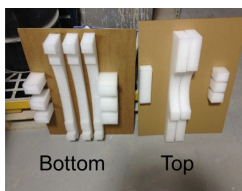


NETWORK® CASE STUDY

INTRODUCING PACKAGING INNOVATION TO ACHIEVE LOWER TOTAL OVERALL COSTS AND OPERATIONAL BENEFITS

BUSINESS NEED:

This manufacturer produces and ships high value medical devices under their own brand and as an OEM for other major brands in the industry, across the globe. They had been utilizing the same packaging processes for nearly a decade and were resistant to making a change due to the amount of testing and third parties involved.



Their current packaging solution utilized a variety of corrugate, glued foam inserts, and foam-in-bag protection. The system was messy and was the source of a number of employee complaints. Their product's accessories were shipped in foam cut outs,

where they would sometimes get lost or thrown away with the packaging.

Due to the warm climate of their production facility, the foam packaging would occasionally expand out of specification, requiring the employees to trim the foam to fit with a knife, which left a mess behind and put product integrity and employee safety at risk.

Because the packaging arrived partially assembled, it required a lot of storage space—they had to utilize trailers behind their building to house enough inventory for a week's worth of production.

SOLUTION:



NETWORK Packaging's distributor, Mac Papers, engaged with key stakeholders across the customer's facility and its third party partners to fully define the scope and requirements of the project.

They partnered with industry leading packaging manufacturer, Sealed Air®, to provide samples, four rounds of testing, and ISTA certification on a custom KorrVu® system. The new system provided operational benefits, total overall cost savings and an enhanced image.

• INDUSTRY

Industrial—Manufacturing

• PRODUCTS

Industrial Packaging Supplies

ABOUT THE CUSTOMER:

- A European-based large medical device manufacturing company with a production facility in the southeast
- Nearly \$10.8 Billion in annual revenue
- Serving customers in over 100 countries worldwide
- Employs more than 37,000 associates worldwide
- Produces more than 450 products



MAC PAPERS

Packaging ideas to power your business



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RESULTS:

NETWORK Packaging, through Mac Papers, was able to deliver a number of benefits to our customer, including:

TOTAL OVERALL COST SAVINGS

- Materials cost reduction of approximately \$175,000 per year
- Testing, sampling, certification and CAD drawings—a value of over \$10,000 provided at no charge to the customer
- Reduced the expense of re-shipping missing components
- Eliminated expense of maintaining inventory trailers in parking lot
- Reduced waste from out-of-spec foam
- The projected cost savings attributed to reduced damage claims is still being calculated, but the ISTA certification on the packaging will decrease the amount of liability

OPERATIONAL IMPROVEMENTS

- Reduced number of inventory skus from 9 to 1
- Reduced inventory footprint, thereby opening up enough floor space to expand production area
- Adjusted inventory delivery schedule to better suit facility's requirements
- Reduced shipment interruptions due to missing packaging materials
- Improved safety of workers by eliminating the need to trim out-of-spec foam inserts
- Training documentation was prepared for the customer to ensure usage consistency and expedite employee training
- The same packaging can be used to return products, thereby reducing waste
- Exceeded the customer's own quality standards with the introduction of ISTA testing requirements

IMAGE ENHANCEMENTS

- Established a sustainability position by eliminating foam in favor of products which can be curbside recycled and compliant with international shipping requirements
- End user product presentation is cleaner, with less waste
- Kitting of the accessories improves the unboxing experience for the end user



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We are excited about the sustainability position this packaging change has introduced.

It has exceeded our expectations!

— Environmental Engineer



LOOKING AHEAD:

The customer has elected to partner with Mac Papers and NETWORK Packaging to undergo a similar project for five additional product lines.

They will be looking at ways to repurpose the new packaging for their other products to further reduce their inventory requirements and generate additional cost savings.

ABOUT NETWORK SERVICES COMPANY:

NETWORK® is the flexible, integrated distribution solution that improves supply chain efficiency and drives business success. For corporate accounts in commercial printing, commercial real estate, healthcare, foodservice, industrial, and the public sector, NETWORK offers deep experience, vast infrastructure, customizable programs and best-in-class products in our core categories of printing papers, janitorial supplies and equipment, foodservice disposables, packaging supplies and equipment. Our system blends single-source convenience with true local market presence on an international scale. Centralized account management provides greater control, while our network of distributors delivers the flexibility, accountability and category expertise you need to stay ahead of the competition. You'll call this a better way to do business. We call it Distribution by Design®. For more information, visit www.networkdistribution.com or call 800.683.0334.