By Caroline Martin Special for *O Papel*

KLABIN INTRODUCES PAPER SACKS FOR THE COFFEE MARKET

In January, Klabin introduced paper sacks for the coffee market that offer competitive advantages in relation to jute sacks, traditionally used by coffee producers. Made with high resistance extensible paper, the new packaging has a 30 kg capacity and offers advantages such as protection against luminosity. With hermetic packaging, the launching also includes the so-called Easy Open system, which facilitates opening and storing by end clients, protecting the product more adequately and for a longer time. "We focused on developing a paper sack that would offer high resistance, safety, quality and add value to the bagged product," said **Douglas Dalmasi**, Klabin's Industrial Sacks director, about the initiative.

The development project of this innovative packaging began after an agreement was entered into between the company, the Federal University of Lavras (UFLA), the Brazilian Association of Special Coffees (BSCA), the Brazilian Export and Investment Promotion Agency (Apex-Brazil) and Videplast Indústria de Embalagens. Coordinated by professor Flávio Meira Borém, from the Engineering Department at UFLA, the research project coined *Development of Packaging and Storage Methods for Special Coffees* continues analyzing the characteristics of special coffees during the entire production process, from bagging, passing through the storage period, exporting and storage stage, until consumption in the country of destination. "The study is still in its completion phase, but test results already show that Klabin's packaging for coffees preserves the product's original characteristics for a longer time," said Dalmasi about the paper sack that is already being commercialized in the domestic market.

In this month's Interview, he talks about the development process that led to this innovation, addresses the commercial challenges of entering a new niche, and highlights the benefits that the green packaging provides coffee producers.

O Papel – How was the development process of the new coffee packaging produced by Klabin? What challenges did you face along the development process and how did you master them to arrive at this final result?

Douglas Dalmasi, Industrial Sacks director at Klabin – We mapped the market to identify which segments had potential for our participation in the paper chain. And the coffee segment has always been on this list of potential market for Klabin. For some time, we tried to develop our own product, but we didn't arrive at any relevant differential that could change the market's behavior and make it substitute jute sacks for paper sacks. So we came to the conclusion that competitive advantages were indispensable, as well as a better understanding of this market and greater knowledge about all demands in this chain. Through an initiative by Klabin's Business Development team, we contacted UFLA, a benchmark in grain studies, where coffee is part of the focus of its research. Coincidentally, the University was also seeking an innovative packaging to export the Brazilian product. This is how conversations began with professor Borém, a highly experienced researcher regarding all aspects that comprise the coffee chain. He posed the challenge of coming up with an added value for the packaging that would lead the Brazilian product to gain a competitive advantage in the international market. This process included the development of barriers against luminosity, humidity, grease and oxygen, with the objective of promoting better coffee conservation. In this stage, we contacted Videplast, which conducts this type of development, to participate in the project. The group formed included different fronts of expertise: the University provided in-depth knowledge in the area, Klabin stood as producer of paper sacks and Videplast as the company with the qualifications to insert the features that the market seeks. The only thing missing was a client, an association or entity that could help us change the market's behavior. So we invited BSCA to join the group, adding all their market know-how and helping us introduce this innovative product in the market.

Dalmasi: "We need to advance in more types of packaging and present ourselves as alternative materials in other product chains, presenting values and advantages that do not yet exist in the market" **O Papel** – Is the work carried out by these different players that comprise the group continue today?

Dalmasi – The work we developed through the group began more than 12 months ago and continues being headed by a master's student, oriented by professor Borém. He studies the entire coffee chain, from sacking, in the coffee production phase, until arrival of the full packaging at the buyer in all external markets – such as Europe, United States and Asia. This study will be formally published by next April, whereby preliminary results already demonstrate that this new sack extends the life of coffee.

0 Papel – Does the company intend to boost packaging quality based on conclusive results, to be presented when the research is published?

Dalmasi – No, the study will only confirm what we've developed throughout this entire project, listing the competitive advantages that we offer the market. The product already exists and is being marketed since last January. Sales are being made to Brazilian coffee producers, but, since Brazil is the biggest exporter of coffee in the global market, the paper sacks ends up being shipped to different countries. In parallel, however, we are working on other initiatives and features that will give continuity to packaging improvements. They still need to undergo field tests, but are already underway.

0 Papel – Does the launching of an innovative product involve commercial challenges?

Dalmasi – In a certain way, it is a historical challenge, since the market had a few beliefs that our research ended up showing to no longer be true. An example of this is the perception that the oxygenation that occurs with jute sacks is good for coffee. Since jute is open, it allows the product's contact with external environment, causing coffee to change temperature and receive luminosity. These factors, however, end up compromising grain quality and causing coffee to lose quality from the beginning of coffee production process, when the producer packages the grains, until arriving at the buyer. This study shows that the barrier against luminosity is very positive for the bagged product. The paper sack we introduced in the

market maintains the quality of coffee for a much longer time, and the Brazilian producer does not lose in terms of price and, consequently, competitiveness in the market.

0 Papel – Do the competitive advantages of this packaging contribute to breaking this paradigm?

Dalmasi – For sure. The packaging we are offering is also more competitive in terms of cost, when compared to traditional packaging used. Therefore, Klabin's product combines the quality benefit, adding value to the bagged product, and cost competitiveness. The paper sack also provides for a modernization in the logistics process of coffee producers, since it has better tensile than jute. Given the fact that this packaging doesn't slide, it stores well on warehouse pallets and can be transported in a much guicker and productive manner. We also took advantage of this new-product development process to promote improvements to the ergonomics of workers who carry sacks. While traditional sacks can weigh up to 60 kg, the sack we developed is of 30 kg, appropriate for all global weight-limit models for carrying. Other additional improvements of the paper sack in relation to traditional sacks refer to sustainability. The paper sack is produced from renewable sources, that is, planted and certified forests. Given these advantages, the market's acceptance is being very positive. We are receiving a lot of contacts and have observed growing demand as we become better known in the segment - including with help from BSCA in showing our packaging to the market and through our participation in trade fairs and events.

O Papel – Do you believe that innovation positions itself as an even more indispensable competitive factor in certain industrial segments, such as packaging?

Dalmasi – Without a doubt, there's a lot to be done in the paper industry regarding innovation. There exists significant potential for transforming the packaging market in a market that uses paper more and more. We need to advance in more types of packaging and present ourselves as alternative materials in other product chains, presenting values and advantages that do not yet exist in the market, while also conveying the environmental advantages of using renewable sources.