Global demand for labels to grow 7% yearly through 2007

World label shipments will advance at an annual pace of almost seven percent off a weak 2002 base, surpassing 36 billion square meters in 2007. In value terms, output will grow nine percent annually to US$73 billion. Gains will be fueled by expansion of the world’s packaged consumer goods markets -- personal care products, specialty beverages and medicinals pose especially good prospects. In addition, the penetration of advanced, value-added labels (i.e., tamper-evident labels, smart RFID and interactive packaging labels, and expanded content booklet labels) will also enhance future growth.

China, developing regions pose best growth prospects

The best gains are anticipated in the world’s emerging economies, which now account for over one-third of global label production. Eastern Europe will see impressive gains, as greater self-sufficiency in label production is achieved and West European production shifts to low cost offshore venues.

China, which recently surpassed Japan as the second leading label pro-
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  Total Label Shipments
  Label Shipments by Application Method
  Label Shipments by Material

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Freedonia Industry Study
#1767 - “World Labels”

Freedonia’s methods involve:

• Establishing consistent economic and market forecasts

• Using input/output ratios, flow charts and other economic methods to quantify data

• Employing in-house analysts who meet stringent quality standards

• Interviewing key industry participants, experts and end-users

• Researching a proprietary database that includes trade publications, government reports and corporate literature

OTHER REGIONS

Russia: Label Shipments

Russia shipped * million square meters of labels in 2002, or * percent of the East European aggregate. Propelled by low prices and rising local production of label-intensive consumer goods, shipments are projected to advance * percent annually through 2007 to * million square meters, among the fastest rates of growth in the world. The product mix will shift toward higher-end types, including plastics, self-adhesives, and labels boasting product authentication, tamper evidence, and anti-pilferage features. Moreover, all types of labels in Russia are increasingly being produced in adherence with stringent West European quality standards.

Still, given the immature state of the country’s consumer product sector and import dependence on both labels and labeled goods, the local label industry will remain quite underdeveloped by global standards. Historical growth of Russia’s label industry has been hindered by a weak economy and general dearth of investment capital. Moreover, the Russian economy is disproportionately weighted toward durable goods and other industries (e.g., mining, petroleum production) which are not heavy users of labels. By contrast, label intensive consumer products feature a heavy import component, and are hence often labeled in the country of origin, rather than in Russia. Russia is also a net importer of labels (i.e., aside from pre-labeled products), given the historically low quality of locally produced labels and (especially) label materials. Indeed, prior to the ruble devaluation in the late 1990s, Russia imported an estimated half of its finished labels, 70 percent of paper-based label stock and almost all of its filmic stock and inks. In addition, label demand is restricted by the growing popularity of less label intensive configurations (e.g., metal cans and draught/ fountain) in the bedrock carbonated beverage markets and by Russia’s reliance on flexible packaging for products such as milk.

However, output will continue to quicken as the robust post-1998 economic expansion picks up additional steam and the quality of Russian-made labels improves.

NORTH AMERICA

TABLE V-5

Canada -- Label Shipments

(> > million square meters)

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<tr>
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</thead>
<tbody>
<tr>
<td>Population (mil persons)</td>
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<td>30.1</td>
<td>31.4</td>
<td>32.6</td>
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<tr>
<td>GDP/capita</td>
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<td>23650</td>
<td>27230</td>
<td>29450</td>
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<tr>
<td>Gross Domestic Product (bil 98 US$)</td>
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<td>712</td>
<td>855</td>
<td>960</td>
<td>1100</td>
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<tr>
<td>sq mtrs/capita</td>
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<td>13.6</td>
<td>16.9</td>
<td>20.7</td>
<td>25.4</td>
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<tr>
<td>sq mtrs/000$ GDP</td>
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<td>0.6</td>
<td>0.6</td>
<td>0.7</td>
<td>0.8</td>
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<tr>
<td>Label Shipments</td>
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<tr>
<td>By Type:</td>
<td></td>
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<tr>
<td>Pressure Sensitive</td>
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<td>226</td>
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<tr>
<td>Wet Glued</td>
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<td>160</td>
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<tr>
<td>Other</td>
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<tr>
<td>Paper</td>
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<td>327</td>
<td>400</td>
<td>480</td>
<td>590</td>
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<tr>
<td>Plastic &amp; Other</td>
<td>52</td>
<td>84</td>
<td>131</td>
<td>197</td>
<td>270</td>
</tr>
</tbody>
</table>

Source: The Freedonia Group, Inc.

This study can help you:

• Determine your market & sales potential

• Explore promising geographic markets

• Learn more about industry competitors

• Assess new products & technologies

• Identify firms to merge with or acquire

• Complement your research & planning

• Gather data for presentations

• Make better business decisions

COMPANY PROFILES

presented for nearly 30 US industry players such as Avery Dennison, Lintec, MACtac, Moore Wallace and Rafiatac

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Corrugated & Paperboard Boxes
US box demand will reach $35 billion in 2007, based on improving nondurables shipments and the ongoing shift toward upgraded box materials and graphics. Corrugated and solid fiber boxes will offer the best prospects. Food and beverages will remain the largest market, while the retail and carry-out segment grows the fastest. This study analyzes the US corrugated and paperboard box industry to 2007 and 2012 by material, product and market. It also presents market share data and profiles leading competitors.
#1742 12/2003 $3900

Smart Labels
US demand for smart labels will expand 14% annually through 2007 as they penetrate both existing and new labelling applications. Radio frequency identification (RFID) labels will grow the fastest while electronic article surveillance (EAS) anti-shoplifting labels remain dominant. Opportunities will also be good for interactive packaging labels. This study analyzes the US smart labels industry to 2007 and 2012 by material, technology and application. It also evaluates market share and profiles key companies.
#1725 12/2003 $3900

Beverage Containers
Beverage container demand in the US will reach 224 billion units in 2007. Growth stimulants include tap water safety concerns, high levels of new product introductions and marketing activity, and expanded distribution. Metal cans will remain dominant but plastic containers will further supplant metal, glass and paperboard alternatives. This study analyzes the $15.3 billion US beverage container industry to 2007 and 2012 by market and material. It also profiles industry competitors and evaluates market share.
#1703 08/2003 $3900

World Pressure Sensitive Tapes
The global pressure sensitive (self-adhesive) tape market will grow 5.5% through 2006, driven in part by the new, high-performance tapes. Corrugated carton sealing tapes will remain the largest volume segment, while technical and specialty tapes used in industrial fastening and bonding grow the fastest. This study analyzes the US $14 billion world pressure sensitive tapes industry to 2006 and 2011 by type, material, region and for 23 countries. It also presents market share data and profiles major competitors.
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World Labels
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