crispy baguette in ten minutes, or a fruit pie whipped up for dessert – frozen foods are extremely popular in modern cooking.

### Europeans love frozen products

In Germany alone, sales increased by around 83 % over a period of ten years. In the same time, the per capita consumption climbed from 11.4 kg to 34.5 kg. Sweden tops the list with 49.7 kg per capita last year, followed by Great Britain (49.3 kg) and Norway (44.8 kg annually).

#### Frozen food market per capita consumption in 2002 (incl. raw poultry, excl. ice cream)

Country	Per capita consumption (in kg)
Sweden	49,7
Great Britain	49,3
Norway*	44,8
Germany	34,5
Finland	25,9
Spain*	22,1
Belgium*	21,6
Netherlands	19,8
Greece	18,4
Italy	12,4

Source: Deutsches Tiefkühlinstitut  
\* data from 2001

### Vitamins – also in the off-season

Frozen vegetables sell best of all. They're in great demand especially in the cold season, since they're a

valuable alternative to fresh produce. The often criticised quality of frozen goods is also clearly better than its reputation. Even if fresh vegetables score best in terms of nutrients, it is known that a certain amount of vitamins is lost during transport. By contrast, deep-freezing is a gentle form of processing which prevents premature spoilage. The vitamin content in frozen vegetables is thus preserved for up to one year.

### Saving time and money

Another point in favour of using frozen products is saving time and money. Longer working hours and less leisure time, the growing number of working mothers and the surge in single households have made many consumers prefer convenience foods. Served up quickly and without much effort – that's the 'new cooking' generation's motto. Interestingly, surveys have shown that frozen foods also outdo freshly prepared meals in terms of saving power, water, and waste. So you're not only saving time, but also money.

Tailored to the requirements of frozen food packaging, Mayr-Melnhof Karton offers a diverse range of products which have been used successfully for years, including

#### ➤ VENO-FREEZE

Our GD2 cartonboard grade at the Dutch mill in Eerbeek, supplied in grammages of 275 to 550 gsm. More details from our local selling agencies or at [www.cartonette.com](http://www.cartonette.com).

*e-communication*

# The Paperless Office

They've been predicting the paperless office for years. E-mail, Internet, Intranet, scanner and the like are supposed to put an end to good old paper. The paper industry hasn't noticed a thing - no signs of a downfall. Banning paper from our offices and from society is simply impossible. It's been around for too long! And it has become firmly established in our lives throughout the centuries.

By Eva Willi &  
Christiane Reithofer

**M**ore than 5000 years ago the old Egyptians used papyrus – the forerunner of paper – to write on. More than 2000 years ago the Chinese invented paper in the modern sense of the word. Finally, in the 11th and 12th century the Europeans began to make paper, too. And since then paper has been our constant companion – from our birth certificate and first picture book to daily newspapers, love and business letters, invitations, menus - right up to our death certificate – all through the generations. No wonder we have a special relationship to this old-fashioned type of “data carrier”.

No doubt, an increasing amount of processes no longer depends on the use of paper. Information is sent by e-mail or searched for in the Internet. Circulars, work instructions, telephone directories and the like can today be found in the Intranet, documents are filed and administered in the computer, orders are placed online. However – and this is what's crucial – most of it is also printed out, “for safety reasons”, so as to have something in your hands - as proof, if you like.

## *Office survey 2003 - paper still no. 1*

As part of the “2003 Office Survey” commissioned by Europapier, the Gallup-Institut investigated the “paper habits” prevailing in Austrian offices. Here's a brief summary of the most important results:

### *Time scheduling done offline*

When it comes to time scheduling, paper is clearly in the lead: three out of four managers still plan their appointments using a paper diary – and so do most secretaries.

### *The fax machine is alive*

Despite the flood of e-mails and the fact that faxing could be replaced, the use of fax machines in Austria has not decreased. 67 % of secretaries think that fax machines are still necessary alongside the Internet.

### *e-commerce on the advance*

Although the volume of orders sent out through the Internet and by e-mail is rising, delivery and order confirmations sent by fax or letter are preferred to those sent by e-mail, not least for legal reasons.

### *Filing*

Concerning filing, the decision between paper and electronics was an easy one: seven out of ten people file important documents printed out on paper in classic files and folders. Archiving on the computer, on diskettes or CD-ROM is starting only slowly.

