Converted Flexible Packaging

US Industry Study with Forecasts for **2011 & 2016**

Study #2275 | November 2007 | $4600 | 373 pages

Freedonia®

The Freedonia Group

767 Beta Drive

Cleveland, OH • 44143-2326 • USA

Toll Free US Tel: 800.927.5900 or +1 440.684.9600

Fax: +1 440.646.0484

E-mail: info@freedoniagroup.com

Converted Flexible Packaging

US Industry Study with Forecasts for ***2011 & 2016***

Freedonia®

Table of Contents

Converted Flexible Packaging

US Industry Study with Forecasts for ***2011 & 2016***

Freedonia®

List of Tables/Charts

EXECUTIVE SUMMARY

MARKET ENVIRONMENT

MATERIALS

PRODUCT & MARKET OVERVIEW

FOOD PACKAGING

NONFOOD PACKAGING

INDUSTRY STRUCTURE

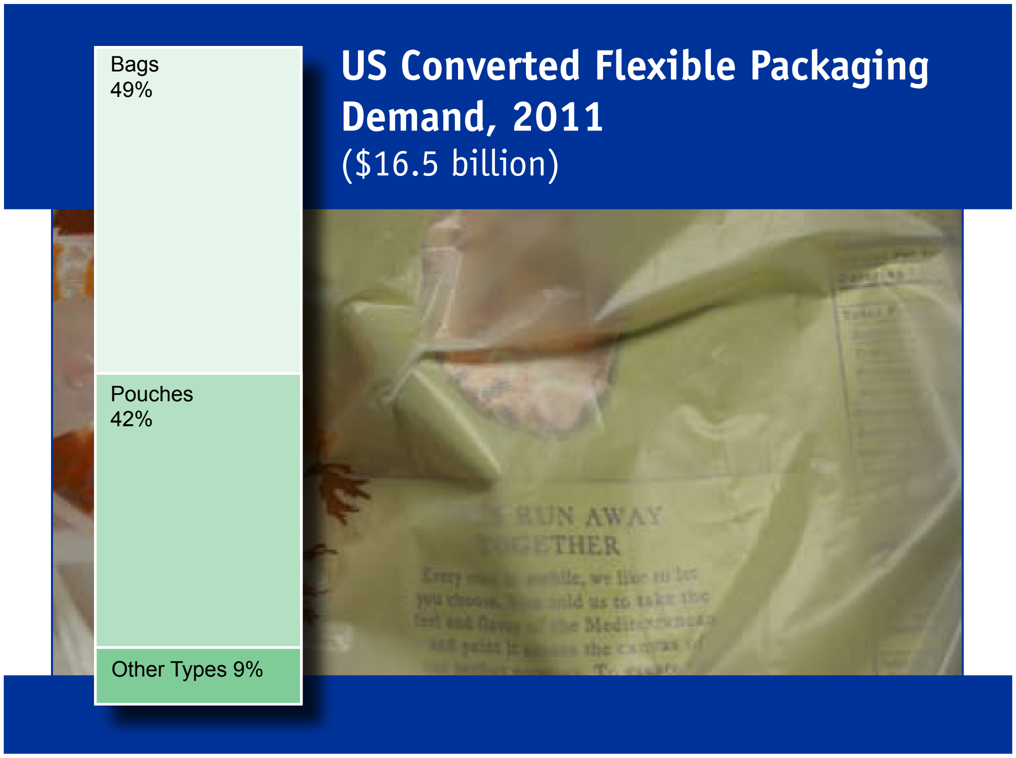
Converted Flexible Packaging

US Industry Study with Forecasts for ***2011 & 2016***

Value-added flexible packaging to enhance shelf life or product protection, and developments in breathable and self-venting films and resealable features, will help fuel gains in demand.

US demand to grow 4.2% annually through 2011

Demand for converted flexible packaging is forecast to expand 4.2 percent per year to $16.5 billion in 2011. Growth will be attributable to cost, performance and source reduction advantages over most rigid packaging. Moreover, heightened barrier requirements in many markets will drive increased demand for value-added materials to enhance shelf life or product protection. Developments in breathable and self-venting films and resealable features will also fuel growth. Additionally, demographic changes such as more single-person households and older consumers will support demand for more convenient prepared foods and single-serving portions. This trend will boost material consumption as smaller packages tend to use more packaging relative to their size. Real growth will continue to be healthy, though value gains will decelerate from the 1996-2001 pace due to more moderate raw material price increases.



