

The global market for packaging

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It is nearly impossible to imagine products without packaging in our modern society, and for this reason innovative packaging is in demand worldwide. The packaging industry is a significant economic factor internationally with high growth rates. Whereas 3.2 trillion packs were sold worldwide in 2003, the figure was already 4.1 trillion in 2013 – a growth of 27 percent.

The largest purchaser of packaging worldwide is the food and drinks industry with a share of over 70 percent. The global market for food and drinks is growing very dynamically, and the demand for food products and drinks, which have been processed, packaged or filled to modern standards, continues to increase. Based on estimates for this year, 748 million tons of packaged food will be consumed, but this is due to rise to 829 million tons by 2017, a growth of 11 percent. The sales of drinks are due to rise by 15 percent by 2017 to 10 billion hectoliters.

What are the drivers of the global demand for food and drinks and with them, the corresponding packaging?

The national economies of the emerging and developing countries are growing

very rapidly, income is rising and with it consumer spending.

Growing world population

In addition to economic development, the growth in world population is also one of the most important factors in the rising demand for food and drinks. The world's population will grow by 2050 to 9 billion people – that is 30 percent more than today. Today, the largest part of the world's population lives in Asia. The largest growth is projected to occur on the continent of Africa. Here the population will more than double by 2050.

Demographic change not only alters the market structure but also the consumer structure. Over 30% of the total populations in Asia, Latin America and the Middle East are between the ages of








Growth rates 2013 – 2017	
World	+ 11%
Middle East / Africa	+ 20 %
Asia	+ 16 %
Latin America	+ 13 %
Eastern Europe	+ 5 %
Australia	+ 4 %
Western Europe	+ 3 %
North America	+ 2 %
Source: Euromonitor International, VDMA	

15 and 34. Therefore, in these countries, a high level of demand for modern products by young and consumption-oriented consumers.

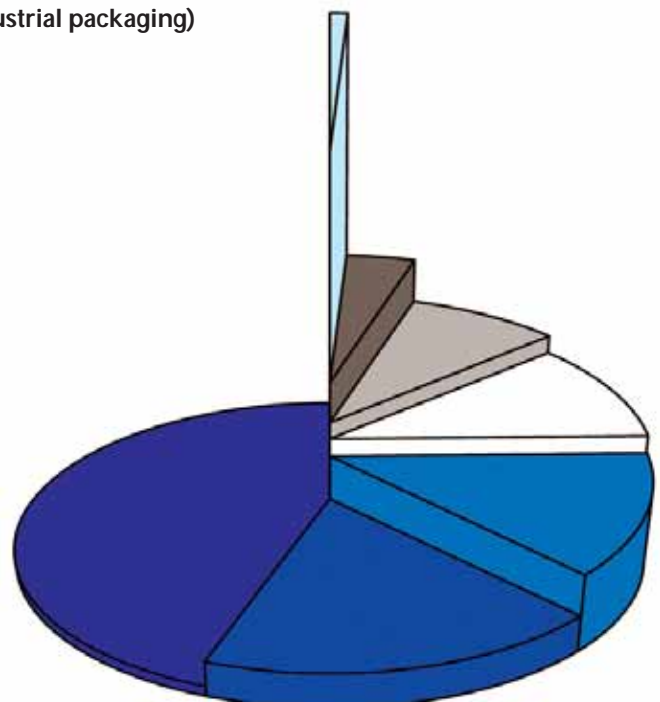
On the other hand, Europe and North America are seeing the population of people over 60 rising. Today, this group of people over 60 already make up one-fifth of the population in these two regions.

The worldwide sales of packaging in 2013: 4.127 trillion units (without pharmaceutical and industrial packaging)

Share of worldwide sales

	Asia	45 %
	Western Europe	18 %
	North America	13 %
	Latin America	11 %
	Eastern Europe	9 %
	Middle East / Africa	4 %
	Australia	1 %

Source: Euromonitor International, VDMA



Packaging, which can be opened and closed easily, is just one example of the special requirements with this growing target group of "Best Ager."

Urbanization

Another important factor is urbanization. Already, over 50 percent of the world's population lives in cities – and by 2050 this will be two thirds. The number of mega cities is also growing. All these people have to be provided with suitably packed food and drink.

Accompanying these demographic and economic developments, is a reduction in the size of households and a rise in the number of single-person households – particularly in North America and Western Europe. Around 30 percent of people in Western Europe today live in single-person households, and in Germany this figure is actually 40 percent. This development has an influence on packaging

sizes – smaller households cause the demand for small pack sizes and single-serve packs to rise.

More and more women in the emerging and developing countries have a job, and in addition to this a "Western" lifestyle is becoming more widespread in many countries. Convenience and fast-moving lifestyles are also increasing around the globe – a cultural upheaval, which is fuelling consumers' demands for food products that can be cooked simply and quickly.

Convenience foods and fresh chilled products from the cooler without preservatives or flavoring additives are finding increasing favor with consumers. Hygiene and shelf life, as well as protective processing and packaging solutions, play a particularly important role in the sensitive convenience food sector. A very effective method of extending the shelf life of food is to pack it in an inert gas atmosphere,

also known as Modified Atmosphere Packaging (MAP).

Packaging with a high degree of convenience

The sales of food and drinks remain constant at a high level in the saturated markets of Western Europe and North America, and this also applies to the demand for packaging. Packaging solutions, which aid better dosing, easier handling and resealing of the pack as well as controlled removal of the content, are today very much part of a trend. An increasing number of consumers in these countries are also deciding for or against a brand on the basis of ecological criteria. Sustainable packaging is already a relevant purchasing factor for 40 percent of the population. The demand is therefore rising here for easier packaging and new packaging materials, which save resources.

R 085 Thermoforming Packaging Machine

New entry-level model for packing food and non-food products

With the development of the R 085 model, MULTIVAC has expanded its range of thermoforming packaging machines with an economically attractive entry-level model. The machine can be used for running both flexible films and rigid films. It is therefore suitable for packing non-food products, as well as food.

The machine can be ordered with four standard format layouts. It is suitable for running flexible and rigid films. The R 085 can be used to produce both vacuum packs and packs with inert gas. With its thermoforming depth of up to 80 millimeters, the R 085 provides a whole range of possibilities for pack design. Electric drives are used for both the lifting units and the transport chain; this means that the R 085 also fulfils the requirements for improved energy efficiency.

This new product is MULTIVAC's response to current trends in the packaging market. The demand is rising in almost all sectors for particularly high-quality product packaging in small batch

sizes. Entry-level solutions, which are easy to operate, are currently just as much in demand as highly flexible solutions, which can be converted quickly and simply.

The R 085 is ideally suited to both requirements: it is equipped with the IPC 06 machine control as well as the HMI

2.0 user interface with 12.1" touch-screen. The HMI is integrated in the control cabinet, and it ensures simple and ergonomic operation of the machine. The R 085 also has a quick change system for forming and sealing dies with proven slide-in technology, which is integrated as standard in the die design.



The R 085 is suitable for packing food and nonfood products. Thanks to the use of the most modern technology, the R 085 entry-level model offers operating companies a maximum level of flexibility and operating reliability.