**PRESS ARTICLE**

**Mex, Switzerland, 4th June 2020**

**The key to handling surges in e-commerce packaging demand: during COVID-19 and beyond**

E-commerce was already a booming market before COVID-19, hitting sales of over 3.5 trillion US dollars in 2019 and projected to reach 6.5 trillion US dollars by 2022.1

But since the pandemic hit, online spending has increased even further. There has been a 20% surge in sales worldwide2 and in some countries, the figure is even higher. For example, in the US, online sales of consumer packaged goods (CPG) grew 56% for the one week ending April 18th, compared to the same period a year earlier3. It’s a pattern being replicated in countries all over the world.

A lot of this is a surge in demand for the essentials – food, drink, household cleaning products, pharmaceuticals – for living at home during the pandemic. But non-essential items including household goods, clothing, toys and games have all seen major boosts in online sales as people try to make the best of their new lives in lockdown. Interestingly, there has been a 40% increase in the number of unique online buyers in the first quarter of the pandemic, showing that people are adapting2. Many of the changes in consumer behaviors will likely persist after the pandemic has ended.

**The corrugated sector needs to keep pace**

The majority of packaging for e-commerce products is corrugated board. This sector is set to expand at a rapid CAGR of 14.3% through to 2022, compared to a CAGR of 2.9 for packaging overall.4

However, the impact for packaging manufacturers has been mixed, depending on their customer portfolio. While those supplying groceries and at-home entertainment industries will have seen a tremendous surge in demand, those supplying industries whose demand has plummeted – food-service packaging for restaurants for example – may have seen a decline.

What’s certain is that such unpredictability is hard to plan for. Unexpected surges in demand can be very challenging to deal with, particularly during the pandemic, given the impact that lockdown and social distancing restrictions have had on staffing.

“In the new normality we find ourselves in, manufacturers know they must prepare for such surges and unexpected circumstances,” said David Arnaud, Product Marketing Director, BOBST Lyon. “The days of slow, predictable growth are gone. These are disruptive times – even before the global pandemic, technology had disrupted retail and manufacturing on a global scale. Unpredictability is an element of modern day business planning.”

**BOBST: enhanced automation to keep you one step ahead**

Although nobody could have predicted the pandemic, BOBST had already been leading a necessary transformation in the industry to ensure it is prepared for a rapidly-changing world. BOBST has built this transformation around four main pillars: connectivity, digitalization, automation and sustainability. Right now, these values – particularly automation and connectivity – are more essential than ever.

“At BOBST, we develop highly automated machines, which operate as part of a highly connected system,” said David. “Short setup times and high speeds mean that high volume orders can be met. Fully automated lines and integrated quality control systems mean that fewer operators are needed, and social distancing regulations can be adhered to without impacting production.”

In the corrugated sector, two BOBST products exemplify this perfectly – the FFG 8.20 EXPERTLINE and MASTERFOLD 230. Both machines are equipped to help manufacturers thrive through the current situation and beyond.

The FFG 8.20 EXPERTLINE is a highly automated complete line, which can process up to 24,000 boxes an hour, with an incredible set up or change time of only one to two minutes.

This is possible because it is so highly automated, with non-stop feeding at rated speed and smooth and ultra-quick order changeover. Pre-feeding is automatic without operator intervention, as is the introduction of the first sheets of each order. The machine uses Sequential Order Change (SOC) to achieve these ultra-quick set-up times. Each part of the line begins its set-up of the next job while sheets from the previous order are still clearing its downstream units.

With this advanced level of automation, fewer operators – only two – are needed. They benefit from an extremely user-friendly interface, with an intuitive HMI (human machine interface) allowing full control of the machine through box visualization. The user-friendliness of the line allows for a very fast learning curve for new operators, in case of mobility is needed between production lines.

Folding is all fully automated and crucially, the reliability and quality of the boxes are extremely consistent. But the key aspect of EXPERTLINE for e-commerce packaging is its extraordinary productivity. This enabled Mitchel-Lincoln Packaging Ltd in Quebec, Canada, to break the record for producing corrugated boxes. In a single eight-hour shift, the company produced 162,136 printed, folded and glued boxes.

