

Bonded Pac & Households CPG Partner for Long Term Success

BONDED PAC



The Client

A global industry leader in premium household surface finishing systems and cleaning products.

The Challenge

The Client had recently entered into a contract with Bonded to act as their distribution center for the United States. Now, they were seeking a packaging solution closer to their DC in order to reduce transportation costs for their domestic products. They required a contract packaging partner capable of providing packaging design, raw material procurement, and comprehensive piece-rate pricing. Flexibility was crucial, as the co-packer needed to accommodate fluctuating order volumes and special projects by adjusting labor and production space. With their business in a growth phase, the client desired a partner who could assist with the transition from solely commercial customers to a mix of commercial and retail clients. Additionally, the co-packer would need to collaborate effectively with other suppliers to streamline development and standardize quality requirements.

By The Numbers ...

- 200,000 kits per month
- 120,000 square feet
- 200 SKUs
- 5 production lines
- 80 employees

The Solutions

Initially, Bonded Pac allocated one production line at a multi-client warehouse, ensuring a seamless transition for the Client with minimal downtime. The facility's strategic location in Charlotte, NC facilitated the acquisition of raw materials from the Port of Charleston and enabled sourcing from local suppliers. To manage production needs effectively, project trackers were implemented, particularly as the number of SKUs grew from 10 to over 200. Pac provided cost mitigation through guaranteed pricing based on a piece-rate model and brought in a third-party staffing firm to assist with fluctuations in order volume. Nulogy packaging software was adopted, enhancing production, shipment, and offering complete traceability and lot control capabilities for products. As the Client's retail business expanded, Pac accommodated by increasing production space and investing in value-add equipment, eventually moving into a versatile 218,000 sq. ft. facility adjacent to the distribution center for streamlined production-to-distribution transfers.

Bonded Pac actively participated in planning meetings from the beginning, comprehensively reviewing processes to understand the ever-changing challenges faced by the Client and their retail customers. Investments were made in bottle filling and steam shrink wrapping technology to further integrate the supply chain and improve the look and feel of retail products. A vendor managed inventory program was put in place to balance demand with efficient manufacturing. Pac designed, sourced, and tested retail packaging and POP displays to meet the Client's award-winning design criteria. Analytical testing was implemented to ensure liquid formulations met the client's high-quality standards. Pac instituted AQL testing protocol for all inbound containers to check performance of parts and took initiative to complete ISTA pallet testing to ensure product arrived at its destination free of damages.

"Bonded Pac has a lot of talented individuals who are always ready to help us solve problems or get things done. They have an open mindset and never say no. I trust them completely."

Manager, Supply Chain

The Results

By allowing the Client to focus on marketing and product development while Bonded Pac managed primary and secondary packaging efforts, a strong and enduring relationship was formed, spanning several decades. The business grew in tandem due to the mutual trust, absence of rigid contractual agreements, and shared commitment to win-win scenarios. Bonded Pac demonstrated a willingness to invest in equipment, manage raw material inventory, and alleviate the burden of inventory counts, resulting in cost savings. The relationship extended beyond comfort zones, with both companies continuously learning and supporting one another to meet evolving business needs. The collaboration is viewed as a true partnership, with both parties proactively addressing the evolving needs of the Client's customers.

Need assistance with an upcoming packaging project?

Reach out to Bill Gilmore, Bonded Pac Sales Manager, via [email](#) or by phone (980-399-2794) to learn more about how we can help!

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