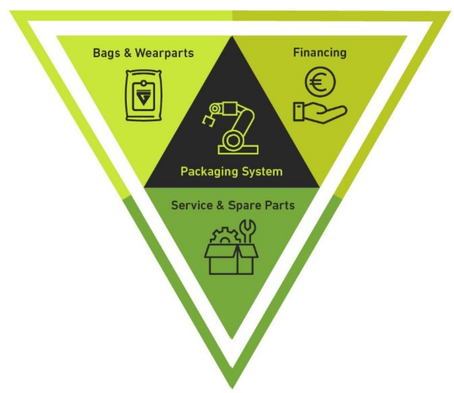
WHITEPAPER

Packaging as a Service (PaaS®)

Why buy machinery when you can use packaging performance?

PaaS® combines modern packaging technology, service, spare parts, consumables and rental into a predictable performance model. Together with CHG-MERIDIAN, GREIF-VELOX helps companies lower investment barriers, reduce risks and build packaging capacity with greater flexibility.



Your Benefit

Gain the packaging performance that moves your business forward – reliable, scalable and economically predictable. Instead of investing in machinery alone, you use a performance model that grows with your requirements.

Executive Summary

Many companies need more packaging capacity while facing investment pressure at the same time: budgets are limited, utilization ramps up gradually, and requirements for availability, service and supply capability are increasing. This is exactly where Packaging as a Service (PaaS®) comes in.

PaaS® turns a traditional machinery investment into predictable packaging performance. The customer receives a coordinated package of packaging system, service, spare parts, consumables and rental – with rates, terms and performance components tailored to the business case.

In brief

PaaS® is more than leasing: it combines packaging technology, service and a usage model into an end-to-end solution for industrial packaging processes.

Optimize cash flow No high upfront investment, predictable monthly rates and better liquidity management.	**Reduce risk** Technical, operational and supply-related risks are actively addressed within the model.
Grow flexibly Terms and rates can be adapted to start-up and earning phases.	**Secure performance** Service, spare parts and consumables support availability and OEE.

The joint role of GREIF-VELOX and CHG-MERIDIAN:
GREIF-VELOX contributes technical packaging expertise as well as responsibility for machinery and service.
CHG-MERIDIAN adds rental expertise and enables usage-oriented contract structures.

What PaaS® specifically means

The customer's packaging task is at the center: packaging the product safely, cleanly, efficiently and predictably. The PaaS® model bundles the relevant components within one commercial framework.

Hardware	Service	Spare parts	Consumables
Packaging machine	Maintenance, second-level support, remote access	strategic spare and wear parts	bags, containers and material supply

From machine purchase to performance model

- **Traditional model:** High CAPEX investment, separate service and spare parts processes, with operational risk largely remaining with the customer.
- **PaaS model:** Monthly rate, integrated performance components, better predictability and shared responsibility for packaging performance.
- **Pay-per-use model:** The model can be further developed toward usage-based components, for example based on consumption, runtime or defined volumes.

The key benefits for you

1. Cash flow optimization

PaaS® lowers the entry barrier because no high upfront investment is required for the machine, service packages, spare parts and initial material stocks. Packaging performance becomes a predictable monthly cost.

2. Risk minimization and risk shift

Availability, service, spare parts and consumables are not considered in isolation. This reduces the risk of unplanned downtime, bottlenecks and unclear responsibilities.

3. Flexible terms and rate models

Especially for new products, new sites or growing volumes, PaaS® is better aligned with the customer’s economic reality. The cost structure can be adapted to start-up and earning phases.

4. Performance und OEE

VeloXpert elements such as remote maintenance, preventive maintenance and inventory management support stable processes and higher system availability.

5. Supply chain reliability

Bags, wear parts and spare parts can become part of the overall concept. This simplifies planning and procurement and reduces dependencies in day-to-day operations.

In brief

PaaS® makes packaging capacity more predictable: technology, service, material supply and rental are brought together in one model.

Example: VeloVac as a PaaS® application

The PaaS® approach becomes particularly clear with ultra-light powders. Here, economic efficiency is not determined by the filling machine alone, but by the interaction of product compaction, bag, material supply, service, process stability and logistics.

The VeloVac compacts the product inside the bag using vacuum. Depending on the product and application, this can enable more content per bag, more stable pallets and significant savings in storage and transport.

Typical value drivers:

- up to 400% product compaction
- up to 75% savings in storage and logistics costs
- cleaner working environment through vacuum bagging
- better pallet quality and product protection
- integrated supply of bags, spare parts and service

In brief

The economic advantage is created by the interaction of lower entry costs, more stable processes, less downtime, better utilization and predictable supply for the packaging process.

How does PaaS® help you specifically?

Management	Finance/CFO	Operations	Procurement	Logistics
Scale faster, shift risks and make growth financeable.	Protect cash flow, increase predictability and evaluate balance-sheet-friendly structures.	Secure availability, integrate service and reduce downtime.	Reduce complexity, establish central responsibility and make consumables and spare parts more predictable.	Reduce volume, lower storage and freight costs and stabilize pallets.

