



Session: **Chris Baum: Finding your Flow with Automation**

With Shannon Curran, Chris Baum and Michael Ireland

- Shannon Curran Hey, everyone. Welcome to Packaging Unwrapped. This is Shannon Curran and I'm joined by my cohost, Michael Ireland. Today we're excited to be talking packaging automation with Chris Baum, Director of Sales Specialists at Veritiv. Welcome, Chris.
- Chris Baum Good morning, Shannon. Good to be with you guys.
- Shannon Curran Thanks for joining us.
- Michael Ireland Chris, can you tell us a little bit about your background? How did your path lead you to packaging?
- Chris Baum Gosh, Michael, you know, even when I say it... 35 years I've been with the organization. When I say 35 years, it seems like a long time. But it's gone by so quickly. I started back in sales back in my hometown in St. Louis. Was a commissioned sales rep for several years. And then got into management. Had a number of jobs, number of positions, moved around. We settled in Cincinnati about 20 years ago and recognized that packaging was really the engine that's going to drive this organization and our industry. And I latched on and have not looked back and just have loved every minute of it. It's been really exciting, especially the last few years with the direction the whole industry has been going, you know?
- Michael Ireland So, what continues to inspire you to strive?
- Chris Baum I kind of have a mantra that I don't if I don't love it, I'm not going to do it. And that's something that I've talked a lot about, even with my kids. You know, if we're going to spend this much time working and the time and energy that we put into it, you really ought to love what you do, or do something else. I have a lot of passion around packaging. Especially with what's happening today with the changes in the whole industry. It goes back to my sales roots. You know, when you get a new sale, it's such a thrill. If you're a fisherman, you can relate, it's like catching a big fish or something, you know, and so I love to win, I hate to lose. And so those kind of things really inspire me. And I've got a pretty big team, couple 100 people in my team, with the size of our organization, we want to help this company move forward and grow. And I get excited about that.
- Shannon Curran Chris, you mentioned, and it's a great segue, you mentioned all the changes that are happening in the industry today. So based on your experiences and how you're staying up to date with things, tell us about the state of packaging today.
- Chris Baum You know, Shannon, it's been crazy. If you think about where we were a year ago, none of us knew what the direction was going to have. And we've never gone through anything like a pandemic in our lives. I can think of a number of customers where we've literally helped them get through it. We have a large protein customer that is one of the largest bacon

manufacturer producers in the country, and a year ago because most of their business was in restaurants, or in schools. You think about all the restaurants and schools that were shutting down, they shifted their business and we helped them with the packaging because they ended up producing all their bacon for big box locations. And we helped them repackage their product because if you think about shipping bacon to restaurants versus retail stores, our specialist organization was a big help for them. And the state of packaging is like that. All these customers are looking for ways to repackage and resell their product, and we can be a big help for them.

Shannon Curran I think pivot has been the key word for the last year. It's like, okay, it's not, it's not the way it used to be anymore. How do we change what we're doing? Right?

Chris Baum You're right, you're right. You think about the state of the world today. Ecommerce sales were up over 40 to 50% in 2020. And so, you're right, many customers had to pivot.

Shannon Curran It taxes the demand for certain things too. I know you lead a very talented group of folks. How do you continue to learn and stay on top of things to be the leader for that group?

Chris Baum You know, it's funny. When the pandemic hit a year ago, when we were all not going anywhere, I started really leaning on more podcasts. And for a number of things. I love music, I'm listening to more music, podcasts, but also, you know, just getting into podcasts that are educational. And then you get into – it digs you into different rabbit holes. And so, I've done a lot of that just to learn about what's going on in the world. What's going on with packaging with technology. There's a lot of silver linings this past year, and that's been one of them for me.

Shannon Curran I love to hear that.

Michael Ireland So, you mentioned the bacon customers, what other kind of customers have you been able to help through most of this past year?

Chris Baum We started ordering online more last year, and I mentioned 40 to 50% increase... that's never happened in our lifetime. And so, we all as consumers were just gobbling up products, because we couldn't get out and buy them. When you think about our corrugated specialists, our packaging specialists, sitting down with a customer that, to Shannon's point, has to pivot and now get their customers to order online, we've helped a ton of customers with that. Customers don't want to ship product that gets damaged. So, we've got the ability to test their product when it gets shipped out. How many boxes have arrived at your door, that the package is really small, and the box is really big? What a waste of money. And so, we've helped a lot of customers save money on corrugated or how they package their product. And that's what is cool about our business, every project is different, every customer is different. Think of all the products that we all purchase every day. And we've been a big help for a lot of customers that have really shifted to send their products out.

