Skin care product container demand will benefit from healthy expansion in the over-45 population, which is fueling rapid sales of skin creams and lotions.

US demand to reach $3.5 billion in 2007

US demand for cosmetic and toiletry containers is projected to expand 2.6 percent per year to 23 billion units in 2007. In value terms, demand will climb 4.3 percent per annum to $3.5 billion. Advances will reflect healthy growth in cosmetic and toiletry product shipments and the further development of nontraditional sales channels. A steady rate of new cosmetic product introductions and a broadening array of products aimed at the male, teen and younger adult markets will also drive unit expansion. Limiting gains will be low overall population growth, maturity in many markets and the commodity status of most personal care containers, which will hold pricing levels down. Nonetheless, value gains will outpace unit advances, largely due to the importance of packaging as a selling point, especially in the mass market retail environment, where competition is intense and purchasing decisions are often made onsite.

Plastics to grow fastest, remain dominant material

Plastics, the dominant container material in most cosmetic and toiletry markets, will continue to represent the growth segment of the industry, with demand projected to climb 3.1 percent per year to 17.1 billion units in 2007. While advances for plastics will in part be the result of displacement of glass, metal and paperboard, expansion will arise primarily from cost advantages, as well as new product introductions and relaunches of existing products that use new packaging designs. In addition, demand will benefit from technological and resin advances offering improvements in container aesthetics and performance, enabling plastics to further penetrate prestige applications. Among plastic containers, tubes will experience the best prospects, fueled by above-average growth for squeeze tubes, which will continue to make inroads against plastic bottles in a variety of markets based on performance and aesthetic attributes, along with expanded usage in prestige brands.

Skin care, liquid soap markets offer best prospects

Hair care, oral hygiene and skin care are the three largest markets, together accounting for nearly two-thirds of unit demand in 2002. Through 2007, the strongest prospects will exist in the skin care and liquid soap markets. Skin care product container demand will benefit from healthy expansion in the over-45 population, which is fueling rapid sales of skin creams and lotions as well as non-drying skin cleansers. Liquid soap container advances will benefit from the rising presence of formulations offering skin benefits like moisturizing and exfoliation as well as increased offerings targeted at segments such as men and children. The popularity of gift sets, in which multiple containers are packaged together, will aid unit gains.
PLASTIC CONTAINERS

Plastic Tubes - Twist Tubes

Demand for twist tubes in cosmetic and toiletry packaging applications is forecast to increase 2.4 percent per year to 2007 from favorables derived from favorable growth in demand for lipsticks, lip moisturizers and sunscreens and from the release of new face powder and foundation formulations. Still, unit advances for twist tubes will benefit from the frequent use of lipsticks as a component of promotional "gift" packs in prestige cosmetics lines.

The leading US producer of lipstick cases and other plastic twist tubes is Rexam, whose US operations include two plants in Torrington, Connecticut which utilize a total of 40 presses. Other significant lipstick case and twist tube producers include Risdon-AMS, a subsidiary of Crown Cork & Seal, and Techpack International, a subsidiary of France-based Pechiney. Applied Tech Products is a smaller player in lipstick containers and twist tubes.

The popularity of long-lasting lipstick formulations and formulations with oxygen-sensitive ingredients will stimulate demand for lipstick cases with airtight seals, which tend to be value-added containers. Risdon-AMS produces...
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