Your benefits at a glance

- You use full packaging performance without burdening your budget with a high upfront investment.
- Your cost structure is better aligned with the development of your business, utilization and volumes.
- You receive service, spare parts and consumables as a fully coordinated performance package from a single source.
- You benefit from two strong partners: packaging technology from GREIF-VELOX and rental expertise from CHG-MERIDIAN.
- You are not only investing in technology – you are securing predictable business performance for your packaging process.

Interview

Sebastian Pohl, CEO of GREIF-VELOX, and Dirk Matura, Managing Director of CHG-MERIDIAN Industrial Solutions GmbH, discuss Packaging as a Service, flexible usage models and why industrial packaging needs to be rethought.

Mr. Pohl, why is now the right time for Packaging as a Service?

Sebastian Pohl: Many customers want to modernize their packaging processes but face a traditional investment question. At the same time, requirements for availability, efficiency, sustainability and supply capability are increasing. PaaS is our answer: the customer no longer has to think primarily about buying a machine, but about the packaging performance they truly need for their business.

Mr. Matura, what role does the usage model play in this concept?

Dirk Matura: Rental is not a downstream component here, but a central part of the performance model. Companies want to use capacity without tying up capital unnecessarily. With flexible terms and usage-oriented structures, investment costs can be better aligned with the customer's economic development.

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What distinguishes PaaS® from traditional leasing?

Sebastian Pohl: Traditional leasing primarily answers the question of how a machine is financed. PaaS goes further. It combines machine, service, spare parts, consumables and rental. What matters is not ownership of the system, but a stable, economical and supported packaging process.

Where do you see the greatest customer benefit?

Dirk Matura: From a financial perspective, it is the combination of liquidity protection, predictability and flexibility. Companies can lower investment barriers and bring costs closer to actual usage or to the development of the business case. This is particularly relevant when new products, markets or capacities are being built.

Which risks are reduced by PaaS?

Sebastian Pohl: In practice, risks do not arise only in rental, but in operation: unplanned downtime, missing spare parts, unsuitable bags, uncoordinated service processes. When these components are considered together from the outset, the packaging process becomes significantly more robust.

What is the significance of off-balance leasing?

Dirk Matura: For many companies, the balance sheet impact is an important decision criterion. Depending on the contract structure and accounting standard, usage-oriented models can be designed in a balance-sheet-friendly way. This must be reviewed carefully in each individual case. What matters is that the customer gains additional options beyond the traditional purchase of machinery.

How flexible can such a model be?

Sebastian Pohl: Especially in the start-up phase of a business model, utilization is often not yet at the target level. That is why it is so important to adapt rates and terms to the ramp-up phase and the later earning phase. PaaS can grow with the business instead of overburdening the customer at the beginning.

Example balloon financing in the PaaS model

The monthly burden can be deliberately kept lower during the ramp-up phase and later adjusted to increasing utilization.

Startphase	Growth	Earning Phase	Optional final payment
reduced rate	increasing rate	regular rate at higher utilization	balloon payment at the end of the term

Schematic illustration:
The specific structure depends on term, system, scope of performance and business case.

Moving forward together

Why is the partnership between GREIF-VELOX and CHG-MERIDIAN relevant for customers?

Dirk Matura: Because two competencies come together here that customers need for such models: deep technical process understanding on the one hand and experience with individual usage models on the other. This makes the model more robust and easier for customers to implement.

What role does performance play in the model?

Sebastian Pohl: Performance is at the core. When we talk about packaging machines, service, consumables and spare parts, it is always about the availability and cost-effectiveness of the entire packaging process. The customer should not have to coordinate individual components, but receive a solution that is focused on the result.

What is your joint message to customers?

Sebastian Pohl: Do not only evaluate the purchase price of a machine. Evaluate the entire business case of your packaging solution. Dirk Matura: Exactly. Usage, liquidity, risk, flexibility and performance belong together. PaaS creates a modern framework for this.

In brief

Packaging as a Service verbindet industrielle Verpackungstechnologie mit flexibler Nutzung und verlässlichem Service. So wird aus Maschinenbesitz planbare Verpackungsleistung.

The path to the PaaS business case

1. Initial consultation	Analysis of the packaging task, current specifications, quantities, product data and process objectives.
2. Testing	Feasibility testing and evaluation of potential savings, for example through vacuum compaction.
3. Business Case	Calculation of the economic effects from investment, logistics, service, downtime, consumption and rental.
4. Contract model	Coordination of term, rate, scope of performance, service package and consumables supply.
5. Implementation	Delivery, commissioning, support and continuous optimization of packaging performance.

Get in touch with us

Let us jointly assess which packaging performance your business case really needs – and how technology, service, consumables and rental can be combined effectively.

GREIF-VELOX Packaging technology, service and process expertise greif-velox.com/en/paas	**CHG-MERIDIAN** Partner for flexible usage models