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## President Container Births A 'Super Plant'

*by Len Prazych*

**B**y all accounts, Moonachie, New Jersey based President Container is the epitome of a successful, independent and family-owned corrugated packaging business.

Founded in Brooklyn, New York, by brothers Marvin and George Grossbard in 1947, the company started as jobbers (resellers of corrugated boxes and supplies), shortly thereafter opened a sheet plant and bought their first corrugator in 1950's. In 1964, they moved the enterprise across the East and Hudson rivers to Moonachie, New Jersey, an industrial area within minutes of the football stadium where the New York Giants – and later the New York Jets – would play their home games in The Meadowlands.

President Container started as one company in one building and grew in size to five buildings as well as specialties: it has evolved into President Container Group, which is comprised of Artisan Display and Packaging, a POP display business; Tech-Pak, a Point of Purchase Display assembly and fulfillment company; President Industrial Products, stock cartons and industrial supplies; and President Container, the corrugated plant that has remained true to its core business of churning out lots of 200 to 200,000 for more than six decades.

"After a good sixty year run, we maxed out," says Larry Grossbard, who along with his brother, Richard, and father, Marvin, or 'MG,' as he is reverently known, own the privately held company. "We'd run out of room. We couldn't add any more machinery or automation. We had to make a choice: Stay where we

are and continue to be successful with very little room for growth...or plan for future. We decided to plan for the future because if you are not moving forward you're going backwards. We explored the option of the Super Plant."



**Marvin Grossbard, seated center, with the President Container family, whose collective efforts resulted in the building and birth of its Super Plant in Middletown, New York.**

Larry had read an article by industry maven Tony Paddington on how to build such a plant and called him for guidance. Paddington sent plans, which became a guide for the Grossbards moving forward. They began a three-year search of sites in New Jersey, New York and Pennsylvania, during which they discovered a former supermarket distribution center 60 miles north of Moonachie in Middletown, New York. County officials offered an attractive package of tax

incentives and other benefits through New York State's Empire Zone program and the Grossbards made the deal.

The decision to build a Super Plant, however, meant having to build an equally super team, one comprised of "heavy hitters," people with the experience and knowledge to pull off a project of such massive size and scope, as well as reputable vendors with the quality and service capabilities that would ensure success. The Grossbards retained Mitch Klingher of the firm Klingher Nadler LLP to create the initial budget and projections. They met with bankers and borrowed \$40 million to create the facility, no small decision for a company with very little prior debt. Then they brought in Rich Goldberg to build and manage the plant. An industry veteran who had overseen two major corrugator installations, Goldberg came to President Container in December of 2009. The scheduled start up date: October 1, 2010.



**A representative sample of work for President Container's customers, which fall into a 120-mile radius that now includes NY, NJ, CT and PA.**

### **Proactive, Preventative, Predictable**

These three words formed the philosophy and the foundation upon which President's Super Plant took shape. They also directed the processes and procedures that allowed the company to make the dramatic transition of moving a fully functional and successful corrugator operation – headquarters and all business functions remained in Moonachie – from one location to another without closing its doors or more importantly, without losing a single customer.

The early days in Middletown were spent retrofitting 522,000 square-feet of space to eliminate 70 dock doors, leaving a mere 80, and remove partition walls to create the open environment needed for a full ACS conveyor system with Stars program. The Super Plant would be driven by a Kiwiplan solution and fed by Amtech's Imaginera software so that all the plant's systems "talked" to one another. Its floor plan would have one side of the plant comprised of machinery produc-

ing short runs, that is, orders under 30,000 square-feet, and the other side, high-speed machines that pumped out orders of 30,000 square-feet and more. Room was carved out for a full-blown sheet plant with the full complement of tapers, slitters, slotters and band saws.

Since the majority of President's employees from Moonachie could not afford to make the move to Middletown – only 25 did – or add an additional two-plus hours a day to their commute, the company needed to develop and train a local workforce in a community struggling with 12 percent unemployment. Its hiring source became the New York State Department of Labor. For its management recruiting, President retained Beverly Brockman of Management Recruiters, who became "Charlie's Angel" and a critical partner who has been responsible for bringing in experienced managers and supervisors from all over the country. All were directed to Rich Goldberg, who interviewed and hired every employee who eventually joined the company.

### **A Martin Shop Through And Through**

"You cannot operate a plant this size or run the amount of board we are running without being proactive," says Goldberg, who notes that any piece of machinery that came from the operation in New Jersey was either rebuilt on its way up to the new plant or shortly after it was installed. Six of President Container's Martin flexos – a 924 3-color, a 1224 3-



**President Container's Super Plant comprises 522,000 square-feet of a former supermarket distribution center. There is still room for growth.** color, two 1228 3-colors, a 1632 5-color, and a 1636 2-color were moved and rebuilt to OEM specs at a cost in excess of \$3 million. A 3-color 618 mini flexo and 3-color 1628 DRO GT rotary die cutter were purchased new. All the Martins are equipped with Alliance prefeeders and load formers. A Bobst 1575 41-inch by 62-inch flatbed diecutter complements the Martin machinery.

Martin keeps a full-time maintenance person at President to take care of all PM's. Every machine is down one day during the week to ensure they perform at their maximum. "We didn't want any crutches



or excuses as to why every machine couldn't run at full capacity," says Goldberg. "Martin has done a great job with their program, which has been very beneficial in maintaining the equipment."

Production on the Martin flexos is expected to increase with the addition of robots from Automatan. One was installed last month over Memorial Day weekend and three others will be installed by the end of the year.



