After more than a decade away, Karen Agueros Mehiel, formerly General Manager of Box USA’s Vernon, California, plant, has returned to the industry. After relocating from the West Coast 12 years ago, Mehiel spent ten years as a full-time mother and activist.

Now residing in New York City, she is Chairman and CEO of KAMPACK, based in Newark, New Jersey, with additional locations in Tully-town, Pennsylvania, and Trenton, New Jersey. The company also owns U.S. Display Group (USDG) with facilities in Newark, New Jersey, and Tullahoma, Tennessee.

“From my first exposure to the business, I saw immediate opportunities to bring a revitalized 21st Century culture to the organization,” Mehiel said.

“Although the Mannkraft name was recognized by our competitors and the broker/distributor market, we had not established a strong presence directly with end users,” she said. “For me, our name is an important symbol of our intent to let the past go and to reinvent and rebrand the company.

“Our mission is to bring our customers complete satisfaction with their procurement experience,” Mehiel notes. “Through customer service, design support, rapid response pricing and on-time delivery of a quality package, we are dedicated to exceeding customer requirements at every touch-point in the relationship.”

To deliver on this, the company has invested over $6 million in its KAMPACK plants to energize the company and reassert its claim as one of the premier box-makers in the Northeast.

Woman-Owned

In January 2011, Mehiel, wife of U.S. Corrugated Chairman Dennis Mehiel, acquired 51 percent of the company, then called Mannkraft. The purchase allowed Karen Mehiel to pursue on behalf of KAMPACK (the first three letters of the company’s new name are Mehiel’s initials) certification as a woman-owned company. The Women’s Business Enterprise National Council (WBENC) certifies companies to major corporations that have supplier diversity programs.
“We were certified as a WBENC company a year ago this February. This required an extensive and detailed investigative process to ensure that I was indeed actively responsible for day-to-day management of the company,” Mehiel explains.

“Given my background as an Hispanic, we subsequently obtained certification by the State of New Jersey as a Minority and Woman Business Enterprise (MWBE),” Mehiel says. These certifications provide an introduction for Fortune 500 businesses for KAMPACK, as well as its USDG subsidiary, as a corrugated packaging supplier.

**Directing The Turnaround**

Through 2011 and most of 2012, Mehiel has been focused on recruiting a staff of talented managers to begin turning around a business that was, in her terms, “not making the profits it could have.” She says, “I worked with my staff reviewing the practices we had in place regarding quality, customer services, and productivity. We focused and continue to focus on the metrics that reveal opportunities.

“We were doing fine. Then we were awarded a very large block of business. We knew that we had to upgrade our operations in order to handle the volume effectively. This was our first success in which the MWBE status played a part. To build on that success, we recognized the need to modernize our operations in all respects,” Mehiel says.

Part of the challenge was to maintain a stable workforce while effecting change. “We have a senior workforce, so change doesn’t happen overnight,” she continues. “But they’re catching on. We expect that our investment in employee training and education to have a positive impact.”

While the company has focused on training to upgrade the capabilities of its workforce, it may be the investment in machinery that has caught the attention of KAMPACK’s employees. “Our workers see the financial investment in equipment and consequently are becoming more detail oriented. They are appreciative because they know we are committed and here to stay,” she notes.

“We are also implementing new protocols and best practices throughout the organization. It’s a bit of a struggle, but these are practices we have to adopt in order to be sustainable,” Mehiel explains. She admits that when she first arrived at the company’s plants, “there was an initial hesitation to connect with me, but that has changed as I’ve become a regular presence on the factory floor.

“We have an excellent team assembled so far, but have a need for more key people to strengthen our organization,” Mehiel says.

**Retrofits Begin**

In the middle of last year, decisions on equipment were made. “The team determined that modernization would be the focus of our investments,” Mehiel says. By December 2012, installations had begun.

“Our focus was on getting quicker throughput from all our major machines,” said consultant Paul Calvert, a veteran of more than three decades with integrated boxmakers. “The average bundle breaker, for example, will increase the production of a standard die cutter by three times.”

