



PRESS RELEASE

October 2018

HEALTHY GROWTH – WITH PLANTATION FOR OWN SUPPLY OF WOOD

It's the next big step on the way to sustained growth: Following on from the two best years in company history so far in 2015 and 2016, STAEDTLER is now investing in a plantation of its own and, in doing so, killing two birds with one stone. It is a forward-looking step both from an ecological and economic point of view.

STAEDTLER has always been committed to the motto 'efficient for ecology'. It applies to the products as well as to the manufacturing processes. Using innovative technology, the long-standing company continuously strives to make its production processes more efficient and to lengthen the service life of its products. The result: Longevity for the benefit of the environment. The longer a product lasts, the longer it takes before it needs replacing - resulting in lower raw material consumption, reduced CO2 emissions and, ultimately, less waste too. This principle can be found reflected in numerous company innovations such as WOPEX, ABS or Dry Safe, as STAEDTLER has incessantly taken great care to ensure that ecological criteria are taken into account from the word go when a new product is developed.

Wood - the heart of the company

The renewable resource wood is an integral component of graphite and coloured pencils and very much at the focus of the sustainability question: "Wood constitutes the very heart of our wood-cased pencils and is therefore essential for STAEDTLER. This is why it goes without saying for us that this resource has to be protected", managing director Axel Marx explains. The company only utilises wood sourced exclusively from certified, sustainably managed forests for the manufacture of all of its wood-cased pencils. By having a plantation of its own, STAEDTLER is now going one step further: From the selection of tree species in accordance with ecological and economic criteria to the cultivation conditions in line with strict environmental standards, consideration of existing flora and fauna and direct processing of the wood, the company is taking the entire production process from wooden slat to finished pencil into its own hands.

High investment for greater sustainability

Following an extensive search, the company at last found suitable conditions for the establishment of a plantation of its own in the South American state of Ecuador. Trees for the STAEDTLER pencils of the future will be grown there over an area of around 1800 hectares. The fast-growing species *Gmelina arborea* from the labiate family will be cultivated. "Some years ago, we employed a forest scientist at STAEDTLER whose task it has been to take a close look at different types of wood and examine their suitability for pencil production purposes.

1 of 2

CONTACT DETAILS

STAEDTLER Mars GmbH & Co. KG
Moosaeckerstrasse 3
D-90427 Nuremberg
www.staedtler.com
info@staedtler.com

BRITTA OLSEN

Head of Brand & Communications

phone: +49 911-9365-821
fax: +49 911-9365-99219
email: britta.olsen@staedtler.com



In the process, we came across a tree that goes by the lovely name of 'gmelina"', Axel Marx reveals. In addition to its fast growth, the Gmelina tree offers other advantages too.

"It does not need to be impregnated and is of a very high quality level", STAEDTLER's managing director adds.

Over the next ten years, STAEDTLER will be investing around seven million euros in the project. The first harvest should be possible after approximately six years. By then, an adjacent slat manufacturing facility should be finished where 60 new employees are to produce slats which will then be used in the pencil manufacturing process. The plan is to supply the manufacturing facilities in Germany, Indonesia and Thailand from there. Mid-term, the STAEDTLER plantation in Ecuador is to cover 35 to 40 percent of the company's wood requirements. One positive ecological consequence of the wood plantation is, that by having its own trees, STAEDTLER will be able to significantly reduce its carbon footprint. "Our plantation will offset the carbon footprint generated by our CO2 emissions worldwide", concludes Marx.

Healthy growth

The pencil manufacturer forever keeps a watchful eye on the future meaning it maintains a high level of awareness for the environment and strives to act with economic foresight. The decision to operate a plantation of its own in Ecuador is fully in line with both aspects. So far, STAEDTLER has had to source all of its wood from suppliers. "Investing in a plantation of our own makes sense as it will make us less dependent on suppliers and increase our real net output ratio", says Mr. Marx.

The establishment of a plantation and slat production facility in Ecuador is also strategically shrewd. STAEDTLER plans to gain access to markets in Latin America, markets with enormous growth potential. "The competitive nature of the Latin American market compels us to have a manufacturing site on the American continent. This first step will help us increase our market share in the future", Marx is convinced. The managing director is therefore not ruling out the addition of another production site on the American continent at some time in the future. For several years now, North America has been the source of the STAEDTLER Group's strongest growth.

With its plantation in Ecuador, the pencil manufacturer has laid the foundation for further expansion. STAEDTLER wants to see a healthy growth of the trees on the plantation as well as a healthy growth for the company and continues to remain committed to the environment at the same time.

About STAEDTLER

STAEDTLER is one of the oldest industrial companies in Germany and ranks among the world's leading manufacturers and suppliers of writing, colouring, drawing and creative products. An international company, with its Headquarters in Germany and a high export quota, STAEDTLER has 2,800 employees worldwide, more than 1,200 of them in Germany alone. The long-established company attaches great importance to the origins of its products and manufactures almost three-quarter of its articles in Germany. This makes STAEDTLER the largest manufacturer of wood-cased pencils, OHP pens, erasers, mechanical pencil leads and modelling clays in Europe and proud of its long tradition of manufacturing 'Made in Germany' products. www.staedtler.com