Sonoco Alcore doubles capacity in Russia with new manufacturing facility

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Sonoco Alcore today opens its third and largest manufacturing plant in Russia, consolidating its leading position in one of the fastest growing European markets for industrial paper cores and tubes. Located in Schekino, Tula, close to its customers in the paper, film, man-made fibre yarn, metal and construction industries, the new facility will more than double Sonoco Alcore's capacity in Russia, strengthening its position as acknowledged leader in high quality, innovative, value-creating packaging solutions.

Sonoco Alcore has invested 3.2m EUR ($4m) in developing the new manufacturing site. With an annual production capacity of 17,000 tonnes, the 7500m2 plant uses state-of-the-art equipment to extend the company's capabilities into new market sectors, specifically the film, metal, and textile industries.

The site links directly to Sonoco Alcore's technology centre in Finland, which is able to optimise cores for any applications and the hi-tech, multi-line winder is capable of producing core diameters from 50mm – 640m, offering customers a full range of solutions from a single location, with shorter lead times. Environmentally-responsible production processes on site use 100 percent recycled fibre, recyclable glue and alcohol-based inks and all products are recyclable at end of life.

Strategically located within the Shchyokinsky District of Tula Oblast, the site provides easy access to the bulk of the Russian customer and end-use markets located within 300km of Moscow, reducing the cost of transport and logistics. It is also well positioned to complement the company's existing manufacturing sites in St Petersburg and Syktyvkar and support its ambitious growth plans in the region.

Commenting on the investment Karsten Kemmerling, sales director, ICD Europe said, "The Russian tube and core market is estimated to be around 100,000 tonnes per year, with 4 percent year-on-year growth, which represents a huge opportunity for us. In 2013 we managed to increase our existing share by 50 percent on the previous year – and we plan to grow this to a market-leading position of 30 percent by 2016. The new facility gives us the capacity and breadth of offering, in the ideal geographic location to help us meet this challenge." "As part of our growth strategy, we are aligning our manufacturing footprint with our customers' needs across Europe and the Middle East. As one of the fastest growing markets in Europe, Russia is central to our planned development in the region."

Building on 10 years of sector leadership in Europe, this investment demonstrates Sonoco Alcore's continued commitment to support its customers globally with a local presence. In 2012 the company developed its footprint in many of the fastest growing global markets, opening plants in Syktyvkar, Russia and Gruensfeld, Germany; expanded its Turkish manufacturing facility in Gaziantep; and has plans for further expansion in the Middle East.

The company also has an on-going investment programme in new product development, responding to changing market needs. Recent developments include PrinTex ®, designed to meet the demanding performance, quality and delivery requirements of the textile industry, Soft Buffer Core which delivers optimum core performance for the film industry and M-core HT® to meet the needs of the high-end paper industry.

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Notes to Editors:

About Sonoco Alcore

Founded in 2004, Sonoco Alcore is a world-class manufacturer and technological leader of the paper tube and core industry, supplying industry-specific cores to a variety of markets including the paper, textiles, plastic film and construction industries. The company has 28 manufacturing locations and five paper mills in Europe serving over 55 countries. Sonoco Alcore is a wholly owned subsidiary of Sonoco (NYSE:SON), a global provider of consumer packaging, industrial products, protective packaging and supply chain services.

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