In Newark, five converting machines received the bulk of the retrofits. Two 66-inch by 110-inch rotary die cutters from Koppers, one a two-color, the other a three-color, received prefeeders from Alliance Machine Systems LLC, as well as bundle breakers and load formers from the Spokane, Washington based supplier. Systec provided bundle conveyors on the two diecutters, as well as a feed conveyor on the three-color rotary diecutter. Both diecutters have stackers and conveyors from AG Stacker. On the two-
color, KAMPACK installed a lead edge feeder, a MicroGrind die cut accuracy system, and ancillary feeder products, all from Sun Automation. KAMPACK also has a third Koppers die cutter, with no color stations.

Three flexo folder gluers are utilized at the plant. Two are S&S’s; both feature rebuilt gear trains from Corrugated Machinery Specialists (CMS). The 38-inch two-color ZLB also features a slotter section rebuild and new diecut section from CMS as well as a new Valco glue unit. The 50-inch two-color ZLR also boasts a used diecut section purchased from Corrugated Gear that was rebuilt and upgraded by CMS. CMS also installed a Valco glue unit on the flexo. Both flexos have wiper assemblies from Absolute Engineering.

Also at the 180,000 square-foot Newark plant is a 38-inch Ward flexo with a new Valco glue unit with Valco ClearVision inspection, a rebuilt gear train from CMS, wiper assemblies from Absolute, and slotter/scorer heads and shafts from Corrugated Replacements. Completing the line-up is a Post folder-gluer, utilized for Fed Ex-type mailers. All output from the converting machines are scanned into an Amtech system and go from their individual work centers to a main conveyor that leads to shipping.

KAMPACK’s 98-inch corrugator has also been upgraded with the replacement of doubleback thermo bars by Profero and conveyor take-off modifications done by Systec.

The corrugator mainly produces B- and C-flute lighter weight board, with E-flute sometimes produced for KAMPACK’s display plant, also in Newark. The plant utilizes corrugator software from Corrugated Technologies Inc.; KAMPACK’s corrugator supervisors can check up-to-date information on the corrugator from their iPhones.

The flexos operate on three shifts, while the diecutters and corrugator are used during two shifts.

With the upgrades and the elimination of one Post folder-gluer, a flexo folder gluer and a rotary diecutter, KAMPACK has been able to reduce its major production machinery in Newark from 11 to 8, while still increasing throughput in the plant. When all the upgrades are in full operation, Production Manager Mark Taylor said he expects that plant output will increase by “about 15 percent.”

“We’ve made some good decisions,” Calvert notes. “Our workers on the floor are happier with the new equipment. They just need to gain the confidence that with all the retrofits, we can run these machines faster now.

“Independents don’t usually play in the national account business,” he adds. “That’s because they don’t want to be in that game. If KAMPACK can pluck the right pieces of business from these accounts, we should do well.

“We have to bring our operations up to the integrated level in regards to quality, delivery, and how we run our business,” Calvert says. “We have to raise our game.”

“Our goal is to ship over 100 million square feet a month from our Newark facility,” adds Mehiel.

A Clean, Well-Lighted Place

When I arrive at KAMPACK’s plant, located less than a mile from Newark Airport, a window is open at the near side of the building, and outdated office equipment is being put into a nearby dumpster. KAMPACK is not only acting the part of a revitalized factory; it will also look the part.

“We’re completely rebuilding the offices,” Mehiel said. “We’re focused on presenting ourselves as a 21st century company. Our sales group will be thrilled to take prospective and present customers to our newly renovated facility.”

While the factory retrofits are expected to be finished this winter, office renovations will be done by April, then machinery inside the plant will be repainted. A complete spring cleaning.

“The type of customers we have and the type of customers we hope to attract require that,” she added. “As important, we want our employees to feel good about the place in which they work. If we want them to have pride in ownership in the product they put out, we should provide a work environment to match.

“We’ve chosen the tagline – Packaging with Purpose,” Mehiel says. “To KAMPACK, it is about more than just the packaging; it’s about the way we operate, the principles we run our business by, and the way we treat our customers and our workforce. It’s the whole package.”

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