US Converted Flexible Packaging Demand, 2011
($16.5 billion)

Pouches to grow the fastest

Among major converted flexible packaging types, pouches will log the fastest advances, with demand expected to grow 5.9 percent per annum to $6.9 billion in 2011. Solid prospects will be driven by continued expansion of the stand-up pouch segment and healthy gains for flat pouches in certain markets. In addition, process enhancements such as faster line speeds and the increasing incorporation of such value-added features and properties as spouts, zippers, retortability and microwaveability will further boost prospects for pouches. Bags will post more moderate growth based on the maturity of many applications along with loss of share for paper bags to plastic bags and sacks, and pouches. Food applications will outpace the bag average, benefitting from ongoing widespread usage with produce and meat products. Overall gains for other converted flexible packaging, primarily wrap products, will be nearly in line with the industry average, and solid outlooks for specialty overwraps for meat products and ream wrap for office and consumer copy paper key will be stimulants.

Plastic film to advance at above-average rate

Consumption of primary materials is projected to advance 1.6 percent annually to 8.2 billion pounds in 2011. Plastic film will experience above-average volume growth based on performance and weight reduction advantages over other flexible (i.e., paper and foil) and rigid materials. Though paper demand will decline modestly, usage in laminations with film and foil will provide opportunities. Foils will maintain niche applications, especially where moisture and other barrier properties are mandated, along with excellent aesthetics.

Converted Flexible Packaging

US Industry Study with Forecasts for ***2011 & 2016***

Sample Text, Table & Chart

TABLE VI-4

PHARMACEUTICALS: CONVERTED FLEXIBLE PACKAGING DEMAND BY MATERIAL (million pounds)

Item	1996	2001	2006	2011	2016
Pharmaceutical Shpts (bil 2000$)	10[illegible]	[illegible]	[illegible]	[illegible]	[illegible]0.0
lbs pkg/000$ pharmaceuticals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible].3
Pharmaceutical Flex Pkg Demand	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]35
Plastic Film:	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]63
Polyethylene	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]93
Polyvinyl Chloride	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]04
Other Films	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]56
Paper	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]46
Aluminum Foil	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]26

SAMPLE TABLE

FOOD PACKAGING

Converted Flexible Packaging Demand

Demand for converted flexible packaging in snack food [...] tions is projected to expand [...]illion [...] Advances will be fueled by [...]trodu[...] expanded offerings of snack[...]packa[...] both for increased convenie[...]contr[...] revenue growth for quick ca[...]which[...] small bags of chips as side i[...] snac[...] ing. Single-serving sized pro[...]g relative to their volume than standard-sized products. Although the growth of club stores will boost demand for larger containers, this will be more than offset by the growth in single-serving snacks. Demand will also be driven by greater use of higher value packaging or unique packaging chosen for increased marketing appeal.

SAMPLE TEXT

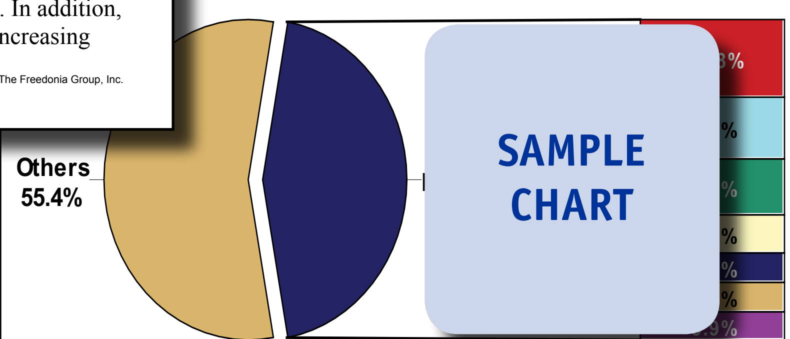
Moderating gains will be market maturity and intensified competition from other snack foods (e.g., granola bars) and convenience foods, such as fresh-cut fruit, yogurt and precut cheese, that are increasingly marketed as healthier snacking options. Heightened competition from rigid packaging alternatives will also hold down gains somewhat. Rigid alternatives include traditional containers such as composite cans, as well as plastic cups and canisters with snap-on overcaps, which offer better product protection against breakage and are designed to fit in most vehicle cup holders. The canisters also generally meet demand for single-serving convenience without spilling and can differentiate products.

Pouch packaging, primarily pillow types, dominates sizable snack food markets such as potato and tortilla chips, meat snacks, pretzels and microwave popcorn. Opportunities for pouches will be aided by continuing new product introductions, including baked and other reduced fat potato chips, organic chips, and nontraditionally flavored chips. In addition, the expansion of the Hispanic population in the US and the increasing

168

CHART VII-1

[...]TED FLEXIBLE PACKAGING MARKET SHARE, 2006 ($13.4 billion)



Converted Flexible Packaging

US Industry Study with Forecasts for ***2011 & 2016***

Sample Profile, Table & Forecast

TABLE III-3

POLYETHYLENE FILM DEMAND IN CONVERTED FLEXIBLE PACKAGING BY TYPE & MARKET (million pounds)