“If I had to pick a phrase to describe this machine, it would be total productivity,” said company president Jimmy Garfinkle. “It has provided the capabilities we were looking for, including the quick-changeover and ‘set while run’ capabilities. Not only did we replace an aging machine with the new capabilities, but we more than doubled our productivity on that line and the efficiency turn has been great!”

On top of this exceptional productivity, the line is able to produce multiple high boxes to reduce environmental impact and costs for e-commerce through optimization of the shipping volume, of which 40% is currently air.

**The world’s best folder-gluer?**

Meanwhile, MASTERFOLD 230 from BOBST is the workhorse of corrugated box production for many companies and arguably the world’s best folder-gluer. With fast running speeds, fully automatic setting, several uprated systems, and high configurability, MASTERFOLD is the most highly automated and versatile folder-gluer available today.

With its modular design, single box set-up and superb reliability, MASTERFOLD is built to last - and it’s perfectly placed to meet not only current production needs, but also any future changes in business and markets. Fast make-readies give the responsiveness needed on short runs, while features such as anti-jam technology and video monitoring mean that on longer runs, users can make the most of its amazing speed.

What’s more, it now has a dedicated configuration specifically for e-commerce, arguably making it the reference machine for e-commerce box production, able to produce complex, multipurpose boxes faster and more efficiently than ever before – in one go.

“To help get that extra edge over competitors, MASTERFOLD can be also augmented by a range of BOBST complementary devices that let companies make the most of its huge productivity,” said Pierre Binggeli, Product Marketing Director Folder-Gluers at BOBST. “These exceptional devices – which have been especially developed for e-commerce business – will drive the creativity, productivity and efficiency of the MASTERFOLD lines and turn boxes into added value and profit.”

The EXTENDED FEEDER provides the smoothest start possible for the feeding of extra-long boxes. It features a timed feeder and motorized feeding assistance, ensuring the regular and precise feeding of large boxes.

POLYVACUUM XL is a module for in-line application of strips, self-adhesive tapes and special folding devices. It features lower vacuum transports for perfect stability of the blanks and bespoke upper transports, allowing the installation of external applicator devices.

GYROBOX XL meanwhile enables blank rotation from 0°up to 180° in any direction. It is associated with outstanding quality and high-speed production of complex designs, such as double folded boxes, in a single pass.

ACCUEJECT XL enables automatic ejection of boxes that do not conform to the defined standard, ensuring zero fault packaging and complete customer satisfaction. Importantly, it does this without slowing down the production process.

In a market where competitiveness is key, these add-ons will provide a decisive advantage.

**Preparing for uncertainty**

Meanwhile, to ensure business continuity in a period when sending Field Service Technicians to fix problems is not viable, we are still providing remote assistance through BOBST Helpline Plus and Premium services for all our machines. BOBST technicians use a secure internet connection to directly access the machine, and solve 80% of electrical problems remotely. And with Helpline Plus AR, you can also use a Smart Headset to connect immediately with a BOBST expert through video live streaming. Your Smart Headset uses augmented reality (AR) to enable the BOBST technician to see exactly what you see, troubleshoot the problem and guide you through the solution steps in real time.

“Recent events have taught us that it is impossible to predict the future,” said David. “However, it is possible to prepare for uncertainty. For packaging manufacturers, that means being ready for surges in demand as they rise, particularly online. For those that work in the corrugated sector, this means taking some uncertainties out of the equation, by utilizing greater automation, connectivity, flexibility and quality control in production lines to reduce risk, and ensure that challenges become opportunities.”

**References**

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**About BOBST**

We are one of the world’s leading suppliers of substrate processing, printing and converting equipment and services for the label, flexible packaging, folding carton and corrugated industries.

Founded in 1890 by Joseph Bobst in Lausanne, Switzerland, BOBST has a presence in more than 50 countries, runs 15 production facilities in 8 countries and employs more than 5 500 people around the world. The firm recorded a consolidated turnover of CHF 1 636 million for the year ended December 31, 2019.

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