

Fedrigoni acquires Tageos and enters smart label segment

Italy's Fedrigoni group, a Bain Capital company, continues the growth trend of recent years. The company announced it had acquired a majority stake in French company Tageos in order to expand its business into adjacent, value added market segments and strengthen its paper, labels and self-adhesive materials business. Tageos is considered "a global market leader in the design and manufacturing of RFID inlays and tags." The company has its head office in Montpellier, and besides France, also runs offices and operations in Germany, the US, Hong Kong and China.

According to a press statement, Fedrigoni acquired the majority of share capital in Tageos through a direct investment and from current shareholders including Newfund Capital and the company's founders. Fedrigoni has reportedly reserved the right to purchase the remaining shares in Tageos in the future.

Tageos said it had experienced strong growth, "far above the overall RFID industry level" for several years now. In order to be able to expand its production capacities and meet future customers' demand, the company decided to "broaden its ownership structure and capitalisation power," Tageos explained.

"The fast-growing customer and market demand for innovative, high-quality RAIN RFID (UHF) and NFC (HF) inlays, which enable businesses to digitalise their product offerings, has led to a greater need for expansion in order to continue to accelerate profitable growth," Fedrigoni said.

Fedrigoni boasts a strong position among the leading producers of self-adhesive materials. The group is also a "player of reference in the production of high value-added special papers for packaging, publishing, and graphics, as well as premium labels." The acquisition of Tageos will reportedly expand Fedrigoni's offering, technology and customer base. This will enable the group to add more value to existing markets such as food, cosmetics, and pharma, while enhancing its market share in strategic growth areas like retail, logistics and industrial applications. "Thanks to this acquisition, we are entering the 'smart label' market, pursuing our strategy of continuously widening our offer in the most attractive and promising adjacent segments," said Marco Nespolo, CEO of the Fedrigoni Group.

The acquisition is also said to bring new opportunities for the group's Paper division, especially for its product portfolio for luxury packaging. In light of the exponential growth of e-commerce, customers are increasingly interested in solutions to protect their brands, verify authenticity and prevent counterfeiting, Fedrigoni explained. □

Strikes at Finnish UPM mills extended again

As no agreement has yet been reached between UPM and the Finnish Paperworkers' Union Paperiliitto, the strike at UPM's Finnish pulp and paper mills is to be extended by another two weeks. Paperiliitto announced that industrial action at the mill will continue until 30 April 2022.

The renewed extension of the strike comes at a time when negotiations between the union and the individual UPM companies are continuing intensively and the mediator has presented a settlement proposal for the negotiations between UPM Pulp and the union, UPM said in an announcement. The parties are to comment on the conciliator's proposal by 14 April. □

Billerud Korsnäs completes takeover of Verso

Sweden's packaging paper and board company Billerud Korsnäs has finalised the acquisition of US pulp, graphic and specialty paper company Verso Corporation for a purchase price of \$825m in cash. Verso was consolidated into the accounts of Billerud Korsnäs as of 31 March 2022 and included into the business division Paper. Combined net sales for Billerud Korsnäs and Verso in 2021 reportedly amounted to approximately SEK37bn.

Verso common stock ceased trading on the New York Stock Exchange prior to the opening on 31 March, according to Billerud Korsnäs. All conditions for the takeover, including regulatory approval, had been fully met on 29 March.

The acquisition of Verso is said to accelerate Billerud Korsnäs' growth in North America. The company announced it was committed to "continuing to serve Verso's customers across all segments and realising its previously announced plans to convert several of Verso's assets into paperboard machines, while maintaining Verso's position as a quality and cost leader in speciality and coated paper."

The conversion of two fine paper machines into cartonboard machines at Verso's Escanaba mill would result in annual production capacity of 1.1 million tpy by 2029. After completion of the project, Billerud Korsnäs will become one of the leading folding boxboard producers in North America.

Billerud Korsnäs changes its name to Billerud

Going forward, Sweden's packaging paper and board manufacturer intends to simplify its company name and brand to Billerud. The company would operate under the new name in all its markets, including the US, Billerud Korsnäs explained. □

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