



Press Release

New SWEDBRAND Factory in Poland Offers Supply Chain Alternatives for European Brands

Intra-Europe shipping offers significant savings in time and cost

Hongkong, China, 18 May, 2021. SWEDBRAND Group, the packaging partner to some of the world's most iconic brands, reported today that the establishment of its brand-new state-of-the-art Gdansk factory for the production of premium rigid boxes offers many advantages to European brands in addressing global supply chain difficulties exacerbated by the pandemic. Manufacturing in Europe for European distribution significantly reduces both time and costs associated with the delivery of finished premium rigid boxes.

"We all watched the Suez Canal blockage with dismay", says Cornelia Oswald, Head of Sales Worldwide at SWEDBRAND. "Added to the disruption in supply chains caused by the pandemic, this was a manufacturer's nightmare. It makes our decision to open a plant in Poland look prescient, though none of us could have anticipated this convergence of unfortunate events."

Oswald notes that while manufacturing lead times are similar between Asia and the new European plant, time delays associated with shipping are often excessive and only seem to be getting worse. She reports that it can take as much as four to five weeks to secure a 40-foot container for shipping finished products to Europe due to shortages of empty shipping containers, and then five to seven weeks for the products to arrive. "Intra-Europe shipping has huge advantages by comparison", she says. "We are talking three to five days to ship finished products by truck to most European destinations. That's a time saving of as much as two to three months, providing brands with significantly more on-the-shelve time for their products to actually generate revenue."

The other advantage of intra-European shipping, according to Oswald, is cost. "Not only are we seeing a sharp increase in the cost of raw materials in Asia due to shortages and a peak in demand," she says, "but the transportation cost of a 40-foot shipping container has also increased by more than 500% since the beginning of 2021, from an average of US\$ 2,000 to an average of US\$ 10,000. Our shipping costs per truckload from Poland to Germany, for example, are between € 850 to € 1,300. This is a huge cost saving, easily offsetting any possible labor cost increase we might experience in Poland compared to Asia. Plus, we are not dealing with any unexpected delays such as those caused by the recent blockage of the Suez Canal."

The new plant in Gdansk is a highly automated state-of-the-art converting operation for premium rigid boxes and is managed by Bogdan Putko, a well-respected packaging expert with 35 years of industry experience.

For more information about the products and services available from SWEDBRAND's stateof-the-art Gdansk factory for premium rigid boxes, visit **Swedbrand Group**. To schedule a virtual factory tour, contact us.

About SWEDBRAND Premium Packaging

SWEDBRAND Premium Packaging is a division of the SWEDBRAND Group, which was founded in 2006 by Chris Magnusson and Zaid Bunni as a foreign invested company originating out of Hong Kong with offices and factories in Asia and Europe. As a proud packaging partner to some of the world's most iconic brands, SWEDBRAND offers a full range of packaging products, from premium rigid boxes and handcrafted bags ideal for luxury products to convenient and sustainable reusable bags popular with leading retailers. The company also produces a complete range of food and drink solutions spanning everything from premium packaging concepts for spirits, wines, and confectionary through to branded containers for drinks and meals on the go. Its global network of packaging converting factories allows brands to take advantage of regional packaging production in order to meet the most demanding cost and delivery requirements and diversify risk across the supply chain.

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