Michael Ireland What are some of the key challenges you see customers facing right now?

Chris Baum The number one challenge for most of our customers today is labor. And it was a challenge before the pandemic quite frankly. Even us as an organization, finding people that want to work in their facilities in their plants. We have the ability to help an organization with labor by automating their plant. And we've had some tremendous successes. And we've got some

great videos that show that it's available on our website... but even our vendors website. Time and time again, there's opportunities to do robotics. Our automation specialists can literally sit down with a customer and show them an ROI. We did a great project, a paper plate project. If you've bought paper plates in your life at any of the big box stores, you probably bought them from this customer, and they were doing everything by hand. They couldn't get people in their facility. That's very prevalent right now. We continue to try to make sure our specialists are talking up the labor challenge because it's real, that's a problem.

Shannon Curran We keep mentioning your specialists in your team. Can you explain to our listeners exactly what we mean by a specialist and unpack that a little bit for them?

Chris Baum We have 80 specialists in the organization today. And four different groups: food, corrugated, facility solution specialist, and then our equipment automation specialists. They're experts in their field. Our role and, our so to speak our lot in life, is to help our 750 sellers to help them grow their revenue and are really experts when they go out and see a customer. So, when you think about the automation specialist, we ask our sellers to bring them in and help them audit a facility as an example. So, our equipment specialists can literally go into a facility and look around and see where they have labor issues. A small example is, if they have 10 people, hand erecting boxes, we have a machine that will do that for them. And so, they don't need to put those 10 people there, maybe there's a better place to put them in the facility. And we can show them a return on investment. So that's what are specialists do. They're really experts in their field and they really help our generalist sell more product.

Shannon Curran Thanks for explaining that. I think that helps folks put things into context a little bit better. So, how do your specialists help to introduce automation to a customer that might not know they're ready for it yet?

Chris Baum Shannon, that's a great question. You know, when they're sitting down with a customer, ask one question. Do you have a labor issue? And the answer is probably going to be yes. And then the follow up is, let me bring in my specialist, and let us do an audit. Let us look around just no harm, no foul, we'll just look around and see where we have an opportunity. And if we can get them in the door, chances are that we're going to come up with some savings for them. Because as I mentioned, so many customers are having that issue. And so that's really what we're trying to do is get our sellers, and it's been hard this past year getting in most of the places have been closed.

Shannon Curran Or getting in anywhere.

Chris Baum It really is. And, and so what we're really trying to do is, is get them in the building. The other thing we've done, you know, part of my one of my teams is the Equipment Service Group. We have almost 100 service techs, that are actually the ones getting into buildings now, because they have repairs, or they're installing some equipment. So, we've created a five-point checklist for our service techs. So, they don't go on with in with blinders just to repair a machine. What they're doing now is, before they leave, they have to do a five-point checklist to say, I see this, I see this, I see this. So now the seller has the opportunity to go back to the customer and say, "Hey, you know you have a machine that's outdated or that we can automate", there's a lot of opportunities for us to get those sellers to bring in that specialist.

- Shannon Curran That's great. That five-point checklist sounds like a perfect starter for all of that. Is there a right time to you know, help the customers determine when to automate?
- Chris Baum I don't know if there's a right time or not. But if they are struggling with labor, or they, you know, all customers are looking for ways to save money, let's face it. And so, if we can just get in and show them the saving... and that's the key really finding the right person to talk to who's making the decisions. And that's part of our job for one of our sellers. That's their role. They have those relationships, whether it's the corner office, or the C suite, or in the in the warehouse or the engineers. If we can get an audience we can usually win.
- Michael Ireland And how do you help those customers find their flow in automation and across all facets of packaging?
- Chris Baum It depends on what the customer's product line is. Take food, for example. We have food specialists in the organization. Think about any of the food that we all purchase, whether it's, you know, meat, or snacks. That food is touching packaging. And so, our food experts can literally go in and talk to them about how they're wrapping that product. First of all, it's important that you know it doesn't get contaminated or things like that, but how it looks on the shelf for all of us as consumers you go in and boy if it looks pretty and you know, sometimes that goes with quality. And so, people you know a guy like me will look at and go, oh, that looks like a nice package. I'll pick that up.
- So, it depends on the product line. But we can literally go in and help a customer with how it looks on the shelf... how it shipped out as an example. How are they stretch wrapping their product before it gets on a truck. So many customers get product damaged, because it shifts in the truck and it's not wrapped correctly, it's not packaged it's not boxed correctly. We have all the right people to help with that. And so, really getting into a plant and looking at how they're packaging product from the time it comes off their conveyor line to the time it gets put in a truck. And we can help the entire process.
- Shannon Curran On those damaged packages, that's huge. Because I know with safety, especially today, if you see something that's on the shelf that's banged up a little bit, folks, it's going to sit there. So, it's important.
- Michael Ireland Well, I'm one of those consumers that if I'm looking to grab a box, if one just even has just been, you know, just a bend in the corner or slightly been pushed down, I'm grabbing the one behind it. I'm just, that's just the way it is. That brings up so many things about packaging in general that folks just don't realize just how much packaging is part of their life. Now of course boxes are arriving in front doors and all the manner of which that we are exchanging and receiving products services.
- Shannon Curran What questions are kind of plaguing automation?
- Chris Baum Anytime people talk about technology or automation, some people want to shy away from it some customers, you know, we've been doing it this way for years. So, part of it is a skill set. You know, training their folks because when you're... it's computers now, it's automation. They've been doing things by hand. So that's one... it's too technical.