Item	1996	2001	2006	2011	2016
Consumer Nondurables (bil 2000$)	1680	1987	2338	2660	3030
lbs film/000$ nondurables	1.55	1.48	1.42	1.39	1.36
PE Film Demand in Flexible Pkg					
By Type:					
Low Density Polyethylene					
Linear Low Density PE					
Conventional LDPE					
High Density Polyethylene					
By Market:					
Food					
Nonfood					
% polyethylene					
Plastic Film in Converted Flex Pkg					

SAMPLE TABLE

COMPANY PROFILES

Coating Excellence International LLC
975 Broadway Street
Wrightstown, WI 54180
920-996-1900
http://www.coating-excellence.com

Annual S 10/07)
Employe

Key Proc ches, wraps and
woven b

Coa turer of converted
flexible p anufactures flexible
packaging release packaging
markets.

SAMPLE PROFILE

The Company participates in the US converted flexible packaging industry through the manufacture of ream wrap, films, laminations, pouches, wraps, and woven bags. Coating Excellence's ream wrap features eight color flexograhic printing . This product is manufactured and marketed under the KRYSTALICE WRAP, SHARKSKIN and TIDAL brand names. Specifically, KRYSTALICE WRAP is a heat-sealable packaging that features durability, clarity and machinability. The Company's ream wrap products also feature CLEANSTRIP easy-open technology.

Coating Excellence has extrusion capabilities that include coated and uncoated films, film-to-film laminations, coated foils, foil-to-film laminations, and foil-to-paper laminations. These products offer clear surfaces for printing, in addition to optimal bond strength and durability. The Company converts films and laminations into packaging for the

329

"**Food Packaging:** Polyethylene film demand in converted flexible food packaging is projected to expand 2.4 percent per year to 2.3 billion pounds in 2011 based on continued widespread use in diverse food markets such as baked goods, snacks, meat and produce packaging. Gains will also be attributable to polyethylene's good barrier properties and low cost compared to other films and paper, as well as ..."

--Section III, pg. 53

Order Information

Five Convenient Ways to Order

INDUSTRY MARKET RESEARCH FOR BUSINESS LEADERS, STRATEGISTS, DECISION MAKERS

Freedonia®

ONLINE: www.freedoniagroup.com

MAIL: Print out and complete the order form and send to The Freedonia Group (see address at the bottom of this form)

PHONE: Call toll free, 800.927.5900 (US) or +1 440.684.9600

FAX: +1 440.646.0484 (US)

EMAIL: info@freedoniagroup.com

Free Handling & Shipping

There is NO charge for handling or UPS shipping in the US. Expect delivery in 3 to 5 business days. Outside the US, Freedonia provides free airmail service. Express delivery is available at cost.

Orders Outside of the US

Checks must be made payable in US funds, drawn against a US bank and mailed directly to The Freedonia Group. For wire transfers please contact our customer service department at info@freedoniagroup.com. Credit cards accepted.

Credit Card Orders

For convenience, Freedonia accepts American Express, MasterCard or Visa. Credit card purchases must include account number, expiration date and authorized signature.

Save 15%

If you order three (3) different titles at the same time, you can receive a 15% discount. If your order is accompanied by a check or wire transfer, you may take a 5% cash discount (discounts do not apply to Corporate Use Licenses).

Corporate Use License

Now every decision maker in your organization can act on the key intelligence found in all Freedonia studies. For an additional $2300, companies receive unlimited use of an electronic version (PDF) of the study. Place it on your intranet, e-mail it to coworkers around the world, or print it as many times as you like,

Click here to learn more about the Corporate Use License

Order Form

F-WEB.2275

Converted Flexible Packaging $4600

☐ Corporate Use License (add to study price) * +$2300

___ Additional Print Copies @ $500 each *

Total (including selected option) $______

☐ Enclosed is my check (5% discount) drawn on a US bank and payable to The Freedonia Group, Inc., in US funds (Ohio residents add 7.75% sales tax)

☐ Bill my company ☐ American Express ☐ MasterCard ☐ Visa

MM YY

Credit Card # Expiration

Signature ______

Name ______

Title ______

Company ______

Division ______

Street ______ (No PO Box please)

City/State/Zip ______

Country ______

Phone ______ Fax ______

Email ______

* Please check appropriate option and sign below to order an electronic version of the study.

☐ Corporate Use License Agreement

The above captioned study may be stored on the company's intranet or shared directory, available to company employees. Copies of the study may be made, but the undersigned represents that distribution of the study will be limited to employees of the company.

Signature ______

☐ Individual Use License Agreement

The undersigned hereby represents that the above captioned study will be used by only ___ individual(s) who are employees of the company and that the study will not be loaded on a network for multiple users. In the event that usage of the study changes, the Company will promptly notify Freedonia of such change and will pay to Freedonia the appropriate fee based on Freedonia's standard fee schedule then in effect. Note: Entire company corporate use license, add $2300; one additional user, add $500; two additional users, add $1000; three additional users, add $1500.