### *Paper quality as an image factor*

Top quality paper not only ensures you'll be able to operate your fax machine smoothly or avoid paper jams in your printer, but also serves as a means of representing the company. Four out of ten Austrian companies use different paper qualities depending on the respective occasion, and only every second company does without top quality paper due to the bad economic situation.

### *The medium is the message*

Whether it's an e-mail, a letter, a phone call or a fax: it's the contents that decide on the choice of medium. And the principle is: “the more sensitive and personal, the better it is to use paper”. Or would you send a bank guarantee by e-mail?



### *Why paper?*

Surveys like the 2003 Office Survey and figures taken from the paper industry prove that our lives are anything but paperless. Yet why do we have this “affinity to paper”? Why do we still print, fax, punch holes, staple and file in folders? On the one hand, there are documents such as contracts, certificates, notifications or patents that we need to keep in the original, of course.

On the other hand, paper print-outs are convenient, and they feature a number of advantages over screen documents. On paper, for instance, it's easier to get an overview of several pages, to edit them at the same time, to make personal notes, work on a document jointly with others, flick through texts, take information with you to work on it later or in a different place.

A key point, however – if not the decisive one – in why paper will probably never become extinct, are the feelings it evokes. It rustles and crackles, feels exquisite or cheap and addresses our senses. And apart from that, it's easy to manipulate and conveys a sense of power: it's up to us whether we file it away nicely, scribble ideas all over it, go over it with a red pen, “tear it to pieces” or simply feed it to the shredder.

### *Long-term “victory” of paper over technology?*

If you want to talk about victory, you're implying there was a fight which was conjured up by slogans such as “the paperless office”. Yet our lives are unthinkable without paper or computers. The one does not preclude

the other. On the contrary, we live in an information society that stores an increasing amount of information which should also be available. The job of technology is not to save paper, but to help manage information more efficiently and make it readily available. And still, the world of the New Media is a virtual one. The world in which we live and work, however, is real. It's paper that bridges the gap and allows us to take bit by bit from cyber space, to print out, and turn into reality – for us to look at, to touch, to save, or simply crumple up.

#### **Dr. Eva Willi**

*Communication and media consultant, heads the E-Communication Manager training course, has been granting the Austrian e-communication award since 2001. Assistant lecturer at the Vienna University of Economics and Business Administration, teaching “Marketing” in Tourist Economics.*

#### **Mag. Christiane Reithofer**

*Junior partner in the ‘e-communication Network’, lectures on marketing and PR.*

[www.e-communication.at](http://www.e-communication.at)

## Interview R&amp;D

# Taking a Closer Look ...

Cartonboard in the lab: an interview with Heinz Traussnig, head of R&D at Mayr-Melnhof Karton.

By Ulrike Lanner

**Y**ou're head of the central R&D laboratory of Mayr-Melnhof Karton in Frohnleiten. Since when has there been an in-house research centre?

"We've had our central laboratory in Frohnleiten since the late 80s. Back then we recognized the importance of professional cartonboard analysis for constant product optimisation. After studying Biochemistry and Food Chemistry and several years of research in the field of biochemical technology, I joined MM in 1988 and set up our R&D lab step by step. Today it's the centre of research activity at MM Karton."

**What are the main fields of activity at the R&D lab?**

"The lab is divided into two areas - an analytical / chemical one and one concerned with microbiology and sensor technology. The analytical / chemical lab deals predominately with analysis techniques concerning the use of cartonboard for foodstuffs. One focus of our activities, for instance, is performing so-called migration tests. This process is designed to rule out that any substances which might impair the quality of the packaged goods are released from the cartonboard into the contents of the packaging. This is of great importance especially in the field of food packaging, since legislation in this sector is very strict, and the requirements made on cartonboard are correspondingly high. Actual suitability for use with foodstuffs, however, is not tested and approved by ourselves, but by independent institutes such as the ISEGA, for instance."

**How can you identify organic substances in cartonboard in the first place?**

"That kind of analysis is done with the help of so-called gas chromatographs. Gas chromatography is a separation technique which allows you to separate



*Heinz Traussnig, a qualified biochemist and food analyst, has been head of Product Safety and Environmental R&D in the Mayr-Melnhof cartonboard division for more than 15 years and heads the Central R&D Laboratory in Frohnleiten.*

a material's individual substances. The device is designed first of all to split up the respective sample into its individual components and then to identify them. In the course of this you can, for instance, measure the proportion of volatile organic compounds in the cartonboard."

