

# **Heinz Ketchup Club Store Case Study**

## Background

In 1909, Heinz established a factory in Leamington, Ontario. With over 250,000 tons of tomatoes produced at the facility each year, Ketchup is their main commodity. Product from Leamington is shipped across North America through all retail channels.

### Club Channel

Heinz sells a club store format 7lb jug of Tomato Ketchup. Six jugs were being auto packed into shippers for transportation to their co-packing facility. At the co-packer, the jugs were manually repacked into a 4-pack display ready case prior to being shipped back to Heinz which would then be readied for distribution to store.

## Client Objective

- Packing efficiencies and cost savings in a revision of their current model of preparing their club store format jugs ready for market
- · Reduction or elimination of waste when the shipper was disposed of at the co-packing facility
- Elimination of multiple transport trips required to bring the product back and forth between supply and co-pack facilities with the goal to reduce overall emissions

#### Solution

The **Central** Group was to eliminate the unnecessary steps in the packing process by providing an innovative tray design that would work on their auto packing equipment. The "Pallet Stacker", a design from the Pack 'N' Stack product line was evaluated as an ideal choice for this packaging format. Pack 'N' Stack is a favoured solution for club and warehouse retail outlets.

This solution provides the following:

- One piece design eliminating labour
- Auto case and packing features
- Superior stacking strength
- Merchandising integrity
- Component and material reduction

#### Performance

- New design compatible with the 4-pack auto case and packing eliminating the need for capital investment
- Design is display ready increasing store compliance to 100%
- Eliminated the need for the 6-pack shipper
- Stacking strength improved by 30%
- One piece design allowed for additional, brand and shopper messaging
- Eliminated 300,000 lbs of corrugated material per annum



















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