



the rental- revival

THE COST OF PACKAGING PRODUCTS CAN BE DAUNTING, BUT NOW YOU CAN RENT THE EQUIPMENT AND DO-IT-YOURSELF. WORDS BY KAREN SAAD

One of the things that all beauty product manufacturers have in common is the process of packaging their products. While the process is unglamorous, it is undeniably a major operational issue that impacts on the cost of manufacturing and budgets for all businesses, large and small.

Today's market is fiercely competitive and consumers place a lot of emphasis on the external appeal of product packaging. Creativity of design and beautifully crafted packaging is undoubtedly an important factor in an industry that focuses on aesthetics. Consumers are blissfully unaware of the issues concerning manufacturing and the costs and challenges associated with producing these products.

These costs are unavoidable. Packaging equipment is the largest expense in the packaging process and presents an enormous investment. The capital outlay of production lines together with premises and operations staff can be unaffordable, especially for start-up businesses. One of the most popular solutions in the marketplace today is outsourcing packaging requirements to contract packers.

Contract packers are usually part of a larger manufacturing facility that has appropriate regulated premises – commonly

referred to as plants – comprising packaging equipment, specialised staff and engineering facilities. Every step or part of the development and manufacturing process that is farmed out to contractors will eat into profit margins. Overuse of external services can affect business longevity but still many businesses engage contract packers as an alternative to purchasing the equipment, employing staff and maintaining premises.

A cost-effective solution that many businesses have not been exposed to is renting the equipment – until now this service has been largely unavailable to the beauty industry. Budding entrepreneurs entering the marketplace or manufacturing businesses dealing with production overflow issues can rent expensive machinery at minimal costs and for short (or long) periods of time.

Renting machinery provides the budget-conscious with the ability to package products in-house and eliminates the need to outsource the packaging or purchase the equipment. This service benefits smaller businesses seeking to achieve higher profits by reducing manufacturing costs as well as larger manufacturers who prefer to upgrade their equipment as and when needed while avoiding maintenance, repair and down time costs.



The beauty of a rental solution like this is that it inevitably eliminates the pressure that most small businesses face over producing enormous quantities of product at any one time. Having the freedom to choose to package quantities directly relating to orders can be an enormous benefit when scheduling production and delivery time lines.

Packaging equipment can be hired based on the needs of the business. Production lines consisting of multiple head automatic fillers with conveyers, auto-cap tighteners, rotary sorting and unscrambling tables can process at least 100,000 units per week and are suitable for plants. A bench-top model set-up (semi automatic) will do up to 50,000 units per week and are suited to in-house operations or smaller businesses. The bench-top model set-up is so compact that it could literally be set up in a lounge room, and the operator does not need any specialised training or previous handling experience. The equipment is easy to operate, functional and doesn't pose harm or risk to the operator.

Founder and managing director of rental packing equipment company Packserv, Nathan Wardell, explains that most businesses are pleasantly surprised to learn that a rental solution exists. 'The most common feedback I receive is that production costs are halved by hiring the equipment

and packing in-house. You don't necessarily need to use all divisions of a manufacturing plant, they can manufacture your product and you can package it,' he says.

Wardell believes that reviving the rental industry helps to support operations that don't have enormous amounts of money to invest on assets. 'The advantages of renting are that it eliminates the expense of purchasing equipment and the responsibility of service, maintenance and repairs, as well as providing the business owner with quality control and full technical support.'

Rental packaging equipment offers a valuable resource for those businesses (large or small) packing their own products or contractors packing beauty industry products because of the resource it offers in terms of human labour. But the machinery is also expensive and many businesses cannot afford to invest in the equipment and associated infrastructure. Renting equipment can ease the financial burden on the budget-conscious beauty products manufacturer by providing a perfect solution. **bella**

For more information on packaging equipment for hire and related solutions contact Packserv phone: 02 9764 5007, email: Nathan@packserv.com.au or visit www.packserv.com.au