

Press release

Gistel, 9 January, 2024

## **PGS Group and IDE Group join forces towards a sustainable future**

*The French-Belgian pallet manufacturer PGS Group and the industrial softwood producer IDE Group are joining forces to realize their visions for the future. Building on their complementary activities they see new opportunities to further strengthen their market positions.*



*Peter Ide (CEO IDE Group) and Luc Grauwet (CEO PGS Group)*

### **PGS Group and IDE Group: Stronger Together**

PGS Group, market leader in the pallet industry in Belgium and France, is continuing its rapid growth in Europe. Until now, its focus has been to vertically integrate within the pallet industry, with the integration of sawmills, nail production and an engineering company. Through the cooperation with IDE Group, it is not only continuing this strategy of vertical integration but it is now also looking to differentiate.

CEO Luc Grauwet only sees advantages in cooperating with Flanders' largest sawmill. "The packaging and wood industries are highly volatile and affected by geopolitical and global developments, such as Covid, the war in Ukraine and the

recent escalation in the Middle East. Therefore, the cooperation with IDE Woods fits perfectly into our strategy to bet on greater and more stable security of supply. Moreover, the sawmill is located close to our three largest pallet production sites, which fits perfectly into our vision of sustainability. The PGS Group and the IDE Group have cooperated intensively for many years with the IDE Group supplying the PGS Group timely qualitative materials. This symbiosis is therefore a logical step and the result of the natural way the two parties have always worked together."

### **New domains and an expansion of the sales market**

With this decision, PGS Group enters somewhat a new market. IDE Woods does not only produce finger jointed timber for the construction business, the gardening market and the industry but it also, through Solid, the second company within the IDE Group, produce and sell garden timber and garden structures. These are new markets for PGS Group. Therefore, this is an important step in PGS Group's development. Luc Grauwet: "Although pallets and wood packaging remain our core business, we see the value in exploring other markets within the wood industry. This increases our purchasing power and also offers additional opportunities for further processing, such as drying, planing and milling. Solid has extensive capabilities in this. This cooperation offers us the chance to optimize our operational processes and increase our sales."



## Stability and growth opportunities

At IDE Group, they are enthusiastic about the new path taken.

"The cooperation with PGS Group offers us substantial production needs and a next step in our further development," says Peter Ide, CEO of IDE Group: "We are facing fluctuating markets within our sector, characterized by extremes in supply and demand and aggressive pricing. This complicates the daily management of an organization. We greatly value our human capital and are committed to keeping our colleagues employed and to offer them further perspectives. The cooperation with PGS Group should also allow us to manage our procurement and production processes with more regularity and greater complementarity. Also, the relationship with PGS Group feels genuinely right. While being large and strong they maintain a family culture, with short and open communication lines and a great drive. The partnership is also local in nature, which benefits both of us. We both want to process our local wood as much as possible in our own region and give it a high-quality application."

## A future full of synergies

Through their partnership, PGS Group and IDE Group aim to further scale up and differentiate. They take advantage of IDE Group's complementary processing capabilities in Spiere, where IDE Woods has a finger-jointing line. Solid's extensive machinery provides options for further processing and finishing of wood, including drying, planing, profiling, milling, dipping and impregnating. This allows PGS Group to further diversify its product offering and further increase its market share. Both PGS Group and IDE Group confidently look forward to the future cooperation and the synergies it will bring.

### **About IDE Group**

IDE Woods is a family-owned SME with its roots in Zulte. In 1984, Leon Ide and his wife Mie Sallemeyn chose this municipality as a location to start an industrial softwood sawmill, under the name Lefibo. In 1992, activities expanded in Spiere with the start-up of Solid, a planing mill that quickly evolved into a producer of garden wood and wooden garden constructions, aimed at the retail sector. In recent years, an investment in drying rooms and a finger-jointing line in Spiere followed, with the launch of the name IDE Woods as an umbrella entity for the sawmill and finger-jointing line. The IDE Group employs 65 people and has an annual turnover of 28 million euros.

[www.ide-woods.com](http://www.ide-woods.com)

[www.solid.eu](http://www.solid.eu)

### **About PGS Group**

Created in 1993, the PGS Group is the European leader in new and reconditioned wooden pallets and associated reverse logistics services. Its complete offer and its European network make it the major logistics partner of the packaging sector. With more than 50 sites in 10 countries and more than 900 employees, PGS has achieved a consolidated turnover of 482 million euros in 2022.

[www.pgsgroup.com](http://www.pgsgroup.com)

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