World Pouches

Industry Study with Forecasts for 2018 & 2023

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World demand to rise 6.2% annually through 2018

Global demand for pouches is projected to rise 6.2 percent annually to $37.3 billion in 2018. Growth will be driven by consumer and producer preferences for stand-up pouches over more traditional rigid packaging. The adoption of pouches with higher value features in developed markets -- such as the US, Canada, Western Europe, and Japan -- will support gains in dollar terms. Faster growth is expected in China and other developing nations, where rising personal incomes coupled with expanding production of packaged goods will promote higher demand for pouches.

Stand-up pouches to be fastest growing product

Stand-up pouches will show the best growth prospects through 2018, although flat pouches will continue to account for the majority of the market. Stand-up pouches offer a number of benefits. Consumers are drawn to the aesthetic appeal and convenience of pouches with value added features such as spouts, zippers, or handles. The lighter weight, reduced material use, and lower shipping cost of stand-up pouches relative to rigid packaging also benefit producers of packaged goods. The increasing use of stand-up pouch packaging machinery for captive production will also support greater use of these products. Among flat pouches, four-side-seal pouches are expected to post the fastest gains, particularly in developing areas. Four-side-seal pouches have the advantage of being less expensive than pillow or stand-up pouches and are generally used under a broader range of conditions than three-side-seal pouches.

Asia/Pacific region to show fastest market gains

The Asia/Pacific region is expected to show the largest gains in pouch demand through 2018. Rapid increases in the output of packaged food and beverages, pharmaceuticals, and consumer goods, coupled with a greater emphasis on convenient, eye-catching packaging, will support strong gains in pouch demand. The more affluent countries in the region -- such as Japan and South Korea -- were relatively early users of pouches over bags and rigid packaging; however, the strongest growth is expected in developing nations such as China, Thailand, and India. Gains in other industrializing regions -- Central and South America, Eastern Europe, and the Africa/Mideast region -- will be faster than those expected in North America and Western Europe. Advances will be aided by a lower installed base of rigid packaging equipment in developing regions, as the presence of such equipment in developed countries increases competition for pouches and can hinder investment in pouch packaging machinery.
Demand for pouches in Mexico is forecast to rise 6.6 percent annually to $965 million in 2018. Gains in pouch demand will be supported by rising personal incomes and a growing middle class, which will raise demand for convenience goods. Consumer and governmental pressure on producers of food, beverages, pharmaceuticals, and other packaged products will promote a greater emphasis on higher value packaging.

Four-side-seal pouches are also the primary product used in medical and pharmaceutical applications. Because of the strong growth expected in the medical and pharmaceutical market, four-side-seal pouches are forecast to be the fastest growing flat pouch type in Mexico through 2018. Flat pouches -- primarily pillow and four-side-seal pouches -- are the dominant product types utilized in the food market, which is the most established use for pouches in Mexico. "

Demand for flat pouches in Mexico is expected to grow 6.5 percent per year to $850 million in 2018. Flat pouches -- primarily pillow and four-side-seal pouches -- are the dominant product types utilized in the food market, which is the most established use for pouches in Mexico. Four-side-seal pouches are also the primary product used in medical and pharmaceutical applications. Because of the strong growth expected in the medical and pharmaceutical market, four-side-seal pouches are forecast to be the fastest growing flat pouch type in Mexico through 2018. Growth in demand for processed foods such as dry mixes or sauces and condiments will also support demand for four-side-seal pouches. Three-side-seal pouches are expected to show growth on par with the overall average, although they will continue to represent a small share of total demand. Pillow pouch demand will grow at a more moderate pace due to the relative maturity of this segment.

Stand-up pouch demand in Mexico is projected to increase 7.5 percent per annum to $115 million in 2018. The majority of new demand for stand-up pouches will originate in the beverage market. Stand-up pouches will also increase their share of pouch demand in food, consumer, and industrial applications. As Mexico’s middle class grows due to heightened personal incomes, consumers will increasingly turn to

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Sample Profile, Table & Forecast

COMPANY PROFILES

Printpack Incorporated
2800 Overlook Parkway Northeast
Atlanta, GA  30339
404-460-7000
http://www.printpack.com

Annual Sales:  $1.5 billion (estimated)
Employment:  4,250 (estimated)
Key Products:  stand-up pouches, stick packs, and related packaging films

Printpack is a privately held manufacturer and converter of packaging. Products include pouches, bags, thermoformed thinwall containers; plastic film, aluminum foil, specially coated paper, and metalized film laminations; cast and blown monolayer films; and coextruded films.