**A Martin 3-color 1628 DRO GT rotary diecutter was one of two new purchases of Martin machinery for President Container's Super Plant. The company rebuilt their six other Martin flexos prior to their installation.**

### **Fosber Flexibility**

The machine that did not require rebuilding on its way to its new home was President Container's brand new Fosber 110-inch double-down corrugator. With flexibility built into its design and for the layout of the Super Plant, a triple cutoff module is ready to be dropped on top of the machine and plans are already in place for ACS transfer cars to take delivery from the top stack. Every other module on the corrugator is Fosber's most recent, from its constant board line system, slitter, and fully automated glue system, to its "synchro" function. Goldberg can now look at his Droid at three a.m., as he is apt to do, to see how the corrugator is performing. (President runs three shifts five days a week with weekends as necessary.)

Fosber installed the corrugator in exactly 60 days and the first board came off the machine on October 1, 2010, exactly when it was supposed to. Since day one, Fosber has undertaken the never-ending process of training, re-training and improving upon the training of President's first employees at the Super Plant, as well as the new hires who are totally new to a corrugator environment. The key to maintaining maximum performance and to achieving President's very ambitious production goals, however, is Fosber's 5-year maintenance program. Two Fosber employees are on staff and a third will be added in the near future. They work with President's employees to ensure that all PMs are done and if a problem ever arises, to correct it, any time of the day or night.

The goal of the plant is to have the Fosber and Martin equipment "run as well and efficiently in year five as it did in year one and both Fosber and Martin's people are here to keep us accountable, keep the machinery at OEM specs and keep us on goal 24/7," says Goldberg. "Fosber has done a great job of this and having access to Jeff Pallini and his people whenever we need them is one of the things that has made us as successful as we've been."

Fosber's corrugator is guaranteed to produce two billion square-feet of board per year. For the month of April, not including weekends, President Container produced 162 million square-feet, or an average of 7.2 million square-feet per day, and on a good day can produce three million square-feet in a single shift. Do the math. It works.

Enhanced by a new Stickle Steam system, the Fosber has shown increased efficiencies and savings in President's ADM starch consumption, as well. The company has experienced a 30 percent reduction in its overall starch use primarily as a result of using CEL Chemical's RSM resin additives.

### **A Work In Progress**

"During the transition, we never stuck to a schedule," says Goldberg. "We couldn't. With constant changes, we did what we had to do to satisfy the customer and we were able to do that because we had flexibility and diversity in our machinery. We also discovered that our production was beginning to grow while we were in the middle of the transition."



**David Echevarria of Fosber, left, and Willie Pidurcio of President Container at the controls of the Fosber 110-inch double-down corrugator.**

Rich Grossbard says communication was key throughout the entire process, not only among members of President's staff, which was growing by the month, but with its loyal customers.

"The way we communicated the move to our customers was critical," says Rich. "We prepared them by sending letters and following up with calls. We made sure that we never left the customer hanging, which I believe strengthened our relationships even more. We found that they gave us more time than usual to fill

their orders, but I'm proudest of the fact we didn't lose a single customer through the entire transition."

Since moving to its Super Plant, President Container has seen a 40 percent improvement in both production and revenue. It's seen the Fosber's production



**Every module on President Container's corrugator is Fosber's most recent, from its constant board line system to its synchro function.**

grow from five million square-feet to President's "interim goal" of seven million square-feet. "If we're not doing at least that much, there isn't enough board to feed all our flexos," says Larry. "Now we have a new goal: eight million square-feet a day on the corrugator."

With the completion of the Super Plant, President Container is likely among the highest producing independent plants in the country, if not the world. There are independents that are larger but they are operating out of multiple facilities, not under one roof. Yet at 522,000 square-feet, there is still room for growth. The company has enough room to add two more major pieces of equipment and if that is not enough, they have already gotten a permit to expand by another 100,000 square-feet.

Advancements in automation and technology notwithstanding, many of the processes that Marvin Grossbard has had in place for the last five decades are still in place today. Now in his eighties and at an age at which others have long retired, "MG" was an integral part of planning the Super Plant, something he could not have envisioned in 1950 when he opened his doors of his sheet plant for the first time. He visits the new facility three days a week and is in Moonachie headquarters every day working with President's sales and service people.

"Most family businesses do not succeed second or third generation because of family infighting and disagreements over money," says Larry. "We had none of this. Not only was Marvin behind the move a hundred percent, he supported it financially and allowed us to create the balance needed to build it."

"I've always believed in speed and high volume, which meant investing in the best equipment," says Marvin. "I also believe that in order to succeed as an independent in a family business, you must constantly re-invest in it. Now we've taken it to the next level. My biggest question concerning the new plant was, 'When is it going to be ready?'"



**Marvin Grossbard, with his sons Richard, left, and Larry, who have established the future of President Container for generations to come.**

President's family atmosphere and that of the Super Plant culture is one that has been wholeheartedly embraced by the company's employees, which now number 350. There is a healthy mix of new and veteran employees, many of them experienced and several totally new to the industry. As a group, they express sincere respect over what the Grossbards and Rich Goldberg have done, honor over being part of a project that is much bigger than themselves, and pride in being a daily part of what they've all helped create.

"We do try to operate as a family, but like any family, we'll argue and disagree from time to time," says Rich Grossbard. "But we all have one goal, which is to do what's right and what's best for the customer."

"We've come a long way and the plan worked but there's a lot more to do," says Larry Grossbard. "It took a little longer than anticipated but it was definitely the right move for the future. This should be a box plant for the next 50 years."