Pharmaceutical Packaging

US Industry Study with Forecasts for 2014 & 2019

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# Pharmaceutical Packaging

## US Industry Study with Forecasts for 2014 & 2019

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Order now, click here!
New regulations and standards that address such issues as barrier protection, infection control, patient drug compliance, drug dispensing errors, and drug counterfeiting will underlie growth.

**US demand to increase 5.3% annually to 2014**

Demand for pharmaceutical packaging in the US (including Puerto Rico) is forecast to increase 5.3 percent annually to $18.5 billion in 2014. Recently upgraded regulations and standards that address such issues as barrier protection, infection control, patient drug compliance, drug dispensing errors, and drug diversion and counterfeiting will underlie growth. An increased focus on these issues will boost demand for high value-added containers and accessories, including enhanced barrier plastic bottles, calendar and wallet blister packaging, prefillable syringes and inhalers, track and trace and authentication labels, and unit dose pouches.

**Prefillable syringes to pace primary containers**

Demand for primary pharmaceutical containers will increase 5.2 percent annually to $11.3 billion in 2014. The fastest growth is anticipated for prefillable syringes, which will expand applications as advances in biotechnology lead to the introduction of new therapies that must be injected. Plastic bottles will remain the most widely used package for oral drugs distributed in bulk and prescription dose volumes to retail and mail order pharmacies. They will also continue to dominate applications in OTC medicines sold in tablet and capsule quantities of 50 or more. Pharmaceutical blister packaging will derive growth based on its adaptability to unit dose formats with expanded label content, high visibility, and built-in track and trace features.

The market for pharmaceutical pouches will expand at a fast pace, spurred by increasing applications in the unit dose packaging of transdermal patches, powders for reconstitution, and topical creams and ointments. Prefillable inhalers will command strong growth opportunities as the number of chronic asthma, allergy and migraine patients treated with inhalation drugs rises. Ongoing improvements in aesthetic and barrier properties will keep tubes a leading primary container for topical medication.

**Closures to remain largest packaging accessory**

Pharmaceutical closures will comprise a $3 billion US market in 2014, up 5.5 percent annually from 2009. Vial stoppers, syringe tips and plastic flip-top vial closures will command strong growth as injectable bioengineered drugs broaden emergency care and chronic disease indications. Push-and-turn child-resistant caps will remain the top closures for oral and liquid drug containers, but growth will slow as blister packs and pouches penetrate unit dose applications. Plastic dispensing closures will fare much better among drug makers based on ease of use and convenience in the delivery of liquid medicines and lotions.
Compartmented Packs -- Based on breadth of applications served, compartmented containers will continue to post the largest demand among pharmaceutical blister packaging in both units and dollars. Total demand for these containers is projected to increase annually to $1.5 billion, in 2014. The packaging of OTC medicines and dietary supplements, physicians' sample, institutional ethical and selected retail dispensed prescription drugs will continue to account for gains.

Compartmented blister packs are available in two major formats. The first type encloses medication in flexible strips of single bubble compartments attached end-to-end at perforated edges. The backing of each compartment is printed with the name and dosage formulation of the drug and contains a bar coding for that provides the lot number, expiration date and other security information. Except in the case of light sensitive medication, the top is usually made from clear plastic film, enabling health professionals to inspect the contents for quality prior to opening. Used primarily in the packaging of institutional medicines, flexible blister pack strips are usually supplied in folding cartons containing 100 to 500 tablets or capsules.

Efforts to improve compartmented pharmaceutical blister packs have focused on upgrading security properties. For example, the SMART BLISTER PACKAGE produced by Amcor Flexibles...

### TABLE V-2

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<thead>
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<th>Item</th>
<th>1999</th>
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<th>2009</th>
<th>2014</th>
<th>2019</th>
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<td>150.1</td>
<td>197.6</td>
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<td>$ plastic bottles/000$ shipments</td>
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<td>15.5</td>
<td>15.6</td>
<td>15.6</td>
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<td>3090</td>
<td>3810</td>
<td>4450</td>
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<td>22.9</td>
<td>22.4</td>
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<td>10180</td>
<td>13810</td>
<td>17440</td>
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<td>36.4</td>
<td>38.1</td>
<td>39.1</td>
<td>39.2</td>
</tr>
<tr>
<td>Primary Pharm Containers (mil units)</td>
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<td>27980</td>
<td>36240</td>
<td>44600</td>
<td>54200</td>
</tr>
</tbody>
</table>

### CHART VIII-1

US PHARMACEUTICAL PACKAGING MARKET SHARE BY COMPANY ($14.3 billion, 2009)

- Others: 44.9%
- Captive Production: 24.9%
- Captive Production: 24.9%
- Captive Production: 24.9%
- Captive Production: 24.9%
Oliver-Tolas Healthcare Packaging Incorporated
445 6th Street, Northwest
Grand Rapids, MI 49504
616-456-7711
http://www.oliver-tolas.com

Annual Sales: $85 million (estimated)
Employment: 410 (estimated)
Key Products: pouches, lidding, high-barrier films and foils, and anti-counterfeiting and branding packaging

Oliver-Tolas Healthcare Packaging specializes in the production of sterile-grade medical device packaging and pharmaceutical packaging. The Company is privately held.

Oliver-Tolas is active in the US pharmaceutical packaging industry through the manufacture of such products as pouches, lidding, high-barrier films and foils, and anti-counterfeiting and branding packaging. The Company was formed in December 2008, when Oliver Medical LLC (Grand Rapids, Michigan)—a sterile-grade packaging producer owned by private equity firm Mason Wells Incorporated (Milwaukee, Wisconsin)—acquired Tolas Healthcare Packaging Incorporated, also a manufacturer of sterile-grade packaging. Following the transaction, Oliver Medical merged its operations with those of Tolas Healthcare Packaging and changed its name to Oliver-Tolas Healthcare Packaging.

Oliver-Tolas produces pouches in OV ANTEX, TYVEK (DuPont), foil, film and paper varieties. For example, the Company’s patented OV ANTEX material is a strong, breathable, synthetic fiber-based substrate with enhanced sterile barrier properties. Other representative pouch products include the Company’s DISPOS-A-VENT range of film

“Demand for (blister packs) in secondary applications is projected to increase 3.8 percent annually to 590 million units, valued at $67 million, in 2014. Two principal trends will promote gains. First, to attract business from pharmaceutical benefit plans and consumers, an increasing number of retail and mail order pharmacies will offer blister packs as optional containers for prescription drugs. Second, ...”

--Section VI, pg. 183
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