Expense. You know, some of it requires capital. We have we have a number of ways to help. We actually have a leasing program where we can put in equipment through consumables, so that's an option if they don't want to fork out cash. So, it's usually money, it's expertise, it's technical, all those things. That's why getting the right audience and sitting down and be able to explain that and talk through that and help them with that. We have so many options. And our guys and gals are equipped to really help with that and articulate how we can help with those things.

Shannon Curran

What are a few of the main questions you get? I'm guessing cost is the big one, because we keep hitting on it. But what are some of the main questions your folks get asked? Because you know, having that expertise sitting at the table with you, I'm sure they get a lot.

Chris Baum

It's cost, it's investment, it's time, it's training. It's all those things. You know, I had a sales manager that I worked for many years ago, he said, just remember everybody listens to the same radio station WIIFM. What's in it for me? Our specialists really have to understand that and show them. Because again, you're talking about you know, usually an investment, usually time, how do we how do we get our employees on board, you know, some of these projects that we've done, like the paper plate one I mentioned, you know, we're doing one now which is which is pretty cool. It's a, think about when you go into the grocery store, and you're buying fruits and veggies... because of the pandemic, a lot of companies are now single wrapping with the shrink film around their product. We're doing a broccoli project. Every head of broccoli that they're shipping out as a shrink film around it. When they came to us, we talked to them about that we really had to sit down and explain to them look, in the long run, you're probably going to sell more broccoli, because people don't want to put their hands all over all over the heads of broccoli. So those are the kinds of things. It really just takes a lot of time to sit down and show them how either the savings or how they're going to grow their revenue. It's got to be something in it for them though.

Shannon Curran

Long term gains.

Michael Ireland

We've been talking about all of the high value targets and all the things that scare them at the highest level... what are some of the things you think people undervalue?

Chris Baum

Us as a vendor or supplier. We don't want to be one of those that's just another sales rep or sales company. You know, when I think about what transpired last year... there's been a box shortage, a corrugated shortage. And it's all due to the ecommerce spike. And there wasn't enough boxes to go around. So, we had many customers that we had to help them get through it. Because it was very tough to get boxes. In that fourth quarter, everybody was scrambling and we were a big help to these customers so they didn't run out. Because you think about all these customers that were you know, as Shannon said, had to pivot to start sending out ecommerce, they needed boxes. And so, we wanted to make sure that they, customers knew they were relying on us, and we could help them. And I think that sometimes customers don't realize how valuable a vendor can be.

Michael Ireland

So, Chris how can folks reach out to you? Email or are you a LinkedIn guy?

Chris Baum

Reach out to me via email. When you've been around 35 years, a good old fashioned phone call is cool too. So, sometimes I just pick up the phone and call. So, I still like to talk to people live. So, LinkedIn, email, phone calls. I'm available. That's one of the things I pride myself on Michael, that if you call me or shoot me a note, I'll get back to you quickly.

Shannon Curran

Well, Chris, this has been such a great conversation. Thank you for coming and talking to us and our listeners about automation and all the benefits that it brings to the industry. We'll make sure to put your contact information and any relative links or information you'd like us to share out in the notes. But thank you so much. We've learned a lot today.

Chris Baum

It's been my pleasure, I really enjoyed it, guys, and we're here to help. So, I appreciate the opportunity.