Signature ______

The Freedonia Group, Inc. 767 Beta Drive • Cleveland, OH • 44143-2326 • USA • Web site: www.freedoniagroup.com
Tel US: 800.927.5900 or +1 440.684.9600 • Fax: +1 440.646.0484 • e-mail: info@freedoniagroup.com

Freedonia®

Other Studies

Labels

US label shipments will grow 5.1% annually through 2011. Best opportunities are anticipated for the dominant pressure sensitive segment. However, stretch sleeve and heat shrink labels will grow the fastest. Paper will remain the largest stock material but will continue losing market share to plastic. This study analyzes the $14.3 billion US label industry, with forecasts for 2011 and 2016 by material, application method, printing technology and function. It also details market share and profiles leading producers.

#2268 .... 12/2007..................... $4500

Stretch & Shrink Film

US stretch and shrink film demand will grow 4.7% annually through 2011, driven in part by retail trends favoring shrink-wrapped multipacks and pallet wrap. Stretch and shrink film will grow at a similar pace, with stretch film remaining the larger segment. The dominant resin, LDPE, offers the best growth opportunities. This study analyzes the $3.7 billion US stretch and shrink film industry, with forecasts for 2011 and 2016 by type, market and resin. It also evaluates market share and profiles major players.

#2254 .... 10/2007..................... $4400

Flexible Bulk Packaging

US demand for flexible bulk packaging will grow 3.4% yearly through 2011. Film wrap, plastic strapping and plastic shipping sacks will lead gains. Plastic such as polyethylene will remain the dominant material, with the limiting effect of downgauging softened by new applications and further inroads on paper sacks. This study analyzes the $6.1 billion US flexible bulk packaging industry, with forecasts for 2011 and 2016 by material, product and market. It also details market share and profiles major players.

#2238 .... 09/2007..................... $4500

Food Containers: Rigid & Flexible

US food container demand will reach $23.5 billion in 2011. Growth trends include heightened demand for more convenient foods and a shift toward value-added packaging. Plastic containers, and bags and pouches will log the fastest growth. Meat and dairy products and frozen specialties will lead gains by market. This study analyzes the 263 billion unit US food container industry, with forecasts given for 2011 and 2016 by product and market. It also evaluates company market share and profiles major players.

#2208 .... 07/2007..................... $4500

World Labels

The global label market will grow 5.5% annually through 2011, driven by the diffusion of advanced logistics in developing areas and the development and penetration of smart radio frequency and value-added labels. The best gains will occur in emerging economies. This study analyzes the $67 billion world label industry, with forecasts for 2011 and 2016 by label material, application method, printing technology, world region and for 21 major countries. It also evaluates market share and profiles major players.

#2219 .... 06/2007..................... $5500

About The Freedonia Group

The Freedonia Group, Inc., is a leading international industry market research company that provides its clients with information and analysis needed to make informed strategic decisions for their businesses. Studies help clients identify business opportunities, develop strategies, make investment decisions and evaluate opportunities and threats. Freedonia research is designed to deliver unibiased views and reliable outlooks to assist clients in making the right decisions. Freedonia capitalizes on the resources of its proprietary in-house research team of experienced economists, professional analysts, industry researchers and editorial groups. Freedonia covers a diverse group of industries throughout the United States, the emerging China market, and other world markets. Industries analyzed by Freedonia include:

• Chemicals • Plastics • Life Sciences • Packaging • Building Materials • Security & Electronics • Industrial Components & Equipment • Automotive & Transportation Equipment • Household Goods • Energy/Power Equipment

Click here to learn more about Freedonia

Freedonia Custom Research

Freedonia Custom Research delivers the same high quality, thorough and unbiased assessment of an industry or market as an industry study. Since the research initiative is based upon a company's specific needs, companies harness Freedonia's research capabilities and resources to answer unique questions. When you leverage the results of a Freedonia Custom Research engagement, you are able to obtain important answers to specific questions and issues associated with: mergers and acquisitions, new product launches/development, geographic expansion, entry into new markets, strategic business planning, and investment and funding decisions.

Freedonia Custom Research is ideal for companies seeking to make a strategic difference in the status quo and focus on future business growth. Working side by side with clients, Freedonia's team is able to define a research project that is custom-tailored to answer specific questions and provide the basis from which a company can make informed business decisions.

Click here to learn more about Custom Research

Click here for complete title list

Click here to visit freedoniagroup.com

The Freedonia Group, Inc. 767 Beta Drive • Cleveland, OH • 44143-2326 • USA • Web site: www.freedoniagroup.com
Tel US: 800.927.5900 or +1 440.684.9600 • Fax: +1 440.646.0484 • e-mail: info@freedoniagroup.com