**What other chemical / analytical tests do you perform?**

"Another very important field of activity takes place in our microbiology and sensor technology lab, which was set up specifically for food-related research. There we examine whether the properties of the cartonboard material affect the smell or taste of the respective food product. We have specially trained personnel who conduct tests on a regular basis. The fact that several, sensitized persons test simultaneously guarantees that the product's smell or taste remains unaffected by the packaging material. As with the migration tests, the final microbiological quality control and approval is carried out by external labs."

**How do the different EU food laws affect the development and production of cartonboard?**

"The different laws within the EU do at times complicate test procedures. Cartonboard is generally subject to the legislation applicable in the country of destination. Yet there's already an EU directive which says that if a product was tested and used in one EU country, it should also be accepted in another. Also, there are first signs of the laws and regulations

concerning paper and cartonboard used for food-stuffs being harmonised. Last year the European Council issued a resolution which represents the basis of a common future legislation. We're therefore confident there'll be a regulation covering the entire EU in a few years time!"

***What are the prospects of recycled cartonboard, especially in the food sector?***

"Mayr-Melnhof Karton has made great progress in terms of quality improvement and recycled cartonboard development especially in recent years. I think the general trend of demanding greater product

safety will continue in the future as well. Issues such as BSE, genetic engineering and the dioxin scandal have played a great part in making consumer safety a top priority. Apart from optimising physical properties, such as shine and smoothness of the cartonboard, we too will continue to focus on product development in the context of food packaging. And we're proud to be able to say that even today our recycled cartonboard qualities comply with all the necessary prerequisites specified in the strict legislation." ■

***Carton of the Year:***

# "Summit Victory" for Mayr-Melnhof Packaging

At the Procarton/ECMA Award 2003, the most important European folding carton award ("Carton of the Year") went to the Austrian folding carton manufacturer Mayr-Melnhof Packaging. The pyramid-shaped packaging of the "Kitzbüheler Horn" chocolates made for Confiserie Manfred Wiegand convinced the jury mainly due to its simplicity: a plain design in black and white, no foil or plastics, all inserts made of cartonboard combined with clever details such as relief stamping reflecting the mountains's surface structure.



*f. l. t. r.: Hannes Köck and Andreas Blaschke (Mayr-Melnhof-Packaging), Manfred Wiegand (customer), Gerald Wahl (Manager of the Friends Connexion design agency).*



ews in brief +++ news in brief +++ news in brief +++ news in brief +++

## Cartonette-Release 11/03

The updated online version of Cartonette has been available as of November 2003. A click of the mouse and you'll find all the current technical data on MM cartonboard qualities.

[www.cartonette.com](http://www.cartonette.com)

*Grease-resistant Cartonboard*

# Ball Bearing Box Featuring Grease Barrier

A new grease-resistant cartonboard from our Swiss specialist mill that has successfully established itself in the market.

**M**ayr-Melnhof Karton has developed another type of grease-resistant cartonboard in collaboration with SKF, the market leader in ball bearings and seals. This particular grade originates from the Swiss mill Karton Deisswil, which focuses on the production of special-purpose cartonboard.

The ball bearing cartonboard developed at the “Swiss speciality factory” is designed so that the grease which is still on the goods for protection reasons can slightly penetrate the surface of the folding box’s reverse, but not soak through to the printed front side of the packaging. Neither the material’s good printability nor its adhesive properties are in any way impaired by the grease barrier. This grease-resistant cartonboard has been used for over a year and has proved successful in the market.



To order this special quality of cartonboard, please state the following quality description:

**32.174 Swisschromo light-coloured reverse, ball bearing (GT2) available in 400, 500 and 600 gsm.**

This grade is produced every four weeks. For more information, please contact the team of the Deisswil mill or one of our local selling agencies.

news in brief +++ news in brief +++ news in brief +++ news in brief +++

## Forwarding Reorganised: Optimised Warehouse at the Baiersbronn Mill

The distribution plant of Baiersbronn Frischfaser Karton has been extended by 1600 m<sup>2</sup>. The warehouse is equipped using a 100 metre automated conveyor unit for fast and safe transportation of the loaded pallets. The new warehouse has been fitted with 3 bridge ramps to improve the forwarding process. An additional loading gate has been fitted

on one side. “We’ve managed to optimise the loading process thanks to the alterations made to the building and the restructuring of our forwarding division. Less manual manipulation is easy on the packages and at the same time speeds up the process”, says Stephan Klein, technical mill manager in Baiersbronn.

