

# Core of a renewed industry thrives in Catawba County

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Paper cores are making a comeback in Catawba County, at least for one company.

Instead of me telling the story, here's an article from **Tim Bolick**, the administration and marketing guy at the Catawba County Economic Development Corp.:

NEWTON, NC – In July 2010, entrepreneurs **Gerry Lagassee** and **Gary Coscarart** began discussing whether industries in the Greater Hickory Metro used enough paper cores to justify locating a core manufacturing business in the area.

“We wanted to be able to offer employment because of current economic conditions and felt that local industries would prefer to support a local supplier. We looked at the market and quickly found that local industries were purchasing spiral paper cores from suppliers as far away as 400 miles. Freight can be a killer because the cores are light in weight. Depending on the distance and whether the customer is receiving truckload or less than truckload quantities, transportation can add 10% to 40% or more to the delivered cost,” says Lagassee.

With this geographic advantage in mind, Lagassee and Coscarart purchased all of the equipment from a former manufacturer that included 3 complete spiral paper core manufacturing lines, one re-cutter, two slitter/rewinders and all of the support equipment. With help from the Catawba County EDC they located a suitable building in Newton to house their new company.

After refurbishing and upgrading the equipment, the company, officially named CORE<sup>3</sup>, began manufacturing in October. “We chose the name CORE<sup>3</sup> because it refers to our commitment to three goals: (1) quality products, (2) unbeatable service, and (3) innovative solutions that solve the customer's problems and enhance their bottom-line,” says Coscarart.

After 35 years in the paper and paper converting industries, Lagassee knew

quality cores start with quality paper stock, "It is important that our customers do not have to worry about disrupting their production for our support products." But he also understood the importance of building a culture of quality, a decision that was reinforced when the company found that several of its initial customers had left their previous suppliers because they failed to consistently meet those customers' specs.

Initial orders quickly grew to 100% of the production support needs for several large local accounts. "We provide valuable service to these customers by stocking 'master' length cores for re-cutting. If a customer gets a rush order they were not expecting, we are able to deliver re-cut cores almost immediately, and we do not require a minimum order like many of our competitors," says Lagassee.

As for innovative solutions, Lagassee often works very closely with customers to develop product or packaging alternatives that will lower the cost for their production support items. In one case the customer realized a cost savings of 17% with no loss in utility.

CORE<sup>3</sup> is capable of manufacturing spiral paper cores with an inside diameter from 1 inch up to 8 inches and any core thickness up to 0.250 inches. "As for re-cut capabilities, we can manufacture widths as small as 10 millimeters and inside diameters up to 16 inches," says Coscarart.

From their first 640 cores shipped in October, business has picked up significantly, as CORE<sup>3</sup> shipped over 72,000 paper cores in January. This growth has led the company to begin refurbishing the second of their three core manufacturing lines to target additional markets.

"The second core manufacturing line will allow us to manufacture cores with a wall thickness up to 0.500 inches. Additionally, we have recently added printing capabilities and will soon be adding the ability to emboss cores," says Lagassee.

Looking to the future, CORE<sup>3</sup> is beginning to recycle used cores. "Used cores are sometimes difficult for users to handle. Nobody wants to send used cores to the landfill and they can be a nuisance as scrap. With our re-cutting capabilities, we are able to re-cut and grade used cores to smaller sizes and identify potential customers who need the same diameters and wall thicknesses but use shorter lengths," says Coscarart.

Lagassee and Coscarart are optimistic about the future for CORE<sup>3</sup> and its 4 full-time employees. "We are growing in a controlled manner. Still, we anticipate being able to triple our sales by the end of the year, which will also allow us to double our number of employees," says Coscarart.

CORE<sup>3</sup> is located at 125 E. 8<sup>th</sup> Street in Newton. To contact CORE<sup>3</sup>, please call (704) 530-4311 or visit [www.core3-nc.com](http://www.core3-nc.com).

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