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APC adds Utah facility

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American Packaging Corporation (APC) is adding a new facility in Cedar City, Utah to better serve existing customers in the western United States and develop new markets in the west. The move should strengthen the family-owned company overall as it hopes to grow from a \$600 million a dollar a year to one day a \$1 billion a year company.

The DeForest facility produces packaging for the food industry. The local plant is currently in Phase II of a four-phase plan. The plant is located at the DeForest industrial park near Hwy 51.

The company currently has a five to seven-day west coast turnaround for orders from its eastern plants. APC wants to make that a one-day turnaround. In an area like produce packaging, it hopes to go from \$30 million a year to \$90 million.

The company operates facilities in Columbus and DeForest. APC has 383 employees between both facilities – 259 in Columbus and 124 in DeForest – and more than 1,200 across the company with two more plants in New York state and one in Story City, Iowa.

The unique Rotogravure presses at DeForest and Columbus are not being duplicated at the Cedar City, which will be a flexographic process.

Founded in 1902, American Packaging Corporation is a recognized leader in the flexible packaging industry. Independently owned, APC is committed to innovation, sustainability and customer delight from a talented family of packaging professionals. The company has been owned by two families in its 120-year history and CEO Peter Schottland.

Company president Jeff Koch said the company looked at locations in Nevada, Arizona, Idaho, and Utah to make the expansion. It had requirements including minimum acreage, and rail access for the resin used in its process. The company prefers to build new facilities when it expands. By never having one plant or one client dominate the operation, it can avoid issues as markets change.

Koch said meeting with the local Cedar City officials sealed the deal as the kind of community that fit well with APC's corporate culture. "It felt like a APC community. It was clean, it felt right," Koch said.

Cedar City is about 2-1/2 hours from Salt Lake City and Las Vegas.

In order to bring the same APC culture to Utah, all 1,200 APC employees were given an opportunity to relocate to Cedar City and be part of the foundational staff there. There will be 75 employees from the five current plants making the move west in the next year.

"We offer a good job to live a fantastic life," Koch said. "We had a tremendous response and a lot of interest in the opportunities. We will start with 75 associates in a wide breadth of skill sets and take the APC attitude and culture with them."

Koch credits Schottland with setting the family company culture from the very top. It's an approach which allows employees to grow in the company. Koch has worked for the company for 41 years, starting on the shop floor and working his way up.

The company will phase in the 75 employees as it looks to June 2023 for the start of operations.

"We're investing over \$500 million in plants and expansions it's a Greenfield construction and we are in the middle of \$175 million investment in the existing facilities," Koch said. "We want to reinvest in the future and there are opportunities to expand again."

One of local touches of employee commitment happened recently in DeForest and Columbus. Those facilities have surpassed 500,000 hours of injury-free work. The milestone recognition included food truck lunches for all the shifts.

One of the steps the company takes to help its employees stay injury free is on-site physical therapy services. It provides preventive care for life's aches and pains with no time or money output for employees.

The DeForest plant sits near the headwaters of the upper Yahara River and company employees provided a big turnout this spring during the river cleanup event in the community.

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