In 2013, Printpack was the fifth largest merchant supplier of pouches to the global industry, with a market share of 3.6 percent and related sales of $295 million. The Company competes in the world pouch industry through the production of stand-up pouches, stick packs, and related packaging films. Stand-up pouches from Printpack are made from a broad range of high-barrier materials suitable for packaging food, beverage, personal care, pet food, pet care, and lawn and garden products, among other consumer and industrial items. These pouches are available with such features as spouts and other fitments, custom shapes, easy-open and reclosable options, and flexographic or rotogravure printing. For example, FRESHPOUR fitmented pouches, which are manufactured from barrier materials designed to preserve flavor, feature integrated handles and tamper-evident spouts with resealable caps. Among the applications for FRESHPOUR pouches is cat litter. The Company also produces SHOWPACK flat bottom, side

TABLE V-8
ITALY: POUCH DEMAND BY TYPE
(million dollars)

<table>
<thead>
<tr>
<th>Item</th>
<th>2003</th>
<th>2008</th>
<th>2013</th>
<th>2018</th>
<th>2023</th>
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<tr>
<td>Western Europe Pouch Demand</td>
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<td>% Italy</td>
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<td>Pouch Demand</td>
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<td>Flat:</td>
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<td>Pillow</td>
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<td>Four-Side-Seal</td>
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<td>Three-Side-Seal</td>
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<tr>
<td>Stand-Up</td>
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Sample Profile, Table & Forecast

STUDY COVERAGE

This Freedonia study, World Pouches, offers historical demand data (2003, 2008, 2013) as well as forecasts (2018, 2023) by product and market in 6 regions and 16 countries. The study also details key market environment factors, assesses the industry structure, evaluates company market share and profiles 32 competitors in the global pouch industry.
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Other Studies

Tube & Stick Packaging
Demand for tube and stick packaging in the US is projected to advance 4.0 percent per year to $2.1 billion in 2018. Stick packs will grow the fastest, from a small base, while squeeze tubes will remain by far the largest segment. The relatively small food market will grow the fastest, while the cosmetics and toiletries market will remain dominant. This study analyzes the $1.7 billion US tube and stick packaging industry, with forecasts for 2016 and 2023 by product, material, and market. The study also evaluates company market share and profiles industry players. 

#3252 December 2015 $5200

Plastic Film
US demand for plastic film will grow 1.5 percent per year through 2018 to 15.4 billion pounds, valued at $24.9 billion. Linear low density polyethylene will remain the most common film resin and maintain solid growth, while polypropylene and other resins such as degradable types will outpace it from smaller bases. The food packaging market will exhibit the fastest gains. This study analyzes the 14.3 billion pound US plastic film industry, with forecasts for 2018 and 2023 by resin and market. The study also evaluates company market share and profiles industry players.

#3243 January 2015 $5300

Corrugated & Paperboard Boxes
US corrugated and paperboard box demand will rise 2.6 percent per year to $39.4 billion in 2018. Corrugated and solid fiber boxes will remain the largest and fastest growing product segment. The food and beverage market will remain dominant, based in part on more value-added boxes such as display ready and moisture-resistant types. This study analyzes the $34.7 billion US corrugated and paperboard box industry, with forecasts for 2018 and 2023 by material, product and market. The study also evaluates company market share and profiles industry players.

#3235 December 2014 $5300

Cups & Lids
US demand for cups and lids will expand 4.4 percent per year to $10.0 billion in 2018. Packaging cups will experience the fastest gains based on convenience and single-serving advantages, as well as favorable consumption trends in several key applications. Lids will outpace cups due to more drinking cups using lids and heightened demand for costlier specialty lids. This study analyzes the $8.1 billion US cup and lid industry, with forecasts for 2018 and 2023 by product and market. The study also evaluates company market share and profiles industry players.

#3174 July 2014 $5300

Pouches
Demand for pouches in the US is projected to increase 4.6 percent per year to $9.4 billion in 2018. Stand-up pouches will remain a major growth segment while flat pouches will remain dominant. Nonfood markets will outpace the dominant food and beverages segment, driven by expanded consumer product and medical and pharmaceutical applications. This study analyzes the $7.5 billion US pouches industry, with forecasts for 2018 and 2023 by type, feature, market and production method. The study also evaluates company market share and profiles industry players.

#3157 April 2014 $5200

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