CALL IT A COMEBACK

Atlas Holdings continues to purchase and turn around paper and packaging businesses with a sound strategy and targeted investments. PAGE 10
Kyle Eldred and Norm Bullock were looking for a new challenge. After working for Koch Industries for several years managing other companies, the two in 2000 decided to leave their jobs on the same day and pursue their own venture.

After personally visiting more than 25 companies, the two found a promising venture in the form of Frankston Packaging, a plant founded in 1957 that specialized in folding cartons, rigid boxes and vinyl boxes. “We were looking at things like cash flow and potential opportunities in the manufacturing or distribution industries,” Eldred says. “We looked at packaging, asked, ‘How hard could this be?’, and then found out how hard it could be.”

Eldred and Bullock’s management experience and willingness to invest in the company helped the two overcome the initial challenges of taking over the plant. At the time of the ownership change, Frankston Packaging averaged $4 million in sales. Today, the company’s sales are close to $20 million annually.

Frankston Packaging specializes in producing folding cartons for the food, pharmaceuticals and health and beauty industries. It also produces rigid/set-top boxes and vinyl boxes.

‘THE BEST EQUIPMENT’
Eldred attributes much of the company’s growth and success to its investment in technology and production equipment. All production equipment in the company’s 85,000-square-foot manufacturing facility in Frankston, Texas, has been replaced within the last two-and-a-half years. “If we had old equipment, we wouldn’t be able to grow, because we couldn’t get to jobs fast enough,” Eldred says. “With the speed and productivity of these machines, we can run more jobs in a short period of time.”

The company’s main printing press is a Heidelberg Speedmaster 106 press installed in 2013. It can run 18,000 sheets of paper per hour. “This machine is one of the fastest in the world,” Eldred says. “We try to find the best and fastest equipment available for our company.”

Frankston’s prepress department has the latest Esko Suite 12 (Automated Engine), which allows for a very efficient handling of files, proofs and plates. The suite also enables the company to send CIP3 files to the press via Prinect Cockpit. From a structural design perspective, the company uses Esko Artios CAD, which marries up well to its prepress department.

Sheets printed in the press are then taken to a Bobst Diecutter 106LER machine, which cuts them into blanks. Other equipment includes Bobst Expertfold and Masterfold gluers, Maxson 64-inch sheeter, and HS and Gietz tray formers.

Frankston averages roughly 1,000 jobs a year. “We’re constantly changing plates,” Eldred says, noting that the new press is capable of handling changes much more rapidly than its previous equipment. “We run a job, shut down, and make ready for the next all the time.”

The company keeps paperboard in stock to accommodate large requests. Frankston Packaging is a member of the Independent Carton Group, an or-
ganization that functions similarly to a buying co-op to negotiate with board mills, ink suppliers and others.

**Fast Response**
The efficiency and volume that Frankston Packagings’s equipment provides to the company gives it the ability to quickly respond to urgent customer requests. “The way we handle and serve our customers is without a doubt what sets us apart,” Eldred says.

One recent example of the company quickly working to solve a customer’s problem came the day before the Thanksgiving holiday in 2013. A customer approached Frankston Packaging to produce 100,000 cartons for a food product that it needed the following Monday to fulfill an order from Costco. “Their supplier at the time couldn’t do this, so they asked us if we could get them out of a bind,” Eldred says. “After getting the job on Wednesday, we worked Thursday, Friday, Saturday and Sunday to get artwork, design approval and board, and printed and delivered the product, all during a holiday weekend which people planned to have off.”

Another new customer recently approached Frankston Packaging with a request for an order of 50,000 cartons for a new product bound for Walmart’s shelves within a week of the order.

Customers are served by one of the company’s four marketing professionals, each of which works with their own customer service representative. “We understand our customers very well and know what their needs and wants are, and use that knowledge to ensure we’re meeting those needs and wants through our corporate infrastructure,” Eldred adds. “I’m most proud of our people, because they’re really the ones who get information transferred in a timely manner, get it to the right people at the right time, and produce our customers’ product on spec, on-time, everytime.”

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**STRONG INVOLVEMENT**
Community and industry involvement is very important to Frankston Packaging. The company is a member of the Paperboard Packaging Council, a group of 85 folding carton companies that serves as the voice of the paperboard packaging industry. Co-owner Kyle Eldred will assume the role of the group’s chairman this October.

The company is involved in a number of charity programs, including Little Hands Big Hearts, which donates discarded unopened school milk to homeless shelters and Holy Sheets, a charity that donates bedsheets, mirrors, pillows and other items discarded by hotels to churches and women’s shelters. Both of these ministries were started by Kyle Eldred’s wife Marlene. Frankston also supports Fellowship of Christian Athletes and Helping Everyone Reach Outstanding Educational Success (HEROES), an organization that assists children with special needs. Norm Bullock’s family is involved with this charity.

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Published by Phoenix Media Corporation Tel: 312.676.1101 Fax: 312.676.1280
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