

EXCLUSIVE | INTERVIEW | LEANNE TAYLOR

ONE VISION: PLASTICS MANUFACTURING GROUP SETS SIGHTS ON GROWTH

AS

ONE OF THE WORLD'S FASTEST GROWING PLASTICS MANUFACTURING COMPANIES, THE ONEPLASTICS GROUP HAS A SIGNIFICANT PRESENCE IN THE UK MARKET. BELIEVED TO BE THE COUNTRY'S BIGGEST NON-AUTOMOTIVE MOULDER, LEANNE TAYLOR SPOKE TO SALES DIRECTOR, KARL STILLMAN, ABOUT OPPORTUNITY, PLANS AND FUTURE GROWTH.



The OnePlastic Group (OPG) set out in 2013 with a specific focus; to be the leading manufacturer of plastic products in the sectors in which it operates. No small task, given competition, rising costs and political and economic turbulence. However, believed to be the largest non-automotive moulder in the UK, and one of the top five in Europe, the company is making strong headway in fulfilling its ambition.

The Group was formed from the amalgamation of five plastics-specific companies concentrating on the production of environmental containers, packaging and industrial products – three UK-based, one in Cork, Ireland, and one in Shanghai in China. In the years since, the addition of a further UK business through strategic acquisition has resulted in a strong set of annual results, impressive growth figures and paved the way for a successful business plan that the Group intends to forge ahead with.

INVESTMENT IN CAPACITY, SERVICE AND GROWTH

In 2017 alone, OnePlastics has invested heavily in its UK plastics operations. Karl Stillman explained the company's decision to invest was driven in part by the Group winning new contracts across its portfolio. "Significant new business that has been awarded to OPG over the past couple of years has led to a significant increase to our installed capacity over all our UK plants and across all our business sectors," he explained.

Since the beginning of the year, the Group has installed five new machines at its Protech Plastic Containers business in Tamworth, increasing capacity for production of pails and paint cans. In addition, the group has opened a 44,000-square foot logistics centre in the town. This, it says, will support distribution of products for Protech Containers and one of the group's trade moulding operations, AAC Plastics.

A seven-figure sum investment at its youngest UK company, comprising Straight Ltd in Hull and MGB Plastics in Rotherham, has seen the company acquire a further five new, high tonnage injection moulding machines and a blow moulding machine. These businesses are the country's leading wheeled bin, kitchen caddie and recycling container manufacturers.

Altogether, the UK sites comprise a total of 75 machines ranging from 55 to 2700 tonnes and one of the youngest fleets in the country, representing significant investment and a broad manufacturing base from which to operate. But with the UK making the decision to leave the European Union, does Stillman still consider the country as an attractive prospect for further acquisition and growth?

"We are seeing opportunities arising, largely driven by the weak pound, whereby European manufactured product bound for the UK is becoming far too expensive," he explained. "We are talking to a number of

potential customers at present demonstrating that the same product can be manufactured in UK significantly cheaper than bringing it in from the Continent.

“Looking at the latest figures published on the PMI, the pace of growth of the UK manufacturing sector has posted its twelfth successive increase since the Brexit vote last year. Growth over July was the second strongest month on record. Add to this the success of our industrial business, I would have to say, albeit cautiously optimistically, that yes, I do think the UK is an attractive place to invest.”

MOULDING THE FUTURE

The company’s proven strategy of growth through acquisition is one that is evidently working well, and its investment in each of its sites is equipping each to be able to operate with efficient technology, systems and processes. But to be “the leading manufacturer” in the fields in which OPG operates, Stillman recognises the need to be flexible, plan for the future and invest in staff and services.

“Going back several years, the role of customer and supplier was easy to define and the way of working was quite transactional. I think

in recent times that those lines, once easy to define, have come quite blurred, the expectation from our customers having moved on considerably,” he explained. “For example, complete DFM (Design for Manufacturing) input is often required, supply chain management skills have had to increase significantly and in some cases, even a completely different logistics solution e.g. VMI (Vendor Managed Inventory) has had to be implemented.

“Where we have been successful is moving upstream in the supply chain from just a manufacturer to a trusted advisor. In order to enable this process, we had to really start to understand our customer’s business drivers and critical success factors, moving our relationship from purely transactional to more of a partnership approach.”

This understanding has been helped considerably by the Group’s investment in its R&D facilities. This includes establishing an Innovation Centre of Excellence in Cork that services the entire OnePlastics Group. Services here include full product design, finite element analysis and Moldflow. “All our major customers are benefitting from this approach to R&D we have implemented. This investment has taken centre

stage in our service offering and is key to all our future growth ambitions,” Stillman added.

PEOPLE POWER

Also key to the company’s future ambitions is its staff. As its portfolio grows, the need for skilled employees that can take the business in the direction it wishes to travel is imperative. Stillman says this is another reason the UK is an attractive location for the Group.

“The UK has a fantastic heritage of plastic manufacturing and with that comes some world class engineers. I am pleased to say that we have quite a few working at OPG,” he explained. “We recognised the skill shortage gap quite a while ago and have installed a very successful apprenticeship programme across all of our sites. At present we have 20 apprentices.”

FUTURE AMBITIONS

At the announcement of its last set of results in March 2017, One51 PLC, owners of OnePlastics Group, revealed an increase in revenue of 18.3 per cent to €433 million. In addition, earnings increased by over half, 53 per cent, to €55.2 million (£47.8 million). The company revealed its intention to continue to narrow its focus to the plastics industry and its ambitions to build on the solid growth achieved in just a few years.

“Future ambitions include strengthening and growing our market position by continually investing in our business together with targeted acquisitions in the sectors we operate,” Stillman continued. “We believe that we are the largest ‘non-automotive’ moulder currently operating in the UK, both in terms of turnover and tonnage. We have a specialty in the production of large industrial mouldings, so envisage particular growth in this area in the coming years.”

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